



Companies Act 1985

1985 CHAPTER 6

^{F1}PART XXV

MISCELLANEOUS AND SUPPLEMENTARY PROVISIONS

726 Costs and expenses in actions by certain limited companies.

- (1) ^{F1}
- (2) Where in Scotland a limited company is pursuer in an action or other legal proceeding, the court having jurisdiction in the matter may, if it appears by credible testimony that there is reason to believe that the company will be unable to pay the defender's expenses if successful in his defence, order the company to find caution and sist the proceedings until caution is found.

Textual Amendments

- F1** S. 726(1) repealed (1.10.2009) by [Companies Act 2006 \(c. 46\)](#), ss. 1295, 1300, [Sch. 16](#); S.I. 2008/2860, [art. 4](#), [Sch. 1](#) (as amended by [S.I. 2009/1802](#), [art. 18](#), [Sch.](#) and by [S.I. 2009/1941](#), [art. 13](#))

Modifications etc. (not altering text)

- C1** S. 726 applied (with modifications) (6.4.2001) by [S.I. 2001/1090](#), reg. 4, [Sch. 2 Pt. I](#)
- C2** S. 726(2) applied (1.10.2009) by [The Companies Act 2006 \(Consequential Amendments, Transitional Provisions and Savings\) Order 2009 \(S.I. 2009/1941\)](#), [art. 13\(3\)](#)

Changes to legislation:

There are currently no known outstanding effects for the Companies Act 1985, Section 726.