

540.1 Requiring creditor to sue.

When any person bound as surety for another for the payment of money, or the performance of any other contract in writing, apprehends that the principal is about to become insolvent or remove permanently from the state without discharging the contract, the surety may, if a cause of action has accrued thereon, by writing, require the creditor to sue upon the same, or permit the surety to commence an action in such creditor's name and at the surety's cost.

[C51, § 970; R60, § 1819; C73, § 2108; C97, § 3064; C24, 27, 31, 35, 39, § **9457**; C46, 50, 54, 58, 62, 66, 71, 73, 75, 77, 79, 81, § 540.1]

Footnotes

Order of liability, R.C.P. 1.956

Right of subrogation, § 626.19