

N O T E
FOR THE REVISING COMMITTEE

re: Sections 625 bis
and 700

The Committee of Redaction see no objection to draft section 625 bis as follows:

"A debtor may, instead of furnishing a surety for the guarantee of his obligation, furnish real security".

"Real security" may mean a pledge, or a mortgage, or caution-money.

If it is so adopted, the Committee suggest to modify accordingly section 700 which governs the case where a debtor who has given both a personal and real security (this may happen, for instance, when some real security, say immovables mortgaged, are in such actual conditions that their value is likely to eventually decrease). Section 700 purports to say that, in this case, the surety is entitled to claim that the real security be enforced first: the surety is responsible for the surplus only, if the real security is not sufficient. But section 700 shall

- apply to any kind of security, including
- caution money, and it is suggested to say:

- "If the obligation is secured by a real