

These notes relate to the Bankruptcy and Diligence etc. (Scotland) Act 2007 (asp 3) which received Royal Assent on 15 January 2007

BANKRUPTCY AND DILIGENCE ETC. (SCOTLAND) ACT 2007

EXPLANATORY NOTES

THE ACT

Commentary

Part 1 – Bankruptcy

Bankruptcy restrictions orders and undertakings

Section 2 – Bankruptcy restrictions orders and undertakings

New section 56H – Bankruptcy restrictions undertakings: application of section 67(9)

18. Section 56H provides for section 67(9) of the 1985 Act to apply to a debtor who is subject to a BRU if the debtor has specified in the undertaking that it is to apply and the AiB has approved the undertaking on those terms. Section 67(9) states that a debtor, who has obtained credit in excess of £500 in a single transaction without informing the lender of the debtor's status as an undischarged bankrupt or as someone subject to a BRO or BRU made in England and Wales, will have committed an offence. This offence will also apply to any debtor who, over a number of transactions, obtains any amount of credit above a maximum level of £1,000. The effect of section 56H is to apply these restrictions to a debtor subject to a BRU entered into in Scotland under section 56G.