

DATED

2006

COVENTRY TURNED PARTS LIMITED

- and

WARWICK DISTRICT COUNCIL

BOND

In respect of The Leper Hospital Site  
Saltisford  
Warwick

WHEREAS

(I) BY a Contract dated the                      day of

Two thousand and five made between COVENTRY TURNED PARTS LIMITED whose registered office is situate at Welton Road Warwick (hereinafter called the Purchaser) of the one part and the WARWICK DISTRICT COUNCIL of Riverside House Milverton Hill Leamington Spa (hereinafter called ("the Vendor ")) of the other part the Purchaser has agreed to carry out the work of refurbishment and redevelopment of the buildings and land known as The Leper Hospital Site Saltisford Warwick

(2) The said contract provides that the Purchaser shall arrange with HSBC BANK PLC of 8 CANADA SQUARE LONDON EC4A 3DQ (hereinafter called ("the Surety")) to enter into a Bond with the Vendor to secure that a sum of money sufficient to cover the cost of the refurbishment and redevelopment works shall be paid by the Surety to the Vendor in the event of the Purchaser not carrying out the terms of the contract.

BY THIS BOND the Purchaser and the Surety acknowledge themselves to be jointly and severally bound to the Vendor in the sum of One Hundred and Twenty Five thousand Pounds (£125000.00p) to cover the cost of carrying out the terms of the contract and in the event of the breach by the Purchaser of any provision or provisions of the said contract or if the Purchaser shall fail to comply with the refurbishment and redevelopment specifications or shall fail to proceed with the works to the satisfaction of the Vendor or if the Purchaser shall be adjudged bankrupt or go into liquidation whether compulsory or voluntary (save for the purpose of amalgamation or reconstruction) or shall execute a Deed of Assignment for the benefit of creditors or otherwise compound with creditors or if a receiver shall be appointed to manage the affairs of the Purchaser the Surety shall pay to the Vendor the said sum within twenty eight days of service by recorded delivery upon the Surety and the Purchaser at their respective addresses hereinbefore mentioned of notice of the Vendors demand therefor any surplus between the amount paid by the Surety and the amount necessary fully to implement the terms o

the Contract including the Vendors costs of obtaining tenders preparing documents and supervising the work of refurbishment and redevelopment to be refunded to the Surety after the satisfactory completion of the works as provided in the contract

NOW THE ABOVE WRITTEN BOND shall be void when the Purchaser has completed the refurbishment and redevelopment works and has in all other respects faithfully performed and observed the stipulations and provisions of the said Contract otherwise the same shall remain in full force

PROVIDED ALWAYS and it is hereby agreed and declared by and between the parties hereto that the Surety shall not be released from the above written Bond by reason or on account of any arrangements made between the Vendor and the Purchaser varying the terms and conditions of the said Contract

EXECUTED by the Purchaser and the Surety this                      day of

Two thousand and five

EXECUTED AS A DEED BY  
COVENTRY TURNED PARTS LIMITED  
ACTING by a Director and its Secretary

ONE OF TWO ORIGINALS

IN WITNESS WHEREOF this document which is intended to take effect as a deed has been duly executed by a duly authorised Official of the Bank as Attorney of the Bank the day and year first above written.

SIGNED AND DELIVERED

by

A.E. WOOLLEY  
16419

Attorney of  
HSBC Bank plc

in the presence of:

A FERNANDES

Witness:

Address:

REF:-  
102/190877