

TITLE VI

HIRE - PURCHASE

Section 1

A contract of hire-purchase is a contract whereby a person agrees to let a movable property for a specified period of time to another person and promises to sell it to the latter for the price specified in the contract after the said period has elapsed.

Hire-purchase is governed by the provisions of this Code concerning hire up to the time when the promisee is entitled to complete the purchase or not.

From that time, a notification made by the promisee of his intention to complete the purchase, or any transfer or disposal of the movable property made by him, has the effect of a contract of sale.

ILLUSTRATIONS. - I. - On the 1st. January 2467, the Eastern Co. agrees to hire to A an electric fan for eleven months at a monthly rent of 10 baht. being agreed besides that the Company shall sell the fan to A if he makes a twelfth payment of 10 baht as a price for it.