money and these obligations are due, the obligations may be extinguished by set off up to the amount of the smaller sum, in the same way as if they had been performed up to that amount.

See Illustration under Section 353.

353. — Set off is made by a notification made by one party to the other.

ILLUSTRATION (Sections 352 and 353). — A has lent 200 baht to B. A is creditor of B and B is debtor of A for 200 baht. Afterwards, B sells a pony to A for 150 baht and delivers it before the price be paid. B is creditor of A and A is debtor of B for 150 baht.

A and B are respectively creditor and debtor and debtor and creditor. Their obligations may be extinguished by set off up to the amount of the smaller obligation, that is to say up to 150 baht, in the same way as if B had paid 150 baht to A and A had paid 150 baht to B.

It A notifies set off to B, A's debt is wholly extinguished. B's debt is extinguished up to 150 baht only. B remains the debtor of A for the balance, viz. 50 baht.

354. — Set off takes effect from the time when the notification reaches the other party.

355. — If an obligation has been transferred, the debtor who is notified of, or has agreed to, the transfer

money and these obligations are due, the obligations may be extinguished by set off up to the amount of the smaller sum, in the same way as if they had been performed up to that amount.

See Illustration under Section 353.

353.—Set off is made by a notification made by one party to the other.

ILLUSTRATION *(Sections 352 and 353).—A has lent 200 baht to B. A is creditor of B and B is debtor of A for 200 baht. Afterwards, B sells a pony to A for 150 baht and delivers it before the price be paid. B is creditor of A and A is debtor of B for 150 baht.*

A and B are respectively creditor and debtor and debtor and creditor. Their obligations may be extinguished by set off up to the amount of the smaller obligation, that is to say up to 150 baht, in the same way as if B had paid 150 baht to A and A had paid 150 baht to B.

If A notifies set off to B, A's debt is wholly extinguished. B's debt is extinguished up to 150 baht only. B remains the debtor of A for the balance, viz. 50 baht.

354.—Set off takes effect from the time when the notification reaches the other party.

355.—If an obligation has been transferred, the debtor who is notified of, or has agreed to, the transfer

cannot set off against the transferee obligations which he could set off against the transferor.

[356. — A debtor cannot notify set off after the obligation has been seized by order of the Court either before or after judgment.]

ILLUSTRATION. — A owes 10,000 baht to B. B owes 4000 baht to A. Both debts are due. A can at any time notify B that he sets off B's debt against A's own debt and that A's own debt to B is reduced to 6000 baht.

D being a judgment creditor of B for 15,000 baht obtains from the Court a decree ordering A to pay to D any monies due by A to B. If such decree is served after A has notified the set off to B, A is bound to pay 6000 baht only to D. But if A has not yet notified the set off to B when he is served with the decree, he cannot afterwards notify it and he is bound to pay 10,000 baht to D.

357. — Set off can be made even if the places of performance of the two obligations are different; but the party who makes the set off must make compensation to the other party for any injury resulting therefrom.

ILLUSTRATION. — A owes 5,000 baht to B, to be paid in Bangkok. B owes 7,000 baht to A to be paid in Chiengmai. B can set off the debt of A against his own debt to A, that is to say he can pay only 2,000 baht to A in Chiengmai, the surplus of his debt having been extinguished by way of set off. But if A suffers injury from the fact that he only gets in Chiengmai where bullion is scarce

cannot set off against the transferee obligations which he could set off against the transferor.

356. - A debtor cannot notify set off after the obligation has been seized by order of the Court either before or after judgment.

ILLUSTRATION.—*A owes 10,000 baht to B. B owes 4000 baht to A. Both debts are due. A can at any time notify B that he sets off B's debt against A's own debt and that A's own debt to B is reduced to 6000 baht.*

D being a judgment creditor of B for 15,000 baht obtains from the Court a decree ordering A to pay to D any monies due by A to B. If such decree is served after A has notified the set off to B, A is bound to pay 6000 baht only to D. But if A has not yet notified the set off to B when he is served with the decree, he cannot afterwards notify it and he is bound to pay 10,000 baht to D.

357.—Set off can be made even if the places of performance of the two obligations are different; but the party who makes the set off must make compensation to the other party for any injury resulting therefrom.

ILLUSTRATION.—*A owes 5000 baht to B, to be paid in Bangkok. B owes 7000 baht to A to be paid in Chiengmai. B can set off the debt of A against his own debt to A, that is to say he can pay only 2000 baht to A in Chiengmai, the surplus of his debt having been extinguished by way of set off. But if A suffers injury from the fact that he only gets in Chiengmai where bullion is scarce*