

III. — On the 1st. of June 2455 B makes a further payment of 2850 baht. This payment shall be appropriated as follows:

- a) Ordinary debt No. 4 to be entirely extinguished (rule No. 3).
- b) The balance of 150 baht to be divided between ordinary debts Nos. 5. and 6, viz. 100 baht to the ordinary debt No. 5 and 50 baht to the ordinary debt No. 6 (rule No. 4), 150 baht remaining unpaid.

255. — If the creditor has received security, part performance shall be appropriated first to the unsecured portion of the obligation.

ILLUSTRATION. — A lends to B 800 baht, C being security for 600 baht. B makes to A payment of 300 baht. B cannot appropriate such payment to that part of the debt which is guaranteed by C in preference to the other part, that is to say he cannot declare that C's liability is reduced from 600 to 300 baht. The payment must be appropriated first to the part (200 baht) which is not guaranteed, and the surplus to the part which is guaranteed. C's liability as security is therefore reduced only to 500 baht.

256. — If costs and interest are due, the prestation must be appropriated in the following order :

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- 2) Interest.
- 3) Capital.

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