

This Guarantee Bond is made as a Deed this 30th day of July 2018 between

- (1) The "Developer" **BELLWAY HOMES LIMITED** a company registered and incorporated under the laws of England under registered number 00670176 whose registered office is at Seaton Burn House Dudley Lane Seaton Burn Newcastle Upon Tyne NE13 6BE
- (2) The "Surety" **ZURICH INSURANCE PUBLIC LIMITED COMPANY** a public limited company incorporated in Ireland (Registration No. 13460) whose registered office is at Zurich House Ballsbridge Park Dublin 4 Ireland UK branch registered in England and Wales Registration No. BR7985 and whose address for service for the purposes of this Guarantee Bond is Zurich Surety of 2nd Floor Norfolk House 7 Norfolk Street Manchester M2 1ZU England or such other address as shall be notified in writing from time to time and
- (3) The "Council" **HAVANT BOROUGH COUNCIL OF HAVANT** of Civic Offices Civic Centre Road PO9 2AX in the County of Hampshire

WHEREAS

- (i) The Developer and the Council have entered into an agreement (the "Section 106 Agreement") in connection with the development of land West of Hordean Road and South of Southleigh Road Emsworth Hampshire for the Sustainable Drainage Scheme ('SuDS') Wetland Retention Area and Flood compensation Area.
- (ii) Pursuant to the Section 106 Agreement the Developer has agreed to procure the issue of a Bond in the form and tenor of this instrument in favour of the Council.
- (iii) The Surety has agreed to execute and deliver this Guarantee Bond as the Compensation Bond.
- (iv) In this Guarantee Bond words and expressions shall bear the meanings (unless otherwise stated) set out in the Section 106 Agreement.

NOW THIS DEED WITNESSES as follows:-

1. The Developer as principal and the Surety as guarantor are held and firmly bound unto the Council in the sum of **Five Hundred Thirty Two Thousand Two Hundred Ninety Eight Pounds and Seventy Five Pence (£532,298.75)** in accordance with the Section 106 Agreement and the maximum aggregate liability of the Surety under this Guarantee Bond shall not exceed the sum of **Five Hundred Thirty Two Thousand Two Hundred Ninety Eight Pounds and Seventy Five Pence (£532,298.75)** (the "Bond Amount") for the due performance and discharge by the Developer of its obligations under the Section 106 Agreement (the "Compensation Obligations").
2. If the Developer shall fail to comply with its obligations under clause 1 of this Guarantee Bond the Council shall be entitled to serve a Default Notice upon the Surety specifying the nature of such default and demanding

payment of such sum not exceeding the Bond Amount as the Council shall set out in such Default Notice and the Surety shall within fourteen days of the receipt of the Default Notice pay to the Council the amount set out in such demand.

3. If the Surety shall pay any sum to the Council in accordance with the provisions of clause 2 of this Guarantee Bond the Council shall hold and apply the same for the purpose of discharging the obligations of the Developer in relation to the Compensation Obligations and subject thereto shall repay any unexpended balance to the Surety.
4. The obligations and liabilities of the Surety under this Guarantee Bond shall not be released or discharged by any indulgence forbearance or forgiveness granted to the Developer under or in respect of the Section 106 Agreement nor by any variation or amendment thereto (whether or not made with the consent of the Surety) nor by the liquidation or dissolution of the Developer.
5. The obligations and liabilities of the Developer and the Surety under this Guarantee Bond shall be released and discharged absolutely upon whichever shall be the earlier of payment of the Bond Amount or discharge of the Bond in accordance with clause 3.4 of the Section 106 Agreement.

IN WITNESS whereof the Guarantor and the Contractor have executed and delivered this Guarantee Bond as a Deed the day and year first before written.

EXECUTED AND DELIVERED as a deed by

Bellway Homes Limited in the presence of:

SANDY BARNES
COMMERCIAL DIRECTOR
BELLWAY HOMES WESSEX

..... Director

ANDREW EMMERSON
FINANCE DIRECTOR
BELLWAY HOMES WESSEX

..... Director/Company Secretary

Signed and delivered as a Deed by
Kim Katherine Ashworth as Attorney for
Zurich Insurance Public Limited
Company in the presence of:

Signature of witness

Name of witness

Address of witness

Occupation of witness

Adam Sadler

Norfolk House, Manchester

Bond Administrator