

[Law Firm Letterhead]

[Date]

[Name of Guarantor]

[Address Line 1]

[Address Line 2]

Re: Advisory Letter Regarding Independent Legal Advice for Guarantee of [Name of Borrower]

Dear [Name of Guarantor],

We are acting as legal counsel for [Name of Lender] (the "Lender") in connection with a credit facility being provided to [Name of Borrower] (the "Borrower"). As a condition of this loan, the Lender requires you to execute a personal guarantee (the "Guarantee").

The purpose of this letter is to formally advise you that we represent only the interests of the Lender in this transaction. We do not represent you personally, nor do we represent the Borrower.

The Guarantee is a legally binding document that carries significant financial risks. By signing it, you may become personally liable for the full amount of the debt owed by the Borrower, including interest, fees, and legal costs. This liability may be enforced against your personal assets, including your home, bank accounts, and other property.

Because of the significant legal and financial implications of signing the Guarantee, we strongly recommend that you seek **Independent Legal Advice** from a lawyer of your own choosing who is not associated with this firm or the Borrower. Independent counsel will help ensure that you fully understand:

- The nature and extent of your liabilities under the Guarantee;
- The circumstances under which the Lender may demand payment from you;
- Any potential defenses or rights you may be waiving; and
- The impact this Guarantee may have on your personal financial position.

Please confirm your receipt of this advice by signing and returning the enclosed copy of this letter. If you choose to waive your right to independent legal advice, you will be required to sign a formal waiver prior to the execution of the Guarantee.

Yours truly,

[Name of Lawyer/Firm]

ACKNOWLEDGMENT

I, [Name of Guarantor], hereby acknowledge that I have received and read this letter. I understand that [Law Firm Name] represents the Lender only and has advised me to obtain independent legal representation regarding the Guarantee.

Signature: _____

Date: _____