THIS **DEED of GUARANTEE** is given on [ ] by:

**[ ]** incorporated and registered in [ ] with company number [ ] whose registered office is at [ ] (referred to us “we” and “us” in this Deed of Guarantee) in respect of the following United Kingdom petroleum licence(s):

[ ]; [ ]; [ ]; and [ ] (the “Licence(s)”),

granted by **OIL AND GAS AUTHORITY**, a company incorporated in England and Wales (registered number 09666504) and having its registered office at Sanctuary Buildings, 20 Great Smith Street, London, England, SW1P 3BT (“OGA”), under the Petroleum Act 1998 and held (whether solely or jointly) at the date of this Deed of Guarantee by:

**[ ]**, a company incorporated in [ ] (registered number [ ]) and having its registered office at [ ] (the “Licensee”).

**AGREED TERMS**

1. We undertake to provide sufficient funds where necessary, to enable the Licensee to carry out its obligations in accordance with the terms of the Licence(s).
2. We guarantee that, if any sums become payable by the Licensee to the OGA under the terms of the Licence(s) and the Licensee does not pay those sums on first demand, we shall ourselves pay to the OGA on demand an amount equal to all such sums.
3. We will make any payments under this Deed of Guarantee in full, without any deduction or withholdings whatsoever. To the extent that any payment is subject to mandatory deduction or withholding whether as a result of tax requirements or otherwise, the amounts payable under this Guarantee shall be increased by such amount as may be required so that the amount received by the OGA is no less than the amount which would otherwise have been received had such deduction or withholding not been made or required.
4. We agree that if any payments due from the Licensee are not recoverable from us as guarantor or surety for the Licensee for any reason whatsoever those payments shall nevertheless be recoverable from us as principal debtor and shall be payable by us on demand.
5. Any amounts due from us shall carry interest at 1.5% above the base rate for the time being of the Bank of England from the date of demand to the date of payment.
6. The OGA may claim or raise any action or exercise any right under this Deed of Guarantee (including without prejudice to the foregoing generality claims for payment, damages for breach, actions for specific implement or performance, injunction or interdict):
   1. at the same time as or after making demand of the Licensee; or
   2. before, at the same time as, or after taking any action to claim under or enforce any other right, security or guarantee which it may hold from time to time

in respect of the Licensee’s obligations under the Licence(s).

1. We shall accept a certificate or other document signed by or on behalf of the OGA as conclusive evidence of amounts payable by the Licensee.
2. We have not received any security from the Licensee for giving this Deed of Guarantee and we shall not take any security for our liability under this Deed of Guarantee for so long as any sums may become payable under the Licence(s) without first obtaining written consent from the OGA. Any such security shall rank behind any claims of OGA under or pursuant to the Licence(s) or this Guarantee.
3. If, in contravention of paragraph 8 above, we take any security we shall hold the security and all or any amounts realized by us from it on trust for the OGA.
4. We undertake not to dissolve, permit the striking off, wind up or take any other course of action that would materially prejudice the ability of the Licensee to carry out its obligations to the OGA under the Licence(s).
5. We shall not take any steps to enforce any right or claim or security interest against the Licensee or any co-guarantor in respect of any monies paid by us to the OGA pursuant to this Deed of Guarantee or any other liabilities between the Licensee and us unless and until all of the Licensee’s obligations owing to the OGA (both actual and contingent) have been performed and discharged in full.
6. This Deed of Guarantee is a continuing guarantee and will remain in force until no further payments are due from the Licensee.
7. Our liability under this Deed of Guarantee will not be affected by: (a) any concession, time, indulgence or release granted by the OGA to the Licensee or any co-guarantor, (b) the OGA’s failure to take, perfect or hold unimpaired any security taken for the liabilities of the Licensee or (c) any payment or dealing or anything else (whether by or relating to the Licensee, us or any other person) which would, but for this paragraph, operate to discharge or reduce that liability.
8. This Deed of Guarantee and any dispute or claim (including non-contractual disputes or claims) arising out of or in connection with it or its subject matter or formation shall be governed by and construed in accordance with the law of England and Wales.
9. We agree that the courts of England and Wales will have jurisdiction to hear and settle any dispute or claim (including non-contractual disputes or claims) that arise out of or in connection with this Deed of Guarantee, although this shall not limit the right of the OGA to bring proceedings against us in any other court of competent jurisdiction.
10. We irrevocably agree only to bring proceedings in the courts of England and Wales. We agree in connection with proceedings in England and Wales that any writ, judgment or other notice of process shall be sufficiently and effectively served on us if delivered to at [*insert UK address for service*].
11. This Deed of Guarantee shall be in addition to any other guarantee for payment of any sums payable under the Licence(s) by the Licensee signed by us that the OGA may hold.
12. This Deed of Guarantee shall remain in full force and effect even if we or the Licensee have merged or amalgamated with another company or if we or the Licensee have changed our constitutional documents.
13. Any demand or other communication concerning this Deed of Guarantee should be sent to us at our registered office for the time being.

In witness of which, this Deed of Guarantee on this and the preceding page(s) is executed as a deed and is delivered and takes effect on the date written above

by

[ ]

signed on its behalf by:

[ ] (full name) …………..…………..………….. (Director)

signed on its behalf by:

[ ] (full name) …………..…………..………….. (Director)