



Redemption of Standard Securities (Scotland) Act 1971

1971 CHAPTER 45

An Act to amend the provisions of the Conveyancing and Feudal Reform (Scotland) Act 1970 relating to the redemption of standard securities; to make provision as respects Scotland in relation to the operation of section 89 of the Companies Act 1948; and for connected purposes. [1st July 1971]

BE IT ENACTED by the Queen's most Excellent Majesty, by and with the advice and consent of the Lords Spiritual and Temporal, and Commons, in this present Parliament assembled, and by the authority of the same, as follows:—

1 Amendment of provisions relating to redemption of standard securities.

The Conveyancing and Feudal Reform (Scotland) Act 1970 (hereinafter referred to as "the principal Act") shall be amended as follows—

- (a) in section 11(3) (power to vary standard conditions of a standard security), after the words " other than " there shall be inserted the words " standard condition 11 (procedure on redemption) and " , and the word " redemption " shall be omitted;
- (b) in section 18(1) (right to redeem a standard security), at the beginning there shall be inserted the words " Subject to the provisions of subsection (1A) of this section, " and after the words " redeem the security " there shall be inserted the words " on giving two months' notice of his intention so to do, and ";
- (c) after section 18(1) there shall be inserted the following subsection—

“(1A) The provisions of the foregoing subsection shall be subject to any agreement to the contrary, but any right to redeem the security shall be exercisable in conformity with the terms and Forms referred to in that subsection.”;

- (d) in section 18(2) (procedure where a discharge cannot be obtained), after the words " security subjects" there shall be inserted the words " (being in either case a person entitled to redeem the security) ",
and for the words " last foregoing subsection" there shall be substituted the words " foregoing provisions of this section ";
- (e) in section 23(3) (right to redeem without notice on default), after the words " debtor or proprietor " there shall be inserted the words " (being in either case a person entitled to redeem the security) ";
- (f) in section 28(5) and 28(6)(a) (extinction of right to redeem upon foreclosure), for the words " the debtor's right of redemption under the standard security " and " the debtor's right of redemption " respectively, there shall be substituted in each case the words " any right to redeem the security ";
- (g) in Schedule 3 (standard conditions), in standard condition 11 (procedure on redemption)—
 - (i) in sub-paragraph (1), for the words " right of redemption under this Act on giving two months' notice " there shall be substituted the words " right (if any) to redeem the security on giving notice ";
 - (ii) in sub-paragraph (2), for the words " the foregoing sub-paragraph " there shall be substituted the words " this Act ",
and for the words " two months " there shall be substituted the words " that to which he is entitled. ";
 - (iii) in sub-paragraph (5), for the words "On payment " there shall be substituted the words " Where the debtor has exercised a right to redeem, and has made payment ", and for the words " on performance of" there shall be substituted the words " has performed ".

2 Operation of s. 89 of Companies Act 1948.

For the avoidance of doubt, it is hereby declared that the provisions of Part II (the standard security) of the principal Act do not affect (and shall be deemed never to have affected) the operation of section 89 of the Companies Act 1948 (perpetual debentures).

3 Application of Act to existing standard securities.

The provisions (including the standard conditions) of and relating to a standard security granted before the commencement of this Act and duly recorded may be altered by such an agreement as is mentioned in section 1(c) of this Act duly recorded, and the provisions of the principal Act as amended by this Act shall apply in relation to any such security as so altered.

4 Citation and construction.

This Act may be cited as the Redemption of Standard Securities (Scotland) Act 1971, and the principal Act and this Act shall be construed together, and may be cited together as the Conveyancing and Feudal Reform (Scotland) Acts 1970 and 1971.