

**SCHEDULE 8**

**FORM OF PARENT COMPANY GUARANTEE**

DATED **[Insert Date]** 20 **[Insert]**

**[GUARANTOR]** (1)

and

**[EMPLOYER]** (2)

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PARENT COMPANY GUARANTEE

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In relation to

**[Insert Details of Project]**

**THIS DEED** is made and delivered on **[Insert]** day of **[Insert]** **20 [Insert]**

**BETWEEN:**

- (1) **[GUARANTOR]** whose registered office is at **[Registered Address]** ("**Guarantor**"),  
and
- (2) **[EMPLOYER]** of **[Registered Address]** together with its successors and its permitted  
assigns ("**Employer**").

**INTRODUCTION:**

- A The Client and **[Insert Name]** ("**Consultant**") have entered into a Framework Agreement ("**the Framework Agreement**") dated **[Insert Date]** for the carrying out of certain services across a range of projects and the Employer and **[Insert Name]** ("**Consultant**") have subsequently entered into a Building Contract (Project Appointment) dated **[Insert Date]** for carrying out specific works
- B The [Guarantor is the ultimate parent company of the Consultant] [Consultant is a [wholly-owned] subsidiary of the Guarantor], and has received and considered a copy of the Framework Agreement
- C It is a condition of the Framework Agreement that the Consultant procures the execution and delivery of a parent company guarantee in the terms set out below.
- D The Guarantor has agreed, amongst other matters, to guarantee the due and proper performance by the Consultant of the Consultant's obligations arising under the Framework upon the terms of this Deed.

**NOW IT IS HEREBY AGREED** as follows:

1. The Guarantor hereby:
  - 1.1. guarantees as primary obligor to the Employer the due and proper and punctual performance by the Consultant of each and every obligation and term of the Consultant arising under the Framework Agreement and each and every Project Appointment made pursuant to the Framework Agreement;
  - 1.2. agrees that if the Consultant:

- 1.2.1 shall in any respect fail to perform any of its obligations or terms arising under the Framework Agreement or shall commit any breach of any term set out or implied in the Framework; or
- 1.2.2 become insolvent within the meaning of “insolvent” in section 113 of the Housing Grants, Construction and Regeneration Act 1996, or proposes or makes a voluntary arrangement for the composition of debts or a scheme of arrangement, or otherwise is unable to pay its debts as they fall due within the meaning of s.123 of the Insolvency Act 1986,

then the Guarantor will forthwith perform and fulfil in the place of the Consultant each and every obligation or term in respect of which the Consultant has defaulted or as may be unfulfilled by the Consultant, and the Guarantor will to the full extent of the Consultant's liability arising under the Framework Agreement and each and every Project Appointment (but not further) indemnify and save harmless the Employer from and against any and all losses, damages, expenses, liabilities, claims, costs (including the Employer's legal costs on an indemnity basis) or proceedings which the Employer may suffer or incur by reason of the said failure or breach;

- 1.3. acknowledges and agrees that no variation or alteration or waiver of the terms of the Framework Agreement or any Project Appointment or in the extent, nature or method of performance of matters constituting the Services in the Framework Agreement and any Project Appointment and no allowance of time, waiver, forbearance or forgiveness or any other matter or thing concerning the Framework Agreement or Project Appointment or the conduct or performance by the Consultant of its obligations thereunder shall in any way release the Guarantor from any liability under the terms of this Deed, and the Guarantor hereby waives notice to it of any such event;
- 1.4. agrees that this deed shall not be revocable by the Guarantor and that this deed shall be a continuing guarantee, shall be additional to any other guarantee or security from time to time held by the Employer and shall remain in full force and effect notwithstanding the insolvency (as defined above) of the Consultant.
- 2. Each of the sub-clauses in clause 1 shall constitute separate, independent and enforceable obligations.
- 3. The Employer may assign this deed or any benefit or part of the benefit of this deed once, and thereafter there may be one further assignment by the Employer pursuant

to this clause. The Guarantor may not assign any part of this deed. A reassignment to the Employer on the satisfaction of any security or repayment of a loan or grant shall not count as an assignment for the purposes of the foregoing.

4. This deed shall be governed by the laws of England and Wales as applied in Wales and the parties hereby submit to the non-exclusive jurisdiction of the courts of England and Wales.

**IN WITNESS** whereof this deed has been executed by the parties and delivered on the day and year first before written.

**EXECUTED as a Deed** by the )  
**GUARANTOR** )  
acting by: )

.....  
Director

.....  
Director/Company Secretary

**EXECUTED AS A DEED** by **THE**  
**EMPLOYER** by the affixing of its  
Common Seal in the presence of:-

Authorised signatory .....

***NOTE: ATTESTATION CLAUSES WILL BE SUBJECT TO CHANGE DEPENDING UPON EACH LOCAL AUTHORITY'S SPECIFIC REQUIREMENTS.***