

DOCUMENT “DG” - DEED OF GUARANTEE

Dated _____ **2002**

[]

DEED OF GUARANTEE

Strategic Rail Authority
55 Victoria Street
London SW1H 0EU

This Deed is made the day of 2002 by [] (the "**Guarantor**").

Whereas:

- (A) **The Strategic Rail Authority** created under Section 201 of the Transport Act 2000 (the "Authority") and M40 Trains Limited (the "**Franchisee**") entered into a franchise agreement dated [DATE] (the "**Franchise Agreement**") under which the Franchisee will secure the provision by The Chiltern Railway Company Limited (the "**Franchise Operator**") of certain services for the carriage of passengers by railway.
- (B) In order that the Franchise Operator complies with certain of its obligations under the Franchise Agreement, the Franchise Operator has requested the Guarantor to enter into this Guarantee in respect of certain obligations of [●] (the "**Obligor**").

Witnesseth as follows:

1. Guarantee and Indemnity

1.1 Guarantee

If and whenever the Obligor defaults for any reason whatsoever in the performance of any obligation or liability undertaken or expressed to be undertaken by the Obligor under or pursuant to [DESCRIBE RELEVANT INSTRUMENT], the Guarantor shall forthwith and upon demand unconditionally perform (or procure the performance of) and satisfy (or procure the satisfaction of) the obligation or liability in regard to which such default has been made in the manner prescribed by [INSTRUMENT] and, without prejudice to the foregoing, the Guarantor unconditionally and irrevocably guarantees to the Franchise Operator the due and punctual performance and observance by the Obligor of its obligations under [INSTRUMENT].

1.2 Continuing Guarantee

The guarantee given in this Deed (the "**Guarantee**") is to be a continuing guarantee and accordingly is to remain in force for such time as the obligations of the Obligor under [INSTRUMENT] exist. The Guarantee is in addition to and without prejudice to and not in substitution for any rights or security which the Authority may now or hereafter have or hold for the performance and observance of the obligations, commitments and undertakings of the Obligor under or in connection with the [INSTRUMENT].

1.3 Guarantor as Principal Debtor

As between the Guarantor and the Franchise Operator but without affecting the obligations of the Obligor, the Guarantor shall be liable under this Deed as if it were the sole principal debtor and not merely a surety. Accordingly, the Guarantor shall not be discharged, nor shall its liability be affected, by anything which would not discharge it or affect its liability if it were the sole principal debtor, including, without limitation:

- 1.3.1 any time, indulgence, concession, waiver or consent at any time given to the Obligor or any other person including any individual, company, corporation, firm, partnership, joint venture, undertaking, association, organisation, trust, state or

agency of a state (in each case, whether or not having a separate legal personality) (a “**Person**”)

- 1.3.2 any amendment or supplement to any provision of [INSTRUMENT] or to any mortgage, pledge, lien, hypothecation, security interest or other charge or encumbrance (“**Security**”) or other guarantee
- 1.3.3 the making or absence of any demand on the Obligor or any other person for payment
- 1.3.4 the enforcement or absence of enforcement of [INSTRUMENT], of this Deed or of any Security or other guarantee
- 1.3.5 the taking, existence or release of any Security or other guarantee
- 1.3.6 the winding-up, amalgamation, reconstruction, administration, dissolution, liquidation, merger or consolidation of the Obligor or any other Person or any equivalent or analogous procedure under the law of any jurisdiction (“**Winding-up**”), or any step being taken for any such Winding-up or
- 1.3.7 the illegality, invalidity or unenforceability of, or any defect in, any provision of the [INSTRUMENT] or this Deed or other guarantee or any other obligations of any of the parties under or in connection with the Franchise Agreement or this Deed or any Security or other guarantee.

1.4 **Guarantee and Indemnity**

The Guarantor unconditionally and irrevocably agrees as a primary obligation to indemnify the Franchise Operator on demand against all losses, liabilities, costs, charges, expenses, actions, proceedings, claims and demands which the Franchise Operator may suffer through or arising from any breach by the Obligor of its obligations under [INSTRUMENT].

2. **Representations and Warranties**

The Guarantor represents and warrants to the Franchise Operator as follows:

2.1 **Status**

The Guarantor is a limited liability company duly incorporated and validly existing under the laws of [] with power to enter into, exercise any rights and perform its obligations under this Deed.

2.2 **Authorisations and Consents**

All action, conditions and things required to be taken, fulfilled and done (including the obtaining of any necessary consents, the making of registrations and the like) in order:

2.2.1 to enable the Guarantor lawfully to enter into, exercise any rights and perform and comply with its obligations under this Deed

2.2.2 to ensure that those obligations are valid, legally binding and enforceable; and

2.2.3 to make this Deed admissible in evidence in the courts of England

have been taken, fulfilled and done.

2.3 **Non-Violation etc.**

The Guarantor's entry into, exercise of any rights and/or performance of its obligations under this Deed do not, and will not, violate or exceed any guaranteeing or other power or restriction granted or imposed by:

2.3.1 any law to which it is subject or

2.3.2 its [Memorandum or Articles of Association/Certificate of Incorporation or By-laws/Statutes] or

2.3.3 any other agreement to which the Guarantor or the Franchisee is a party or which is binding on either of them,

or result in the existence of, or oblige either of them to create, any Security over all or any part of their respective business, undertaking, property, assets, revenues (including any right to receive revenues) and uncalled capital, wherever situated.

2.4 **Winding-up**

No meeting has been convened for the Guarantor's Winding-up, no such step is intended by it and, so far as it is aware, no petition, application or the like is outstanding for its Winding-up.

2.5 **Obligations Binding**

The Guarantor's obligations under this Deed are valid, binding and enforceable.

3. **Miscellaneous**

3.1 **Assignment**

This Deed shall be binding on the Guarantor and its successors and shall benefit the Franchise Operator and, in respect of Clause 3.6, the Authority. Any reference in this Deed to the Guarantor shall be construed accordingly. The Guarantor may not transfer all or part of its obligations under this Deed.

3.2 Notices

- 3.2.1 Any notice or other communication requiring to be given or served under or in connection with this Deed shall be in writing and shall be sufficiently given or served if delivered or sent to the registered office of the recipient or:

In the case of the Guarantor to [] at:

[Address]

Fax:

Attention:

- 3.2.2 Any such notice or other communication shall be delivered by hand or sent by courier, fax or prepaid first class post. If sent by courier or fax such notice of communication shall conclusively be deemed to have been given or served at the time of despatch. If sent by post such notice or communication shall conclusively be deemed to have been received two business days from the time of posting.

3.3 Waivers and Remedies

No failure by the Franchise Operator to exercise, or delay by the Franchise Operator in exercising, any right or remedy under this Deed will operate as a waiver thereof, nor will any single or partial exercise by the Franchise Operator of any right or remedy preclude any other or further exercise of that or any other right or remedy. The rights and remedies provided for in this Deed are cumulative and not exclusive of any other rights or remedies which the Franchise Operator may at any time have (whether provided by law or otherwise).

3.4 Amendments

Any provision of this Deed may be amended, supplemented or waived only if the Franchise Operator (and, in the case of an amendment or supplement, the Guarantor) so agrees in writing. Any such waiver, and any consent by the Franchise Operator under any provision of this Deed, must be in writing and may be given subject to any conditions thought fit by the Franchise Operator. Any waiver or consent shall be effective only in the instance and for the purpose for which it is given.

3.5 Partial Invalidity

The illegality, invalidity or unenforceability of any provision of this Deed under the law of any jurisdiction shall not affect its legality, validity or enforceability under the law of any other jurisdiction nor the legality, validity or enforceability of any other provision of this Deed.

3.6 **Information**

The Guarantor shall provide such information to the Franchise Operator or the Authority as the Franchise Operator or the Authority as the case may be may reasonably request from time to time in order to assess the financial standing of the Guarantor.

3.7 **Governing Law**

This Deed shall be governed by and construed in accordance with the laws of England.

3.8 **Jurisdiction**

The courts of England are to have jurisdiction to settle any disputes which may arise out of or in connection with this Deed and/or the Franchise Agreement and, accordingly, any legal action or proceedings arising out of or in connection with this Deed and/or the Franchise Agreement ("Proceedings") may be brought in those courts. The Guarantor irrevocably submits to the jurisdiction of those courts and waives any objection to Proceedings in such courts, whether on the ground of venue or on the ground that the Proceedings have been brought in an inconvenient forum. This submission is made for the benefit of the Franchise Operator and the Authority and shall not limit the right of the Franchise Operator or the Authority to take Proceedings in any other court of competent jurisdiction nor shall the taking of Proceedings in one or more jurisdictions preclude the Franchise Operator or the Authority, as the case may be, from taking Proceedings in any other jurisdiction, whether concurrently or not.

Executed as a deed the day and year first before written.

SIGNED as a DEED
by [GUARANTOR]

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acting by []
and []