



Insolvency Act 1986

1986 CHAPTER 45

PART III

RECEIVERSHIP

CHAPTER II

RECEIVERS (SCOTLAND)

62 Cessation of appointment of receiver.

- (1) A receiver may be removed from office by the court under subsection (3) below and may resign his office by giving notice of his resignation in the prescribed manner to such persons as may be prescribed.
- (2) A receiver shall vacate office if he ceases to be qualified to act as an insolvency practitioner in relation to the company.
- (3) Subject to the next subsection, a receiver may, on application to the court by the holder of the floating charge by virtue of which he was appointed, be removed by the court on cause shown.
- (4) Where at any time a receiver vacates office—
 - (a) his remuneration and any expenses properly incurred by him, and
 - (b) any indemnity to which he is entitled out of the property of the company,shall be paid out of the property of the company which is subject to the floating charge and shall have priority as provided for in section 60(1).
- (5) When a receiver ceases to act as such otherwise than by death he shall, and, when a receiver is removed by the court, the holder of the floating charge by virtue of which he was appointed shall, within 14 days of the cessation or removal (as the case may be) given the registrar of companies notice to that effect, and the registrar shall enter the notice in the [^{F1}register].

Changes to legislation: Insolvency Act 1986, Section 62 is up to date with all changes known to be in force on or before 26 April 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details) View outstanding changes

If the receiver or the holder of the floating charge (as the case may require) makes default in complying with the requirements of this subsection, he is liable to a fine and, for continued contravention, to a daily default fine.

(6) If by the expiry of a period of one month following upon the removal of the receiver or his ceasing to act as such no other receiver has been appointed, the floating charge by virtue of which the receiver was appointed—

- (a) thereupon ceases to attach to the property then subject to the charge, and
- (b) again subsists as a floating charge;

and for the purposes of calculating the period of one month under this subsection no account shall be taken of any period during which [^{F2}the company is in administration,] under Part II of this Act ^{F3}. . . .

Textual Amendments

- F1** Word in s. 62(5) substituted (6.4.2013) by [The Companies Act 2006 \(Amendment of Part 25\) Regulations 2013 \(S.I. 2013/600\)](#), reg. 1, **Sch. 2 para. 2(2)** (with reg. 6)
- F2** Words in s. 62(6) substituted (15.9.2003) by [The Enterprise Act 2002 \(Insolvency\) Order 2003 \(S.I. 2003/2096\)](#), art. 4, **Sch. Pt. 1 para. 9(a)** (with art. 6)
- F3** Words in s. 62(6) repealed (15.9.2003) by [The Enterprise Act 2002 \(Insolvency\) Order 2003 \(S.I. 2003/2096\)](#), art. 4, **Sch. Pt. 1 para. 9(b)** (with art. 6)

Modifications etc. (not altering text)

- C1** S. 62 applied (with modifications) (6.4.2001) by [S.S.I. 2001/128](#), reg. 4(1), **Sch. 2**
- C2** S. 62 applied (with modifications) (4.1.2024) by [S.I. 2021/716](#), Sch. 1 para. 3 (as amended by [The Payment and Electronic Money Institution Insolvency \(Amendment\) Regulations 2023 \(S.I. 2023/1399\)](#), regs. 1(2), **20**)
- C3** S. 62(5) (so far as relating to the giving of notice) amended (1.7.1999) by [1998 c. 46](#), s. 125, **Sch. 8 para. 23(2)(3)**; [S.I. 1998/3178](#), **art. 2** (as amended (28.6.2016) by [The Building Societies \(Floating Charges and Other Provisions\) Order 2016 \(S.I. 2016/679\)](#), arts. 1(1), **6**)

Changes to legislation:

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Changes and effects yet to be applied to the whole Act associated Parts and Chapters:

- Act amendment to earlier affecting provision S.I. 1986/1999, art. 3, Sch. 1 Pt. 2 by [S.I. 2017/1119 Sch. 3 para. 1](#)
- Act savings and transitional provisions for amendments by S.I. 2022/1166 by [S.I. 2022/1172 Regulations](#)

Whole provisions yet to be inserted into this Act (including any effects on those provisions):

- s. 41HB(2) words substituted by [2018 c. 14 s. 1\(3\)\(b\)](#)