

Guarantor Agreement

Records a third person's promise to repay a loan if the borrower defaults, with clear limits on what the guarantor covers.

SAMPLE · finsafe.space

1. Parties

Identifies the lender, the borrower, and the guarantor with full names and ID details.

2. The guaranteed loan

Precisely identifies the loan agreement being guaranteed, by date, amount, and parties.

3. Guarantee

States the guarantor's core promise to pay if the borrower fails to pay as agreed.

4. Liability cap

Sets the maximum total amount the guarantor can ever be required to pay.

5. Scope of coverage

Clarifies whether the guarantee covers principal only or also interest, late fees, and costs.

6. Conditions for demand

Defines when the lender may claim from the guarantor, such as after default and written notice to both borrower and guarantor.

7. Notice of missed payments

Requires the lender to inform the guarantor within a set time whenever the borrower misses a payment.

8. Changes to the loan

States that increasing the loan, extending it, or changing key terms requires the guarantor's written consent.

9. Duration and release

Sets when the guarantee ends, typically when the loan is repaid in full, and how the guarantor is released in writing.

10. Guarantor's recovery rights

Records the guarantor's right to recover from the borrower whatever the guarantor pays the lender.

11. Multiple guarantors

If more than one person guarantees the loan, explains how liability is shared between them.

12. Signatures and witnesses

Provides dated signature blocks for all three parties and any witnesses.

Signatures — A

Signatures — B

Witness signature

Date: _____

Date: _____

Date: _____

This is a sample layout for reference only — create your own free document at finsafe.space. Not legal advice.

PREVIEW