



Bankruptcy and Diligence etc. (Scotland) Act 2007

2007 asp 3

PART 2

FLOATING CHARGES

Registration and creation etc.

38 **Creation of floating charges**

- (1) It continues to be competent, for the purpose of securing any obligation to which this subsection applies, for a company to grant in favour of the creditor in the obligation a charge (known as a “floating charge”) over all or any part of the property which may from time to time be comprised in the company’s property and undertaking.
- (2) Subsection (1) above applies to any debt or other obligation incurred or to be incurred by, or binding upon, the company or any other person.
- (3) From the coming into force of this section, a floating charge is (subject to section 39 of this Act) created only when a document—
 - (a) granting a floating charge; and
 - (b) subscribed by the company granting the charge,is registered in the Register of Floating Charges.
- (4) References in this Part to a document which grants a floating charge are to a document by means of which a floating charge is granted.