



Bankruptcy and Diligence etc. (Scotland) Act 2007

2007 asp 3

PART 2

FLOATING CHARGES

Registration and creation etc.

PROSPECTIVE

41 Ranking clauses

- (1) The document granting a floating charge over all or any part of the property of a company may make provision regulating the order in which the charge ranks with any other floating charge or any fixed security (including a future floating charge or fixed security) over that property or any part of it.
- (2) Provision under subsection (1) above—
 - (a) may displace in whole or part—
 - (i) subsections (1) and (2) of section 40 of this Act;
 - (ii) subsections (5) and (6) of that section;
 - (b) may not affect the operation of subsection (4) of that section (whether as against subsections (1) and (2) of that section or other provision under subsection (1) above).
- (3) Accordingly, subsections (1), (2), (5) and (6) of that section have effect subject to any provision made under subsection (1) above.
- (4) Provision under subsection (1) above is not valid unless it is made with the consent of the holder of any subsisting floating charge, or any subsisting fixed security, which would be adversely affected by the provision.
- (5) A document of consent for the purpose of subsection (4) above may be registered in the Register of Floating Charges.

Status:

This version of this provision is prospective.

Changes to legislation:

There are currently no known outstanding effects for the Bankruptcy and Diligence etc. (Scotland) Act 2007, Section 41.