

SCHEDULES

SCHEDULE 10

TRANSFERS UNDER ARTICLE 69

Allocation of assets and liabilities: general

2.—(1) The provisions of this paragraph shall apply where the transfers effected under a transfer scheme include a transfer of all assets and liabilities comprised in a specified part of Northern Ireland Electricity’s undertaking, but shall not apply to any such assets, being rights, or to any such liabilities under a contract of employment.

(2) Any asset or liability comprised partly in the specified part of Northern Ireland Electricity’s undertaking and partly in some other part or parts of that undertaking shall, where the nature of the asset or liability permits, be divided or apportioned between the transferee of the specified part (“transferee A”) and the transferee of the other part or each of the other parts (“transferee B”) in such proportions as may be appropriate.

(3) Where any estate in land falls to be so divided—

- (a) any rent payable under a lease in respect of that estate; and
- (b) any rent charged on that estate,

shall be correspondingly apportioned or divided so that the one part is payable in respect of, or charged on, only one part of the estate and the other part is payable in respect of, or charged on, only the other part of the estate.

(4) For the purposes of sub-paragraph (3), any fee farm grant creating the relation of landlord and tenant shall be treated as a lease.

(5) Any asset or liability comprised as mentioned in sub-paragraph (2) the nature of which does not permit its division or apportionment as so mentioned shall be transferred to transferee A or transferee B according to—

- (a) in the case of an estate in land, whether on the transfer date transferee A or transferee B appears to be in greater need of the security afforded by that estate or, where neither appears to be in greater need of that security, whether on that date transferee A or transferee B appears likely to make use of the land to the greater extent;
- (b) in the case of any other asset or liability, whether on the transfer date transferee A or transferee B appears likely to make use of, or as the case may be, to be affected by, the asset or liability, to the greater extent,

subject (in either case) to such arrangements for the protection of the other of them as may be agreed between them.

3.—(1) The provisions of this paragraph shall apply where the transfers effected under a transfer scheme include a transfer of all assets and liabilities comprised in a specified part of Northern Ireland Electricity’s undertaking, but shall not apply to any such assets, being rights, or to any such liabilities under a contract of employment.

(2) It shall be the duty of the transferee of the specified part of Northern Ireland Electricity’s undertaking (“transferee A”) and each of the other transferees (“transferee B”), whether before or

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after the transfer date, so far as practicable to arrive at such written agreements and to execute such other instruments as are necessary or expedient to identify or define the assets and liabilities transferred to transferee A or transferee B and as will—

- (a) afford to transferee A and transferee B as against one another such rights and safeguards as they may require for the carrying on of their respective undertakings; and
 - (b) make as from such date, not being earlier than the transfer date, as may be specified in the agreement or instrument such clarification and modifications of the division of Northern Ireland Electricity's undertaking as will best serve the carrying on of the respective undertakings of transferee A and transferee B.
- (3) Any such agreement shall provide so far as it is expedient—
- (a) for the granting of leases and for the creation of other liabilities and rights over land whether amounting in law to an estate in land or not, and whether involving the surrender of any existing estate or the creation of a new estate or not;
 - (b) for the granting of indemnities in connection with the severance of leases and other matters; and
 - (c) for responsibility for registration of any matter in any statutory register.
- (4) If transferee A or transferee B represents to the Department, or if it appears to the Department without such a representation, that it is unlikely in the case of any matter on which agreement is required under sub-paragraph (2) that such agreement will be reached, the Department, whether before or after the transfer date, may—
- (a) give a direction determining that matter; and
 - (b) include in the direction any provision which might have been included in an agreement under sub-paragraph (2).
- (5) Any assets or liabilities required by a direction under sub-paragraph (4) to be transferred to transferee A or transferee B shall be regarded as having been transferred by this Order to, and by virtue thereof vested in, that transferee accordingly.