

Agreement of guarantee

Whereas the Central Wakf Council, a statutory Body constituted under the Wakf Act, 1954 (Now Wakf Act, 1995), having its registered office at Jamnagar House, Shahjahan Road, New Delhi, on the recommendation of the(*Name of the Wakf Board*) has agreed to grant a loan of Rs..... (Rupees..... only) vide its sanction letter No..... dated.....for the development of the property of (*Name of the Wakf*).

The said Wakf is situated in the Stateof and being in the jurisdiction of the (*Name of the Wakf Board*) therefore in the loan agreement (*Name of the Wakf Board*) has been named as Borrower (a) but the loan has been granted for the implementation and execution of development scheme of the above said Wakf i.e. (*Name of the Wakf*) under the management (Mutawalliship) of (*Name of the Mutawalli*) the borrower (b) only and primarily responsible for execution of the scheme and repayment of loan.

And whereas in pursuance of the Central Wakf Council's direction as contained in its sanction letter No..... dated..... and clause No.4 of the loan agreement executed for the above loan the (*Name of the Wakf Board*) to stand as Guarantor for the aforesaid loan. The (*Name of the Wakf Board*) has resolved vide resolution No..... in the meeting held on to stand as guarantee against the loan sanctioned to (*Name of the Wakf*). Now therefore the (*Name of the Wakf Board*) through its Secretary/CEO hereby agrees to pay and satisfy the Council in the event of non-payment of the debt by the Mutawalli in accordance with the Terms & Conditions contained in the loan agreement.

1. That the guarantee herein agreed shall be continuing one and irrevocable until the amount due recoverable from the said Mutawalli, is paid in full.
2. That the guarantee shall be enforceable by the Council in the event of non-payment of the debt by the Mutawalli, of the above said Wakf.