

DEED OF GUARANTEE

This indenture is made on this the _____ day of _____, _____, at _____ between:-

1. _____ S/o _____
R/o _____

Hereinafter called the **Guarantor**, (which expression shall unless repugnant to the context or meaning thereof be deemed to include his/her respective heirs, executors, successors & assigns & administrators) of the **ONE PART**, AND

The J&K Grameen Bank, a body corporate constituted under Regional Rural Banks Act of 1976 read with notification dated 30.06.2009 issued by Ministry of Finance, Govt. of India having its Head Office at Jammu & a Branch office, amongst others at _____, hereinafter called the Bank (which expression shall unless repugnant to the context thereof be deemed to include its assigns, and successors in interest) of the **OTHER PART**.

WHEREAS the **Bank** has within its Branch office at _____ sanctioned credit facility of Rs. _____ (Rupees _____ only) under **BRIDGING LOAN SCHEME FOR STAFF PENSIONER AND FAMILY PENSIONER** in favour of and at the request of _____ hereinafter called the "**Borrower**" (which expression shall be deemed to include his/her legal heirs, executors, administrators and assigns) on the condition inter alia that the **Guarantor** herein named will give to the **Bank a Guarantee** as hereinafter to secure the Credit facility aggregating Rs. _____ sanctioned by the **Bank** in favour of the **Borrower**.

AND WHEREAS aforementioned **Guarantor** has/have, in consideration of the said credit facility sanctioned by the **Bank** in favour of the **Borrower**, agreed to guarantee to the **Bank** the repayment of the amount/s outstanding against the **Borrower** in respect of the credit facility on the terms and conditions appearing hereinafter.

NOW, THEREFORE, THIS DEED WITNESSETH AS UNDER:

1. That in consideration of the **Bank** having sanctioned the Credit facility/ies namely _____ aggregating Rs. _____ as detailed herein-above, in favour of the **Borrower**, the **Guarantor hereby guarantees to the Bank full repayment of all the money including the Principal money, the interest thereupon at the ruling rate and other costs and expenses charged by the Bank and debited in these accounts** in the course of its business as **Bankers** which may at any time be due from the said **Borrower** towards the **Bank** in their respective account with the **Bank** or any account whatsoever when the same shall be owing and become payable by the **Borrower** towards the **Bank** until the entire balance in the **Borrower** said account with the **Bank** within its Branch at _____ is fully liquidated and the **Borrower** discharged by the **Bank** from all and sundry liability whatsoever towards the **Bank** as such by any payments from time to time.

2. That this Guarantee shall be full perfect & continuing guarantee for repayment of the said loan together with interest there upon at the rate of ____% P.A with quarterly rests or such other rate of interest as may be prescribed by the Bank from time to time.
3. That the **Bank** shall have the full discretionary power without any assent or knowledge of the **Guarantor**, to negotiate with the **Borrower** and settle and /or alter the terms and conditions for the loan facility to compromise, to grant time or indulgence to the **Borrower** as the **Bank** may think fit and to hold over, review, vary, exchange or release the whole or in part any security/ies held or to be held by the **Bank** as security for or on account of the money or part thereof due from the **Borrower**. The **Guarantor** further agree that he/she shall not be discharged from liability by the **Bank's** releasing the **Borrower**.
4. That the **Bank** shall have the fullest liberty without affecting this Guarantee to postpone for any time or from time to time the exercise of the power conferred under the Loan Documents executed by the Borrower / Guarantor and to exercise the same at any time and in any manner and either to enforce or forbear to enforce the covenants for payment of the Principals or interest or any other remedies or securities available to the **Bank** and the **Guarantor** shall not be released by any such exercise by the **Bank** of their liability with reference to the matters aforesaid or any of them or by reason of any other forbearance, act or omission on the part of the **Bank** or any other matter or thing whatsoever which under the law relating to sureties would but for this provision have the effect of so releasing the **Guarantor**. **The Guarantor further agree that his/her liability shall be joint and several and co-extensive with the Borrower and he/she shall not accordingly be entitled to claim the benefit of legal consequences of any varieties in terms of the contract and to any of the rights conferred as Guarantor by sections 133, 134, 135, 137, 138, 139 and 141 of the Contract Act.**
5. That the Guarantee herein contained shall be enforceable against the **Guarantor** notwithstanding the securities which the **Bank** may nor or hereafter have from the **Borrower** or from any one else in respect of any indebtedness or liabilities of the **Borrower** towards the **Bank**.
6. That in case default shall be made in the payment by the **Borrower** to the **Bank** of any lawful claim or demand held by the **Bank** against the **Borrower**, the **Guarantor** hereby covenant, promise and agree to pay the same to the **Bank**, its successors and assigns on demand.
7. That in order to give effect to the **Guarantee** herein contained, the **Bank** shall be entitled to act as if the **Guarantor** was the **Principal Debtor** to the **Bank** for all payments and covenants guaranteed by him/her as aforesaid to the **Bank**.
8. That the **Guarantee** herein given shall be continuing one for all amounts advanced or hereafter to be advanced by the **Bank** to the **Borrower** and shall not be considered as wholly or partially satisfied or exhausted by any payment from time to time. The **Guarantee** shall also continue to remain in force notwithstanding the discharge of the **Borrower** by operation of law or otherwise.

9. That the **Bank** may recover against the **Guarantor** notwithstanding that any securities given or to be given to the **Bank** may be void or defective or that the **Borrower** has exceeded its powers or that the arrangements of the **Borrower** with the **Bank** are ultra-vires and all money due and liabilities incurred shall be deemed to form part of the present **Guarantee**.
10. That the **Guarantor** further agree that with respect to his/her liability hereunder, the **Bank** shall have a lien on all securities belonging to the **Guarantor** now or hereafter held by the **Bank** and all money now or hereafter standing to their credit with the **Bank** on any account.
11. That the **Guarantor** also agree that any balance or debts confirmed by the **BORROWER** or any acknowledgement of liability concerning the same made and signed by the **BORROWER** or his authorized agent/s shall be binding on the **Guarantor** in the same manner and to the same extent as if the **Borrower** or his authorized agent was his/her authorized agent to make such acknowledgement or confirmation of balance shall be binding on them, as if made by himself/herself. It is further agreed that every such acknowledgement by the **Borrower** or his/her authorized agent/s would renew their liability as **Guarantor** and the **Guarantor** would be liable for the payment of the acknowledgement debts in the same way as was for debt hereby guaranteed.
12. That any account settled or started between the **Bank** and the **Borrower** or admitted by the **Borrower** shall be accepted by the **Guarantor** as conclusive evidence. A certificate in writing signed by an Officer of the **Bank** stating the balance on any particular date payable under this **Guarantee** shall be conclusive evidence against the **Guarantor**.
13. That the **Guarantee** herein contained shall not be determined or affected by the death of the **Guarantor**, but shall in all respects and for all purposes be binding, remain operative, valid and in force against the estate of the deceased **Guarantor** and his/her legal heirs till such time the balance outstanding in the said loan account/s of the **Borrower** is liquidated in full.
14. That notwithstanding any meaning or import or otherwise in any clause/s heretofore, this **Guarantee** shall be full, complete, perfect and continuing one and shall remain in force and bind the above named **Guarantor**, his/her heirs, legal representatives etc. till the loan secured under this **Guarantee** is fully liquidated/ adjusted along-with the interest thereupon and also the charges that are incurred by the **Bank** and accounts of the **Borrower** closed in the books of the **Bank**.
15. That the **Bank** shall be free to invoke this **Guarantee** at any time hereafter and the **Guarantor** undertakes to pay the amount to the **Bank** secured under this **Guarantee** within seven days from the date of receipt of demand in writing from the **Bank**.
16. That a demand in writing shall be deemed to have been duly made to the **Guarantor** if sent by post under registered cover and shall be deemed to have been received by the **GUARANTOR** six days after posting thereof and shall be sufficient if signed by an Officer of the **Bank** and in proving such service it shall be sufficient to provide that the letter containing the demand was properly addressed & sent under registered cover.

17. That this **Guarantee** shall be enforceable notwithstanding any change in the name of the **Bank**. It shall ensure for the benefit of any Banking Company which the **Bank** may assign itself to.
18. That the **Borrower** shall at any time be found not to be liable to the **Bank** under any law in force for the advance made or credit given by the **Bank** to the **Borrower** by reason of his/her incapacity of the **Borrower** to contract, or for any other reason, whatsoever, the Guarantor shall nevertheless be liable as the Principal debtors, to pay to the Bank all sums that would have been recoverable by the Bank from the borrower and this Guarantee shall be an indemnity to the bank by the Guarantor and shall be construed accordingly, the consideration for the giving of which shall be the keeping of the account/s in the name of the **Borrower** and permitting such account/s to be overdrawn or advancement of money on account of or apparently for the purpose of the debts as the case may be.
19. That the **Guarantor** declares that he/she has not received any security from the **Borrower** for giving this **Guarantee** and agree that he/she shall not, so long as the money remains owing by the **Borrower** to the **Bank** or any liability/ies incurred by the **Borrower** remain outstanding, take any security in respect of his/her liability hereunder without first obtaining the **Bank's** consent in writing.
20. That this **Guarantee** shall not affect or be effected by any other securities taken or held by the **Bank** or by any loss by the **Bank** of any collateral or other security or by their failing to recover by realization of collateral securities or otherwise any sum or sums due from the **Borrower** or any other person or any lapse on the part of the **Bank** nor shall the **Bank** be responsible to the **Guarantor** for such loss or lapse.
21. That it is hereby agreed that in case the Borrower commit default in the repayment of the advance or in the repayment of interest thereon of the loan, J&K Grameen Bank and /or the Reserve Bank of India will have an unqualified right to disclose or publish our names as Guarantor alongwith photographs as defaulters in such manner and through such medium as the J&K Grameen Bank and / or the reserve Bank of India in their absolute discretion may think fit.
22. That, I hereby give agree and give my consent for the disclosure by the bank of all or any such:
 - (a) information and data relating to the Guarantor.
 - (b) information or data relating to any such credit facilities granted / to be granted, by the Bank and Guaranteed by me, as a guarantor.
 - (c) default, if any, committed by me in discharge of such obligations, as the bank may deem appropriate and necessary to disclose and furnish to the **Credit Information Bureau (India) LTD (CIBIL)** and any other agency authorized by RBI in this behalf, and I declare that the information and data furnished by the me to the bank is true and correct.
23. That I understand that (a) the CIBIL and any other agency so authorized may use and process the said information and data to be disclosed by the bank in the manner as deemed fit and proper by them and (b) the CIBIL and any other agency so authorized may furnish for consideration the processed information and data products thereof prepared by them to other bank/financial institution and other credit GUARANTOR or registered users, as may be specified by RBI in this behalf.

IN WITNESS WHEREOF the **GUARANTOR** above named has in presence of the witnesses set his/her hands unto this **Deed of Guarantee** on the day, month and year first above written.

Witnesses: -

1.

Guarantor:-

(1) _____

S/o _____

R/o _____

2.

Acceptance

(Bank)