

Information

Effective date

March 17, 2006

Guaranty forms available

The following guaranty forms are used when an individual or an entity guarantees the indebtedness of a Borrower and are included in this system.

- The *Unconditional Guaranty* (Form 630071) may be used for consumer or commercial transactions when an individual or entity guarantees ALL OBLIGATIONS of the Borrower.
- The *Unconditional Guaranty – Commercial – Maryland* (Form 630071MD) is used for commercial transactions governed by Maryland law when an individual or entity guarantees ALL OBLIGATIONS of the Borrower. This form may **not** be used for consumer purpose transactions.
- The *Unconditional Guaranty – Commercial – Virginia* (Form 630071VA) is used for commercial transactions governed by Virginia law when an individual or entity guarantees ALL OBLIGATIONS of the Borrower. This form may **not** be used for consumer purpose transactions.

Caution: Although the following guaranty forms are also available, use of an Unconditional Guaranty form is always preferred over a Guaranty of Note Form.

- The *Guaranty of Note* (Form 630070) may be used for a consumer or commercial transaction when the guarantor guarantees ONLY the note described.
- The *Guaranty of Note – Commercial – Virginia* (Form 630070VA) may be used for a **commercial** transaction governed by Virginia law when the guarantor guarantees ONLY the note described.
- The *Guaranty of Note – Commercial – Maryland* (Form 630070MD) may be used for a **commercial** transaction governed by Maryland law when the guarantor guarantees ONLY the note described.

Reference: See the “Resolutions and Certificates of Authority” topic in the *Shelf Doc System – Other Topics Help* folder under the *LEAD – Loan Entry and Documentation System* shelf for additional information if the guarantor is an entity; the proper resolution authorizing the execution of guaranty must be in file.

Use

The *Guaranty of Note* (Form 630070) may be used for a consumer or commercial transaction when the guarantor guarantees ONLY the note described.

The Guaranty of Note is limited to a specific dollar amount and a **specific transaction** (including modifications, extensions, and renewals of the original note for the transaction, as long as no new money is extended).

Instructions

The table below shows section names and descriptions for the items required in the Guaranty of Note (Form 630070).

Section	Description
Notice to Co-Signer Page	<p>If the guaranty is for a personal, family, or household purpose loan, the Notice to Guarantor portion of the form must be left attached and executed by the guarantor. An executed copy of the Guaranty of Note form with the Notice to Guarantor portion attached must be given to the guarantor to retain.</p> <ul style="list-style-type: none"> • Guarantor's signature. • Date the guarantor executes the form. <p>If the guaranty is for a commercial/business purpose loan, the Notice to Guarantor is not required and should be removed.</p>
South Carolina Identification of Debt Disclosures	<p>If the Guaranty is governed by South Carolina law, complete the special South Carolina section as follows:</p> <ul style="list-style-type: none"> • <i>Name</i> of the Debtor • <i>Date</i> of the obligation • <i>Type</i> of loan and • "<i>Unsecured</i>" or <i>type of collateral</i> securing the obligation <p><u>Examples:</u></p> <ul style="list-style-type: none"> • Unsecured single payment loan • Real state secured term loan
Guarantor (Heading Implied)	<i>Name</i> of guarantor executing the form.
dated	<i>Effective date</i> of the guaranty.
Borrowers (Heading Implied)	<i>Name</i> of all Borrowers on the note to be guaranteed.
\$	<i>Amount</i> of the note that is being guaranteed.
Note dated (Heading Implied)	<i>Date</i> of the note that is being guaranteed.
Amount guaranteed (Heading Implied)	<p><i>Principal amount</i> to be guaranteed.</p> <p>Note: Generally, this is the <i>full amount</i> of the Note.</p>
15	<i>Governing law</i> for the guaranty.
Signature of Guarantor	<p><i>Signature</i> of the guarantor.</p> <p>Note: If the guarantor is a corporation, the corporate seal should be affixed.</p>