Katten

ARTICLE

2nd Circ. Guarantees 'Absolute And Unconditional' Guarantees

Published in Law360

July 13, 2016

This article discusses a recent decision issued by the US Court of Appeals for the Second Circuit in *136 Field Point Circle Holding Co. LLC v. Invar International Holding Inc*. The Second Circuit affirmed an earlier district court decision by holding that "absolute and unconditional" guarantees will be enforced under New York law, regardless of whether the underlying debt obligation is enforceable. This ruling is significant because, in the past, New York courts have declined to enforce liquidated damage provisions if against public policy or when such provisions are unrelated to the scope of the alleged violation. ("2nd Circ. Guarantees 'Absolute And Unconditional' Guarantees," July 12, 2016)

CONTACTS

For more information, contact your Katten attorney or any of the following attorneys.



Bonnie Lynn Chmil
+1.212.940.6415
bonnie.chmil@katten.com

Attorney advertising. Published as a source of information only. The material contained herein is not to be construed as legal advice or opinion.

©2026 Katten Muchin Rosenman LLP.

All rights reserved. Katten refers to Katten Muchin Rosenman LLP and the affiliated partnership as explained at katten.com/disclaimer.