

a) for eleven months, A is a lessee and incurs all the liabilities of a lessee if he damages the fan, etc.

b) if A, as long as he is a lessee, sells the fan to another person, he commits the offence of criminal misappropriation (Penal Code s. 314); besides, the Company is entitled to determine the contract (Draft Book III s. 517, 520) since A has used the property hired for other purposes than those of the contract and A will be liable to the Company for the return of the fan or its value. If A would have pledged the fan to another person, the contract would be void under section 789 second paragraph. The third person who has acquired or received the fan would have no good title but would receive compensation if he was acting in good faith.

c) as soon as the eleventh month has elapsed, that is to say from the 1st. December 2468, A has an option to buy or not the fan by payment of 10 baht; as a promisee (Draft Book III s. 226 to 299), he can do it or not; he does it if he notifies his intention to buy (s. 397) or if he pays the price of 10 baht specific performance; if he sells the fan or pledges it to a third person, section 1 does not take it as a criminal offence, but says that such a transfer or disposal has the same effect as an option: that is to say A can be sued by the Company in all these cases for the payment of the twelfth instalment