



96TH GENERAL ASSEMBLY

State of Illinois

2009 and 2010

HB4135

Introduced 2/27/2009, by Rep. Chapin Rose

SYNOPSIS AS INTRODUCED:

740 ILCS 155/0.05 new

Amends the Sureties Act. Provides that the Act applies to sureties who share primary liabilities with their principals on promissory notes or performance or other contracts and whose primary liabilities originate from the contracts of their principals. Provides that the Act does not apply to guarantors of payment or guarantors of collection who undertake obligations to pay creditors of principal debtors, but whose obligations are not primary liabilities or are otherwise created by contracts that are separate from the contractual obligations of the principals. Effective immediately.

LRB096 08893 AJO 19028 b

1 AN ACT concerning civil law.

2 **Be it enacted by the People of the State of Illinois,**
3 **represented in the General Assembly:**

4 Section 5. The Sureties Act is amended by adding Section
5 0.05 as follows:

6 (740 ILCS 155/0.05 new)

7 Sec. 0.05. Primary liabilities; application of Act. The
8 provisions of this Act apply to sureties who share primary
9 liabilities with their principals on promissory notes or other
10 obligations for the payment of money or for the performance of
11 any other contracts, and whose primary liabilities originate
12 from the very contracts under which their principals are
13 obligated. The provisions of this Act do not apply to
14 guarantors of payment or guarantors of collection who undertake
15 obligations to pay creditors of principal debtors, but whose
16 obligations are not primary liabilities or are otherwise
17 created by contractual agreements between the creditors and the
18 guarantors that are separate from the contractual obligations
19 of the principals.

20 Section 99. Effective date. This Act takes effect upon
21 becoming law.