



Bankruptcy and Diligence etc. (Scotland) Act 2007

2007 asp 3

PART 5

INHIBITION

Effect

154 Inhibition not to confer a preference in ranking

- (1) An inhibition does not confer any preference in any—
 - (a) sequestration;
 - (b) insolvency proceedings; or
 - (c) other process in which there is ranking.
- (2) Subsection (1) above does not affect any preference claimed in—
 - (a) a sequestration;
 - (b) insolvency proceedings; or
 - (c) any other process,where the inhibition has effect before this section comes into force.
- (3) For the avoidance of doubt, in this section, “other process” includes the process, under section 27(1) of the Conveyancing and Feudal Reform (Scotland) Act 1970 (c. 35), of applying the proceeds of sale where a creditor in a standard security has effected a sale of the security subjects.
- (4) In this section, “insolvency proceedings” means—
 - (a) winding up;
 - (b) receivership;
 - (c) administration; and
 - (d) proceedings in relation to a company voluntary arrangement,within the meaning of the Insolvency Act 1986 (c. 45).