



Bankruptcy and Diligence etc. (Scotland) Act 2007

2007 asp 3

PART 5

INHIBITION

Effect

155 Power of receiver or liquidator in creditors' voluntary winding up to dispose of property affected by inhibition

- (1) The Insolvency Act 1986 (c. 45) is amended as follows.
- (2) After section 61(1) (which sets out the process by which a receiver may dispose of property subject to both the floating charge and to another security, other encumbrance or diligence) insert—
 - “(1A) For the purposes of subsection (1) above, an inhibition which takes effect after the creation of the floating charge by virtue of which the receiver was appointed is not an effectual diligence.”.
- (3) After section 166(1) (which applies the provisions of that section to a liquidator nominated by the company in a creditors' voluntary winding up) insert—
 - “(1A) The exercise by the liquidator of the power specified in paragraph 6 of Schedule 4 to this Act (power to sell any of the company's property) shall not be challengeable on the ground of any prior inhibition.”.

Changes to legislation:

There are currently no known outstanding effects for the Bankruptcy and Diligence etc. (Scotland) Act 2007, Section 155.