

SURETY INDEMNITY BOND FOR LOAN AGREEMENT

This Surety Indemnity Bond (â€œBondâ€) is made on this _____ day of _____, 20____, at _____, by:

Principal Borrower: _____

Address: _____

Surety/Guarantor: _____

Address: _____

In favour of:

Lender: _____

Address: _____

WHEREAS the Principal Borrower has entered into a Loan Agreement dated _____ (hereinafter referred to as "the Agreement") with the Lender for a sum of Rs. _____ (Rupees _____ only) (â€œthe Loanâ€) on such terms and conditions as agreed between the parties.

AND WHEREAS as a condition precedent to the sanction and disbursal of the Loan, the Lender has required the Surety/Guarantor to execute this Bond.

NOW THIS BOND WITNESSETH AS FOLLOWS:

1. The Surety/Guarantor hereby irrevocably and unconditionally undertakes to indemnify and keep indemnified the Lender from and against all losses, damages, charges, and expenses which may be suffered or incurred on account of any default, non-payment, or non-performance by the Principal Borrower under the Agreement.
2. The Surety/Guarantor agrees that their liability under this Bond shall be joint and several with the Principal Borrower and shall remain in force and effect till the full repayment and discharge of the Loan and all obligations under the Agreement.
3. It is expressly agreed that the Lender shall have full liberty to release or compound with the Principal Borrower or vary the terms of the Agreement, without affecting the liability of the Surety/Guarantor under this Bond.
4. The Surety/Guarantor waives all rights to require the Lender to proceed first against the Principal Borrower before proceeding against the Surety/Guarantor.
5. This Bond shall be governed by and construed in accordance with the laws of _____.

IN WITNESS WHEREOF, the Parties hereto have set and subscribed their respective hands to this Bond on the day, month and year first above written.

Signature of Principal Borrower

Name: _____

Address: _____

Signature of Surety/Guarantor

Name: _____

Address: _____

- This document should be executed on appropriate non-judicial stamp paper as per applicable state laws.
- All blanks must be filled clearly and correctly before execution.
- Signatures of all parties must be obtained in the presence of witnesses.
- Read and understand all obligations before signing as a surety/guarantor.
- If required, notarisation or attestation should be done for validity.

