708. — If the creditor impairs or reduces the securities given for the performance of the obligation, the surety is discharged to the extent of the injury suffered by him thereby.

ILLUSTRATION. — A is creditor of B for 1,000 baht. C has agreed to be surety for B's obligation, which is also secured by a pledge. A returns the property pledged to B and afterwards demands performance from C.

Under Section 700 C was entitled to have the obligation performed first out of the property pledged ; C suffers injury by the fact that such property has been returned to B. C is discharged to the extent of such injury, that is to say if the property pledged was worth 600 baht C's liability is limited to 400 baht only.

CHAPTER IV.

EXTINCTION OF SURETYSHIP.

709. — When the obligation of the debtor is extinguished, the surety is discharged.

710. — If suretyship has been given for a series of transactions, the surety can at any time determine the suretyship for the future by giving notice to the creditor to that effect.

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708.—If the creditor impairs or reduces the securities given for the performance of the obligation, the surety is discharged to the extent of the injury suffered by him thereby.

ILLUSTRATION.—*A is creditor of B for 1000 baht. C has agreed to be surety for B's obligation, which is also secured by a pledge. A returns the property pledged to B and afterwards demands performance from C.*

Under Section 700 C was entitled to have the obligation performed first out of the property pledged; C suffers injury by the fact that such property has been returned to B. C is discharged to the extent of such injury, that is to say if the property pledged was worth 600 baht C's liability is limited to 400 baht only.

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In such case, the surety is not liable for transactions one by the debtor after the notice has reached the creditor.

711. — Suretyship given for the tran[s]action of a registered partnership or limited partnership is extinguished for the future if the partnership changes its firm name.

It is not extinguished by a change in the members or object of the partnership.

712. — If suretyship has been given for an obligation which is to be performed at a definite time, and the creditor grants to the debtor an extension of time, the surety is discharged.

The surety is not discharged if he agreed to the extension of time or if the extension is granted by the Court.

713. — The surety is entitled to tender performance of the obligation to the creditor from the time when performance is due.

If the creditor refuses to accept performance, the surety is discharged.

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