

AGRICULTURAL HOLDINGS (SCOTLAND) ACT 2003

EXPLANATORY NOTES

INTRODUCTION

Part 2: Tenant's Right to Buy Land

Section 30: Meaning of “creditor in a standard security with a right to sell land”

94. This section defines the term “creditor in a standard security with a right to sell land” for the purposes of Part 2. The first definition is a creditor in a standard security where a calling-up notice in respect of the security has been served upon the debtor and has not been complied with. In this case the debtor is in default within the meaning of standard condition 9(1)(a) (the standard conditions are set out in Schedule 3 to the Conveyancing and Feudal Reform (Scotland) Act 1970 (“the 1970 Act”). Such a creditor has a right to sell the security subjects by virtue of section 20(2) of the 1970 Act.
95. The second definition is a creditor in a standard security where the debtor is in default within the meaning of standard condition 9(1)(b) and a notice of default has been served under section 21 of the 1970 Act to which the debtor has not objected under section 22(1) of the 1970 Act. The definition also covers situations where the court has upheld or varied the notice of default under section 22(2) of the 1970 Act, in cases where the debtor has objected to the notice, and where the debtor fails to comply with any requirement of the notice, or varied notice. Such a creditor has the right to sell the security subjects, or any part of the security subjects, by virtue of standard condition 10(2).
96. The third definition is a creditor in a standard security where the debtor is in default within the meaning of standard condition 9(1)(c) and the creditor has obtained a warrant to exercise any of the remedies which the creditor is entitled to exercise on default within the meaning of standard condition 9(1)(a), which includes the right to sell the security subjects.