



# Bankruptcy (Scotland) Act 2016

## 2016 asp 21

### PART 14

#### VOLUNTARY TRUST DEEDS FOR CREDITORS

##### *Effect of protected status etc.*

#### **173 Effect of protected status on diligence against earnings**

- (1) This section applies where a trust deed has protected status.
- (2) On the date of protection, any current earnings arrestment, maintenance arrestment, or, subject to subsection (3), conjoined arrestment order ceases to have effect.
- (3) Any sum paid, before the date of protection, by the employer to the sheriff clerk under a conjoined arrestment order must be disbursed by the sheriff clerk under section 64 of the Debtors (Scotland) Act 1987 even if the date of disbursement is after the date of protection.
- (4) A deduction from earnings order under that Act of 1987 is not competent after the date of protection to secure the payment of any amount due by the debtor under a maintenance calculation (within the meaning of that Act) in respect of which a claim could be made under the trust deed.
- (5) The execution of an earnings arrestment or the making of a conjoined arrestment order is not competent, after the date of protection, to enforce a debt in respect of which the creditor is entitled to make a claim under the trust deed.