

**THE ADVANTAGE OF GUARANTEE BY THE INSURANCE COMPANY
IN EXPANDING THE POPULATION'S ACCESS TO CREDIT**

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ANNOTATION: Guaranty is one of the important services provided by insurance companies, which plays an important role in protecting borrowers from financial risks for commercial banks. A guaranty by an insurance companies creates additional confidence for banks in fullfilling the borrower's obligations. This process, in turn, expands credit availability, as banks reduce risk through colletarel and become more willing to accept borrowers. At the same time, in order for the surety of insurance companies to be covered by insurance companies, legal entities and individuals must have presented the insurance premium.

KEY WORDS: guaranty, insurance companies, credit, risks, trust, financial security, bank guarantees.

INTRODUCTION:

In the economy credit holds importance. Offers various benefits, in enhancing the quality of life for people, in society. By obtaining a credit, the population has the opportunity to meet their needs. Banks often offer various credit products, guarantee offers by insurance organizations make it possible to get funds on favorable terms for the population. Also, with the help of loans, residents can expand their economic activities and increase their income. Of course, credits based on the laws of our country are issued through guarantors. This ensures a safe and timely return of the given amount. A guarantee is a guarantee provided by an insurance company, which plays an important role for commercial banks in protecting borrowers from financial risks. This process, in turn, expands credit opportunities and facilitates access to financial resources for residents and small businesses. Getting a loan involves dealing with risks as you need to consider how you'll use the money you borrow. If you can pay it back on time. Its a financial deal, between someone lending money and someone borrowing it. It includes important aspects aimed at increasing economic stability and access to financial services. Bank guarantees are an important factor in gaining the trust of the population. In this regard, they indicate that the bank can justify the trust of its customers. Having the assurance provided by

an insurance company can significantly enhance the accessibility of credit, for individuals in today's economy—a role that boosts possibilities for both entrepreneurs and the general population alike by shouldering the borrowers' responsibilities during credit acquisition processes. This support is particularly crucial, for medium enterprises since they frequently encounter challenges securing loans from traditional banking institutions.

Insurance firms act as a layer of assurance, for banks providing loans by offering guarantees. This reduces the risk of banks and allows them to serve more customers. Through guarantee agreements, organizations not only increase their financial stability, but also contribute to economic growth. At the same time, guarantees also allow insurance companies to attract new customers and expand their services. This approach creates more favorable conditions for the population and business entities in the process of obtaining loans and serves to increase economic activity. The advantages of guarantees are not limited to providing financial assistance, but also ensure stability and development in various sectors of the economy.

Obtaining a loan is convenient for the client due to the provision of collateral and the absence of the need to look for a guarantor, and for banks due to the most favorable insurance conditions provided by partner insurance organizations. ^[1] <https://depozit.uz/news/>

Introduction

The advantages of guarantee by the insurance company in expanding the credit opportunities of the population include several important aspects. The guarantee, that is, the insurance company's responsibility for fulfilling the obligations of the borrower, serves as an additional source of confidence for the lending banks. The main advantages of this process are mainly expanding the possibilities of obtaining credit. In this case, insurance companies create opportunities for individuals and businesses to obtain loans through guarantees. When there is a guarantee agreement, banks are willing to take on more risk, which increases the chances of obtaining a loan. It is very important for small and medium-sized businesses, because they often have difficulties in obtaining credits from banks. Next, risk reduction, in which guarantees for banks help to minimize risks in the lending process. If the borrower defaults, the insurance company will pay for it. This will reduce the financial risk of banks. Also, in the matter of social and economic stability, providing loans to the population and business entities through a guarantee ensures social and economic stability. The population will have the opportunity to

improve their economic situation, create new jobs and develop business activities. This process is very important for the economy of the country.

Through the guarantee mechanism, entrepreneurs can obtain the funds they need to implement new projects. This will also help develop innovations and increase the competitiveness of the economy.

Insurance companies use guarantees to involve new customers to banks. This buys into the service range of banks and recycles their sources of income.

In general, guarantees provided by insurance companies create significant advantages for the population and businesses in the process of obtaining loans, which contributes to economic development and ensures financial stability.

The interests of the parties in the credit process are very important, so the guarantee provided by the insurance company increases the borrowers' confidence in the banks and simplifies the process of obtaining a loan, and is ready to implement the guarantee process quickly and efficiently, which creates convenience for borrowers. In general, the guarantee services of the insurance company facilitate the process of obtaining a loan. From this we can see that insurance companies have enough advantages to justify the trust of the population. Through these services, access to financial resources becomes easier for the population and business entities and contributes to the development of economic activity.

Guarantee is one of the important services provided by insurance companies, which plays an important role in strengthening financial relations between commercial banks and borrowers. Through a guarantee, the insurance company assumes responsibility for the borrower's obligations to the bank. This allows banks to reduce risks, that is, riskiness, and facilitate the process of granting loans. Of course, these advantages do not go unnoticed, as they show that the guarantee of insurance companies is a set of advantages for both the creditor and the lender, both parties, within the framework of their service, reducing risk, simplified transactions and conveniences.

At the same time, it has become expedient to provide the first online loans for individual entrepreneurs representing various business sectors throughout Uzbekistan. The process turned out to be so simple and convenient that many customers are very satisfied with it. They also often emphasize the innovation and convenience of digital products.^[2] <https://daryo.uz/>

CONCLUSION:

In conclusion, the guarantee of insurance companies is beneficial to all three parts. Insurance company guarantee services facilitate the process of obtaining a loan and play an important role in ensuring financial stability in the economy. The guarantee system facilitates access to financial resources for the population and business entities and contributes to the development of economic activity and improvement of the living conditions of the population. Through guarantee services, insurance companies, in cooperation with commercial banks, play an important role in expanding the population's opportunities to obtain loans. This process not only ensures financial stability, but also has a positive impact on the development of the economy. As a result, the financial capabilities of the population and business entities increase, which contributes to overall economic growth. In general, the guarantee of insurance companies positively affects the stability of the population, banks and the economy. This, in turn, not only helps to reduce the trust of the population and the riskiness of the lender, but also contributes to ensuring the economic stability and financial security of the state.

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