

## WHAT TO CONSIDER AS A SURETY PROVIDER

---

**Surety is a promise to fulfil another person`s or company`s (loan recipient) financial obligation on their behalf.**

**Only provide surety to a person or company you know and trust.**

### **Before you provide surety**

- consider carefully whether you are capable of fulfilling the loan recipient`s obligation for them.
- assess your financial capacity and only provide surety to the extent you are capable of paying (maximum level of surety provider's liability).
- read the draft surety agreement and loan agreement the bank has prepared very carefully.
- contact the bank in order to get answers to any questions you may have; if necessary, use legal assistance.

### **When you are about to sign a surety agreement**

- listen carefully to the bank employee`s explanations about the loan agreement and surety agreement.
- don`t be afraid to ask questions if something remains unclear.
- check that your contacts (address, telephone number, e-mail address) are correct in the surety agreement.

### **Once the surety agreement has been signed**

- remain active and show an interest in how fulfilling the loan agreement is going. If the loan recipient does not answer your questions then make sure you turn to the bank.
- always notify of changes in your contact information (address, telephone number, e-mail address). This is the only way you can be sure that necessary information reaches you.
- read all information the bank sends carefully and pick up registered mail.

If the loan recipient does not fulfil his/her obligations, the bank will turn to you and provide you the opportunity to fulfil the obligation.

Don`t forget you have taken on this obligation and must fulfil the loan recipient`s obligation on his/her behalf.

By paying the debt, you can avoid incurring additional costs and litigation.

You have the right to demand that the loan recipient compensate the sums you paid to the bank on his/her behalf.

**DO NOT FORGET – SURETY MEANS IT IS YOUR OBLIGATION TO  
MAKE SURE THAT THE AGREEMENT OF THE PERSON YOU HAVE  
PROVIDED SURETY TO IS FULFILLED!**