



# Companies (Floating Charges) (Scotland) Act 1961

1961 CHAPTER 46

## **4 Extension of power of court to wind up a company**

- (1) Section two hundred and twenty-two and subsection (5) of section three hundred and ninety-nine of the Act of 1948 (which specify the circumstances in which certain companies may be wound up by the court) shall, in relation to a company which the Court of Session has jurisdiction to wind up, have effect as if they included the following circumstances, that is to say, if there is subsisting a floating charge over property comprised in the company's property and undertaking, and the court is satisfied that the security of the creditor entitled to the benefit of the floating charge is in jeopardy.
- (2) The security of a creditor shall, for the purposes of the foregoing subsection, be deemed to be in jeopardy if the court is satisfied that events have occurred or are about to occur which render it unreasonable in the interests of the creditor that the company should retain power to dispose of the property which is subject to the floating charge.