LOAN GUARANTEE (GUARANTY) AGREEMENT

1. 1. Parties and the Guaranteed Obligation

This Guaranty Agreement (the "Guaranty") is made on [EFFECTIVE DATE] by [GUARANTOR NAME], residing or located at [GUARANTOR ADDRESS] (the "Guarantor"), in favor of [LENDER NAME], located at [LENDER ADDRESS] (the "Lender"), with respect to obligations of [BORROWER NAME], located at [BORROWER ADDRESS] (the "Borrower"). The obligation guaranteed is the loan evidenced by [LOAN DOCUMENT DESCRIPTION, e.g., the Loan Agreement or Promissory Note dated [LOAN DATE] in the original principal amount of [PRINCIPAL AMOUNT]] (the "Obligation"). The Guarantor acknowledges receiving and reviewing a copy of the loan documents and understands their terms.

2. 2. Guaranty of Payment

The Guarantor absolutely and unconditionally guarantees to the Lender the full and prompt payment and performance of the Obligation when due, whether at the scheduled maturity, by acceleration, or otherwise. This is a guaranty of payment and not merely of collection, which means the Lender may demand payment directly from the Guarantor after a default by the Borrower without first making demand on the Borrower, filing suit against the Borrower, exhausting any remedy, or realizing on any collateral. If the Guarantor prefers a guaranty of collection instead, that election must be stated here and initialed by both Parties: [GUARANTY OF COLLECTION ELECTION]. The liability of the Guarantor is direct and immediate, and the Lender may proceed against the Guarantor for the full amount then due.

3. 3. Scope and Maximum Liability

Select one and complete it. (a) Limited guaranty: the total liability of the Guarantor under this Guaranty will not exceed [MAXIMUM GUARANTY AMOUNT] of principal, plus accrued interest on that amount and the enforcement costs described in Section 8. (b) Unlimited guaranty: the Guarantor guarantees the entire Obligation, including all principal, interest, fees, and costs, without limit. The Guaranty covers only the Obligation identified in Section 1 and does not extend to any future or additional indebtedness of the Borrower unless the Guarantor signs a separate written guaranty for it. Any renewal, extension, or refinancing of the Obligation is covered only if it does not increase the principal amount beyond the cap stated above.

4. 4. Term and Continuing Nature

This Guaranty takes effect on the Effective Date and continues until the Obligation has been paid in full and all commitments to lend under the loan documents have ended. If the Guaranty is stated to be continuing, the Guarantor may revoke it as to future advances only by delivering written notice to the Lender at the address in Section 1, and that revocation is effective [REVOCATION EFFECTIVE PERIOD, e.g., ten business days] after actual receipt. Revocation does not release the Guarantor from liability for any amount already advanced or committed before it became effective, or for interest and costs on those amounts. The Guaranty is automatically reinstated if any payment applied to the Obligation is later recovered from the Lender as a preference or otherwise required to be returned.

5. 5. Waivers by the Guarantor

To the extent permitted by applicable law, the Guarantor waives: presentment, demand for payment, protest, notice of dishonor, notice of acceptance of this Guaranty, and notice of the creation or increase of the Obligation; any requirement that the Lender first proceed against the Borrower, any other guarantor, or any collateral; and any defense based on the Lender releasing collateral, releasing another guarantor, or failing to perfect a security interest. The Guarantor also waives any defense arising from the incapacity, dissolution, bankruptcy, or discharge of the Borrower, and agrees that the discharge of the Borrower in bankruptcy does not discharge the Guarantor. The Guarantor does not waive any defense of payment in full, or any defense arising from fraud or bad faith by the Lender.

6. 6. Modifications to the Underlying Loan

The Lender may, without notice to or consent from the Guarantor, and without releasing the Guarantor: extend the maturity of the Obligation, grant forbearance, change the payment schedule, accept partial payments, release or substitute collateral, or release any other guarantor. However, the Lender may not increase the principal amount of the Obligation or the interest rate above [MAXIMUM RATE FOR GUARANTY PURPOSES] percent without the written consent of the Guarantor, and any such increase made without consent is not covered by this Guaranty. The Lender will use reasonable efforts to notify the Guarantor of any material modification, although failure to do so does not affect the validity of the modification as between the Lender and the Borrower.

7. 7. Notice of Default and Financial Information

The Lender will send the Guarantor a copy of any written notice of default sent to the Borrower, at the address in Section 1, within [DEFAULT NOTICE PERIOD, e.g., five business days] of sending it. The Guarantor has the right, but not the obligation, to cure a default by the Borrower within the cure period given to the Borrower, and a cure by the Guarantor has the same effect as a cure by the Borrower. On written request no more than [INFORMATION REQUEST LIMIT, e.g., twice] per year, the Lender will provide the Guarantor with a statement of the outstanding balance and payment status of the Obligation. The Guarantor will provide the Lender with current financial statements on reasonable request while this Guaranty is in effect.

8. 8. Payment on Demand and Costs of Enforcement

On written demand from the Lender following a default by the Borrower, the Guarantor will pay the amount demanded, up to the limit in Section 3, within [PAYMENT PERIOD, e.g., ten business days]. Amounts not paid when demanded accrue interest at the rate applicable to the Obligation or the maximum lawful rate, whichever is less. The Guarantor will also pay the reasonable costs incurred by the Lender in enforcing this Guaranty, including attorney fees and court costs, to the extent permitted by applicable law, and the prevailing Party in any proceeding may recover its reasonable fees and costs. Payment by the Guarantor does not entitle the Guarantor to any right in collateral until the Obligation has been paid in full.

9. 9. Subrogation and Contribution

After the Obligation has been paid in full, the Guarantor is subrogated to the rights of the Lender against the Borrower to the extent of amounts the Guarantor actually paid, and may pursue reimbursement from the Borrower. Until the Obligation is paid in full, the Guarantor waives all rights of subrogation, reimbursement, indemnity, and contribution against the Borrower and against any collateral, and any such claim is subordinated to the claims of the Lender. If more than one guarantor signs, each is jointly and severally liable to the Lender, and a guarantor who pays more than a proportionate share may seek contribution from the others. The Borrower agrees, by signing the acknowledgment below, to reimburse the Guarantor for any amount the Guarantor pays under this Guaranty.

10. 10. Representations of the Guarantor

The Guarantor represents that it has full capacity and authority to sign this Guaranty, that doing so does not breach any other agreement or obligation binding on the Guarantor, and that all financial information provided to the Lender is accurate and complete in all material respects. The Guarantor confirms that it has an economic interest in the Borrower or otherwise expects to benefit from the Obligation, that it has had the opportunity to obtain independent legal advice, and that it is not relying on any statement by the Lender about the financial condition or creditworthiness of the Borrower. The Guarantor is responsible for keeping itself informed about the financial condition of the Borrower, and the Lender has no duty to disclose information about the Borrower to the Guarantor.

11. 11. Release of the Guarantor

This Guaranty terminates and the Guarantor is fully released when the Obligation has been paid in full and no further advances may be made, or on the earlier occurrence of any release condition stated here: [RELEASE CONDITIONS, e.g., after 24 consecutive on-time payments by the Borrower, on substitution of an acceptable replacement guarantor, or on delivery of substitute collateral acceptable to the Lender]. Within [RELEASE DOCUMENT PERIOD, e.g., 30 days] after termination, the Lender will deliver a written release to the Guarantor and file any termination statement needed to clear a lien granted by the Guarantor. Release of the Guarantor does not affect the obligations of the Borrower or of any other guarantor unless expressly stated.

12. 12. Governing Law and General Provisions

This Guaranty is governed by the laws of the State of [GOVERNING STATE], and any action to enforce it will be brought in the courts located in [VENUE COUNTY AND STATE], to which the Guarantor consents. This Guaranty is the entire agreement between the Guarantor and the Lender on this subject and replaces any earlier assurance, commitment letter, or discussion. Any change must be in writing and signed by the Guarantor and the Lender. The Lender may assign this Guaranty together with the Obligation, and the Guarantor may not assign its obligations. If any provision is unenforceable, the rest remains in effect and the unenforceable provision will be narrowed only as far as necessary. This Guaranty binds the heirs, personal representatives, and successors of the Guarantor.

13. 13. Signatures

The Guarantor has read this Guaranty, understands that it creates personal liability for the debt of another party, and signs it voluntarily. GUARANTOR: [GUARANTOR NAME]. Signature: ______________________. Printed Name: [GUARANTOR SIGNER NAME]. Date: [DATE]. Scope selected in Section 3: [LIMITED at [AMOUNT] / UNLIMITED]. Guarantor initials: ______. ADDITIONAL GUARANTOR (if any): [SECOND GUARANTOR NAME]. Signature: ______________________. Date: [DATE]. ACCEPTED BY LENDER: [LENDER NAME]. Signature: ______________________. Date: [DATE]. BORROWER ACKNOWLEDGMENT AND REIMBURSEMENT UNDERTAKING: [BORROWER NAME]. Signature: ______________________. Date: [DATE]. NOTARY (recommended): State of [STATE], County of [COUNTY], subscribed and sworn before me on [DATE].

14. Disclaimer

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