

ARTL COMPATIBILITY OF DEED TYPES

ARTL Application Compatibility
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1. INTRODUCTION

The ARTL system of registration is designed for applications for registration of Dealings with Whole in the Land Register of Scotland. It is not available for First Registrations or Transfers of Part type applications. In the main, these comprise straightforward Dealings that affect only the B (Proprietorship) and C (Charges) Sections of Title Sheets.

This document lists those types of Dealings applications that are ARTL-compatible and those that are not ARTL compatible.

**The E-Services Support Team contact details are:*

Tel. **0845 607 0160** Fax. **0131 479 3688** Email. eServices@ros.gov.uk

2. TRANSFER OF TITLE

The following transfers of title are compatible with ARTL.

SDLT Notes:

Transfers of title with a consideration under £40,000 do not require a SDLT return. For transfers of title with a consideration of £40,000 or above it is necessary to complete the SDLT return form on the ARTL system.

Generally ARTL will accept Dispositions granted by the registered proprietor(s) of the title.

In particular, Dispositions granted by:

- the registered proprietor(s) (being one or more persons) of the whole subjects in the title in favour of one or more parties.
- ex officio trustees (where the trustees granting the deed are the same individuals as those registered, being the trustees for a club or other organisation) in favour of one or more parties
- trustees on behalf of a firm (the registered proprietor being the trustees for the firm) in favour of one or more parties
- a limited liability partnership being the registered proprietor in favour of one or more parties
- a company (being the registered proprietor) incorporated within the UK in favour of one or more parties (users should note that while Dispositions can be submitted through ARTL Limited Company Standard Securities cannot).
- a corporate body (e.g. local authority, building society, friendly society, industrial and provident society, etc.) (being the registered proprietor) in favour of one or more parties
- a company (being the registered proprietor) incorporated outwith the UK in favour of one or more parties

Assignment

- of lease which does not contain additional burdens or provisions

The following dispositions are not currently compatible:

- a creditor in virtue of the power of sale procedures under the Conveyancing and Feudal Reform (Scotland) Act 1970 in favour of one or more parties, except where there is a disclosure Order in terms of section 2 of the Mortgage Rights (Scotland) Act 2001
- the beneficiaries of the deceased registered proprietor in favour of one or more parties
- the registered proprietor(s) in respect of his/her/their share and as survivor(s) in respect of the deceased's remaining share in favour of one or more parties
- the executor(s) of the registered proprietor of the whole subjects in favour of one or more parties, except for gratuitous transfers
- trustee(s) under a trust deed (inter vivos or testamentary) granted by the registered proprietor in favour of one or more parties

The following transfers of title are not compatible with ARTL:

Disposition:

- containing *in gremio* consents or declarations under the Matrimonial Homes / Civil Partnership legislation
- by a registered proprietor of a *pro indiviso* share in favour of one or more parties
- by the executor(s) of the registered proprietor of the whole subjects in favour of one or more parties where the transfer is gratuitous
- by a trustee for a limited company in favour of one or more parties
- by the trustee in sequestration of the registered proprietor in favour of one or more parties
- by a company (being the registered proprietor) incorporated within the UK and in liquidation in favour of one or more parties
- by a receiver of a company (being the registered proprietor) incorporated within the UK in favour of one or more parties
- of property acquired in terms of an intervention or guardianship order
- by an authorised person (legal incapacity) in favour of one or more parties
- by guardian (legal incapacity) in favour of one or more parties
- in favour of a club or association if the trustees are designed as holders of specific offices

Other transactions that are **not ARTL compatible**

- Statutory conveyance
- Assignment of lease which contains additional burdens or provisions
- Disposition and assignment
- Renunciation of lease
- Notice of title
- Statutory vesting

3. STANDARD SECURITY

The following Standard Security is the most frequently used in applications for registration and is compatible with ARTL:

A Standard Security granted by the registered proprietor(s) (being individual(s)) in favour of a creditor over the whole subjects in the title. (See list of participating Banks & Building Societies at http://www.ros.gov.uk/artl/participants_menu.html).

A Form "A" Standard Security granted by the registered proprietor(s) (being individual(s)) in favour of a creditor(s) (being individual(s)) over the whole subjects in the title.

The following Standard Securities are not compatible with ARTL:

Standard Security:

- Containing *in gremio* consents or declarations under the Matrimonial Homes/Civil Partnership legislation
- not granted by all the registered proprietors
- over part only of the registered subjects
- in respect of a discount
- in favour of a statutory body (including Scottish Ministers)
- over the whole registered subjects and other subjects
- by the registered proprietor (being a limited company incorporated within Great Britain, unlimited registered companies, limited liability partnerships, European Economic Interest Groupings or a foreign company having a place of business in Scotland). The Tell Me Don't Show Me principle¹ does not apply to these transactions as at present they require submission of a certificate of registration of a charge
- by the registered proprietor (being a limited company incorporated outside Great Britain and not having a place of business in Scotland) in favour of one of the financial institutions over the whole subjects in the title
- by the registered proprietor and another party (individual(s))
- by the company nominee of the registered proprietor (being a limited company incorporated within Great Britain)
- by the registered proprietor in respect of a syndicated loan in favour of more than one of the financial institutions over the whole subjects in the title
- by a registered creditor in favour of another financial institution over a single standard security

¹ The user inputting the data to the ARTL system certifies in the digital application form certain statements in relation to the application.

4. DISCHARGE

These Discharges are compatible with ARTL:

Discharge of

- a standard security
- a discount standard security
- a standard security where one creditor has assigned the security to another
- a charging order

These Discharges and related deeds are not compatible with ARTL:

- Discharge endorsed on the standard security
- Discharge of a standard security over property involving more than one title sheet
- Combined partial discharge and deed of restriction
- Deed of restriction
- Discharge under Adults with Incapacity (Scotland) Act 2000 (where adult is either debtor or creditor)
- Combined Discharge of two or more standard securities registered over one title number
- Discharge containing a description in terms of Note 2(2) to Schedule 4 of the 1970 Act
- Discharge of a standard security over a standard security
- Discharge *confusione*

5. OTHER TYPES OF APPLICATION/DEED

The following types of applications are compatible with ARTL:

- Assignment of single standard security
- Charging Order
- Notice of payment of Improvement or Repairs grant.
- Notice of cessor of Improvement or Repairs grant.

The following types of application/deed are not compatible with ARTL:

- Deed of Variation
- Variation of a Standard Security endorsed on the Standard Security
- Assignment of a Standard Security endorsed on the Standard Security
- Combined partial assignation and partial discharge of a Standard Security
- Assignment of a Standard Security by one creditor to another of multiple Securities
- Ranking Agreement
- Deed of Postponement
- Floating Charge
- Bond and floating charge
- Assignment of a floating charge

6. CERTAIN OTHER APPLICATIONS WILL NOT BE COMPATIBLE WITH THE ARTL SYSTEM

1. Transactions that require either the submission of additional documentation or contact between RoS and the submitting agent. If you have any doubts about transactions, please contact the E-Services Support Team:

- the title sheet includes an exclusion of indemnity (except those relating to section 410 and/or section 424 of the Companies Act 1985)
- the title sheet includes reference to an entry in the Register of Inhibitions
- the title sheet includes an adverse matrimonial homes/civil partnership entry
- adults with incapacity are involved in the transaction
- the title sheet includes a Notice of Advance Payment of Compensation (except security transactions)
- there is an order in terms of section 2 of the Mortgage Rights (Scotland) Act 2001
- Assignations of leases require the landlord's consent
- the title sheet refers to an *ex facie* absolute title
- the title sheet includes a note relating to a Bond and Floating Charge or a Debenture (excepting securities and assignations of securities)
- Standard Securities are affected by ranking in terms of the Crofters (Scotland) Act 1993

2. Transactions that are complex:

- title sheet may be rectified as a result of Court Proceedings (Rule 17 of the Land Registration (Scotland) Rules 2006)
- transfer of title is not by all the registered proprietors
- the transfer of only a *pro indiviso* share of subjects rather than the whole subjects
- Transfers of title not by the registered proprietor except where the Tell Me Don't Show Me principle applies.
- Standard Securities and Discharges over part of subjects in title
- Discharge or further assignation of a standard security that has been partially assigned
- Discharge of a standard security accompanied by a ranking note in the C Section where there are three or more charges (standard securities, bonds and floating charges and debentures) in the C Section
- Transactions affecting title sheets including superiority interests

3. Keeper's internal processes requiring manual amendment to the title sheet:

- features on OS map having been updated
- Transactions on title sheets disclosing that a substitute Land Certificate has been issued
- the removal of the roof space
- rectification of the register

4. Miscellaneous

- Transactions over title sheets that no longer exist