

Can a Verbal Commitment Guarantee a Loan?

Rav Yitzchok Grossman , Rosh Kollel of Greater Washington and Dayan at the Bais HaVaad

Question: When people cosign on a debt, the cosigner typically signs a contract to that effect. Occasionally, someone simply states verbally that he is guaranteeing a loan but he doesn't actually sign on any document.

Is a verbal commitment to guarantee a loan binding according to *halacha*?

Answer: The *halacha* is that a verbal commitment is binding.

Although we refer to such a person as a cosigner, in *lashon hakodesh*, we use the word *areiv*, guarantor. We do not refer to any signing because *arvus* works even verbally.

Question: Does this commitment of the guarantor need to be expressed at the time of the loan or can he say afterwards that he is now accepting to be *areiv*?

Answer: There is a *machlokes Tannaim* if one who accepts responsibility after a loan has already been given is liable as an *areiv*.

The *halacha* follows the view that such a commitment is valid as *arvus*; however, there is an important distinction between *arvus* accepted at the time of the loan and *arvus* accepted later. When one becomes an *areiv* at the time of the loan, no *kinyan* is needed, whereas when one accepts to be an *areiv* after the loan we *pasken* that a *kinyan* is necessary to deem him liable.