

Source: sooperkanoon.com/act/452298

Contract Act, 1872

Section 126 - "CONTRACT OF GUARANTEE", "SURETY", "PRINCIPAL DEBTOR" AND "CREDITOR" A "contract of guarantee" is a contract to perform

SECTION 126: "CONTRACT OF GUARANTEE", "SURETY", "PRINCIPAL DEBTOR" AND "CREDITOR" A "contract of guarantee" is a contract to perform the promise, or discharge the liability, of a third person in case of his default. The person who gives the guarantee is called the "surety"; the person in respect of whose default the guarantee is given is called the "principal debtor", and the person to whom the guarantee is given is called the "creditor". A guarantee may be either oral or written.