

**TO:**

**RICHWAY MICROFINANCE BANK LIMITED  
PLOT 27, ADMIRALTY WAY, LEKKI PHASE 1  
LAGOS**

**GUARANTEE (BY AN INDIVIDUAL)**

1. In consideration of **RICHWAY MICROFINANCE BANK LIMITED** (hereinafter referred to as “the Bank”) making or continuing to make advances or otherwise giving credit or affording banking facility(ies) or accommodation as you may think fit to:

.....  
**(Name of Borrower)**

of

.....  
**(Address of Borrower)**

(hereinafter called “the Borrower”)

2. I.....  
**(Name of Guarantor)**

of.....  
**(Address of Guarantor)**

(hereinafter called “the Guarantor ”),

hereby irrevocably and unconditionally guarantee as primary obligor and not merely as surety, payment to you on your first demand (written, email, phone call or sms) (free of any taxes, impositions or restrictions imposed under the laws of any country)all principal sums which now are or at anytime or times hereafter may become due or owing or may be accruing or becoming due to you from the Borrower either alone or jointly with any person or persons on any account or in respect of any liability whatsoever and whether in the character of the principal debtor, guarantor or surety or otherwise howsoever together with interest on all such sums to the date of payment and all other usual banking charges as well as all costs and expenses.

And I agree to pay to you interest at the rate determined from time to time by the Bank in line with its lending rate, on all sums due from me hereunder until the date of discontinuance of this Guarantee by the settlement of my obligations herein. I further agree to pay all charges, costs, Commissions, expenses related to the Borrower’s facility with the Bank as well as the creation and enforcement of this security, as may be determined by the Bank.

Without prejudice to the other provisions of this Guarantee, this Guarantee is in respect of the facility(ies) granted by the Bank to the Borrower pursuant to the Offer Letter(s) dated .....**Date(s) of applicable Offer Letter(s)** and the other Loan/Facility documents related thereto.

3. This Guarantee shall extend to cover:

- a. In the case of the death, bankruptcy or liquidation of the Borrower, all sums which would have been owing to you by the Borrower if such death had occurred or such bankruptcy or liquidation had commenced at the time when you received actual notice thereof and notwithstanding such death, bankruptcy or liquidation.
- b. all moneys obtained from or liabilities incurred to you, notwithstanding that the borrowing or the incurring of such liabilities may be invalid or in excess of the powers of the Borrower or of the director, attorney, agent or other person purporting to borrow or act on behalf of the Borrower and notwithstanding any other irregularity in the borrowing or the incurring of such liabilities.
- c. in the event of the discontinuance by any means of this Guarantee all cheques, drafts, bills, notes and negotiable instruments drawn by or for the account of the Borrower on you or your agents and purporting to be dated on or before the date when such discontinuance became known to you, although presented to or paid by you or your agents after that date; and all liabilities of the Borrower to you at such date whether certain or contingent and whether payable forthwith or at some future time and also all credits then established by you for the Borrower.

This Guarantee shall not be considered as satisfied by any intermediate payment or satisfaction of the whole or any part of any sum or sums owing as aforesaid but shall be a continuing security binding on me until you issue a letter expressly discharging me of my obligations hereunder; and my obligation herein shall remain valid notwithstanding any change in the name, style, constitution, ownership, management or corporate/ constitutional documents of the Borrower.

4. In the event of this Guarantee ceasing from any cause whatsoever to be binding as a continuing security on me, you shall be at liberty without thereby affecting your rights hereunder to open a fresh account or accounts and continue any then existing account with the Borrower and no moneys paid from time to time into any such account or accounts by or on behalf of the Borrower and/or subsequently drawn out by the Borrower shall on settlement of any claim in respect of this Guarantee be appropriated towards or have the effect of payment of any part of the moneys due from the Borrower at the time of this Guarantee ceasing to be so binding as a continuing security or of the interest thereon.

5. If the Borrower is an infant, or under a disability, or is an unincorporated body or for any other reason whatsoever, is under no liability to discharge the obligations undertaken or purported to be undertaken by me on his/her/their/its behalf, this Guarantee shall be binding on me in respect of the Borrower's intended obligations to you as if I were the principal debtor.

6. If this Guarantee is given in respect of the liabilities of a firm, it shall apply to all moneys borrowed and liabilities incurred until receipt by you of actual notice of dissolution of the firm but if there shall be any other change in the constitution of the firm, the Guarantee shall

continue and in addition to securing the debts and liabilities of the firm as constituted before the change, shall apply to the debts and liabilities of the firm as constituted after such change.

7. No assurance, security or payment which may be avoided under any enactments relating to bankruptcy or to the winding-up of companies or incorporated bodies and no release, settlement or discharge which may have been given or made on the faith of any such assurance, security or payment shall prejudice or affect your right to recover from me to the full extent of this Guarantee.
8. You may at all times without prejudice to this Guarantee and without discharging or in any way affecting my liability hereunder:
  - (a) determine, vary or increase any credit or financial accommodation to the Borrower;
  - (b) grant to the Borrower or to any other person any time or indulgence;
  - (c) renew any bills, notes or other negotiable securities;
  - (d) deal with, exchange, release, modify or abstain from perfecting or enforcing any securities or other guarantees or rights which you may now or hereafter have from or against the Borrower or any other persons;
  - (e) compound with the Borrower or with any other person or guarantor.
9. This Guarantee shall not be affected by:
  - a. any failure on your part to take any security or by the invalidity of any such security taken or by any existing or future agreement by you as to the application of any advance made or to be made to the Borrower;
  - b. any variation of, or amendment or addendum (however fundamental) to, or replacement of, the Offer Letter(s) and/or any other document relating to the credit facility/financial accommodation granted to the Borrower;
  - c. any unenforceability, illegality or invalidity of any document or security or any obligations of the Borrower or any other person in respect of the facility(ies) granted to the Borrower; to the extent that the obligations herein incurred shall remain in full force and this Guarantee be construed accordingly as if there were no such unenforceability or invalidity;
  - d. any incapacity or lack of power, authority on the part of the Borrower or on my part.
10. So long as any moneys remain owing to you from the Borrower, you shall have a lien upon and immediate right of set-off against all moneys now or hereafter standing to my credit with you whether on any current or other account, and irrespective of the currency. You shall have the right to convert my funds from one currency to another for the purpose of exercising your right herein. Your right of lien and set-off shall extend to whatsoever asset of mine which shall be in your custody at any material time; and you are hereby authorized to take any step(s) necessary to realize such asset(s) for the purpose of discharging my obligations herein.
11. Any money received hereunder may be placed and kept to credit of a suspense account for so long as you think fit without any obligation in the meantime to apply the same or any part thereof in or towards discharge of any money or liabilities due or incurred by the Borrower to

you. Notwithstanding any such payment in the event of any proceedings in or analogous to bankruptcy, liquidation, composition or arrangement you may prove for and agree to accept any dividend or composition in respect of the whole or part of such money and liabilities in the same manner as if this Guarantee had not been given.

12. Until all moneys and liabilities due or incurred by the Borrower to you shall have been paid or discharged, I will not be paying off any sum recoverable hereunder or by any other means or on any other ground, claim any set-off or counter-claim against the Borrower in respect of any liability on my part or claim or prove in competition with you in respect of any payment by me hereunder or be entitled to the claim or have the benefit of any set off, claim or proof against any dividend, composition or payment by the Borrower or his/her/their/its estate(s)/successors/assigns or the benefit of any other security which you may now or hereafter hold for any money or liabilities due or incurred by the Borrower to you or have any share therein.
13. The obligation I have assumed under this guarantee shall not be discharged upon my death, bankruptcy and/or insanity, and you shall in that event, have recourse to my Estate or committee/trustee, as applicable.
14. Any notice or demand hereunder shall be deemed to be sufficiently given if delivered by hand or sent by pre-paid letter or post to the address stated herein or such other address that I might have notified you of or any such other address you might reasonably believe is mine; and such notice shall be deemed to have reached me in the course of post and if sent overseas may be sent by airmail, courier or sea. In case of hand delivery, acknowledgment of the receipt of the letter by any person met in any of the above-addresses shall be deemed as satisfactory. Any notification or demand sent to me via email or fax shall also be valid.
15. Pursuant to this Guarantee, I unconditionally and irrevocably agree to honour, upon presentation by you, all the financial and contractual obligations owed by the Borrower to you as they become due, without requiring you to first pursue any remedies against the Borrower.
16. I hereby agree, as a separate and independent primary obligation, to indemnify you from time to time on demand against any loss, cost, expense or liability of any kind incurred as a result of the Borrower failing to duly and punctually perform any of his/her/its/their obligations to you or as a result of any of the said obligations being or becoming void, voidable, unenforceable or ineffective against the Borrower for any reason whatsoever.
17. No failure to exercise and no delay on your part in exercising any right, remedy, power or privilege under this Guarantee and no course of dealing between me and the Bank shall be construed or operate as a waiver of that right, remedy, power or privilege on your part, nor shall any single or partial exercise of any such right, remedy, power or privilege preclude any other or further exercise of it or the exercise of any other right, remedy, power or privilege.
18. If any taxes and/or deductions are imposed on any payment to be made under this Guarantee,

the amount due from me hereunder shall be increased by the amount necessary to ensure that you receive and retain (free from any liability relating to the deduction or withholding) a sum which is equal to the full amount which you should otherwise receive.

19. I hereby make the following representations and warranties, with each being independently deemed material and relied upon by the Bank:
- a. That I am an adult, and am fully competent to give this Guarantee and perform the obligations contemplated herein;
  - b. That this Guarantee constitutes legal, valid and binding obligations enforceable against me in accordance with its terms;
  - c. That I have carefully read this Guarantee, and having had the opportunity of obtaining legal counsel of my choice, I understand the nature of the obligations undertaken, and have executed this instrument as my own free act, devoid of any duress or deception;
  - d. That the execution and performance of this Guarantee will not contravene any provision of, or constitute a default under any law, official requirement or any agreement to which I am bound;
  - e. That all information provided by me in connection with this Guarantee is true and correct in all material respects and there are no other material facts or considerations, the omission of which would make any such information misleading;
  - f. That no legal proceedings are current, pending or threatened, which might, if adversely determined, have an adverse effect on my ability to perform my obligations under this Guarantee.

The representations and warranties set out in this clause shall survive the execution of this Guarantee, and shall be deemed to be repeated and continuing so long as any amount is or may be outstanding from the Borrower to you.

20. A certificate by an officer of the Bank as to the sum for the time being owing to you by the Borrower shall be conclusive evidence of the Borrower's outstanding obligation to you in any legal proceedings against me.
21. Each obligation in this Guarantee is a continuing obligation, separate and independent from each other. If any provision of this Guarantee is held to be illegal, invalid or unenforceable in whole or in part, this Guarantee shall continue to be valid as to its other provisions and the remainder of the affected provision(s).
22. This Guarantee shall be in addition to (and shall not be affected in any manner by) any other Guarantee or security for which you may now or hereafter hold whether from me or any other person under or by virtue of any document or by operation of law.
23. This Guarantee is governed by the laws of the Federal Republic of Nigeria.

DATED this ..... day of ....., 20.....

NAME OF GUARANTOR:.....

SIGNATURE: .....

In the presence of:

NAME OF WITNESS: .....

SIGNATURE: .....

ADDRESS: .....

DATE: .....

**GUARANTEE BY AN INDIVIDUAL ON BEHALF OF**

.....

**(Name of Borrower)**

**IN FAVOUR OF RICHWAY MICROFINANCE BANK LIMITED**