

Personal Guaranty

In this guaranty, an owner of a business personally promises to pay what the business owes the seller if the business does not pay. Sellers usually ask for it before extending credit terms to a new account.

Seller: _____

Business (the buyer): _____

Guarantor (full legal name): _____

Guarantor's home address: _____

Guarantor's relationship to the business: _____

Date (MM/DD/YYYY): _____

1. The promise

In exchange for the seller extending credit to the business, the guarantor personally guarantees prompt payment of every amount the business owes the seller for goods sold on credit, now or later.

Maximum amount guaranteed (leave blank for no cap): _____

2. How it works

If the business does not pay an amount when due, the seller may ask the guarantor to pay it. The seller does not have to collect from the business first.

This guaranty continues while the business buys from the seller on credit. The seller may change payment terms, extend due dates or accept partial payments without ending it.

3. Ending the guaranty

The guarantor may end this guaranty for future orders by written notice to the seller. It still covers every amount owed for orders shipped before the seller received the notice.

4. Other terms

If more than one person signs a guaranty for the business, each is responsible for the full amount. Changes to this guaranty must be in writing and signed by the guarantor and the seller.

Guarantor signature

Printed name

Date (MM/DD/YYYY)

Witness or notary, if your counsel requires one

Not legal advice — have your counsel review it before you use it.