

# LOAN GUARANTOR AGREEMENT

Only complete this form if you know another credit union member who will use their savings with us as a guarantee on your loan.

## Guidance Note To The Borrower and the Guarantor :

This is a legally binding agreement. Read it all carefully before completing and signing it.

## Guidance Note To The Borrower

Having a guarantor is not a requirement but greatly increases your chance of obtaining a loan. Only another credit union member can act as your guarantor using their savings. You can ask a friend, family member, partner or work colleague to act as a guarantor. If they are not already a member they will need to join to act as.

## Guidance Note To The Guarantor :

As a credit union member you can use to use your savings/shares as security for another member's loan. Before completing this form you must understand that your savings/shares in share account one will be frozen (non withdrawable) until the loan is repaid, and that if the borrowing member fails to repay the loan then your savings/shares up to the value of the guaranteed sum will be forfeited to repay that loan or part thereof.

## THE AGREEMENT

### 1/ This section to be completed by the loan applicant.

Name ..... CU Membership No.....

Home Address .....

.....

.....Postcode.....

Tel. No. Home. .... Tel. No. Work .....

Email Home : .....

Email Work : .....

Value of loan applied for £.....

Signed ..... Dated .....

**Continued overleaf for guarantor.**

**2/This section to be completed by the guarantor in the presence of a Credit Union representative.**

Name ..... CU Membership No.....

Home Address

.....  
.....  
.....

.....Postcode.....

Email Home : .....

Email Work : .....

Tel. No. Home. .... Tel. No. Work .....

I agree to use my savings for the member named overleaf as a guarantee for the loan to the total value of £.....

I understand that in signing this form my shares/savings in my share account one will be non withdrawable until the loan is repaid, and that in the event that the member fails to repay the loan (defaults) then my savings/shares will be forfeited to repay the loan (or part thereof).

Signed ..... Dated .....

**3/ This section to be completed by a credit union representative.**

Witnessed by a Croydon Savers Credit Union staff or Board member.

Name .....

Signed ..... Dated .....

Position .....