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## SCHEDULES

### SCHEDULE 1

Section 6

#### BUSINESS AND OBJECTS OF THE BANK

##### *Objects of the Bank*

- 1 Without prejudice to the power of the Bank to carry on and manage a public bank (as that term may be from time to time understood or interpreted), the Bank's objects are—
- (1) To carry on the business of banking and the provision of financial services in all their forms.
  - (2) This includes financial transactions and any other business carried on in any part of the world by—
    - (a) banks;
    - (b) financial houses;
    - (c) financial intermediaries;
    - (d) financial advisers;
    - (e) guarantee companies;
    - (f) financial managers and consultants;
    - (g) financial services companies;
    - (h) merchant banks;
    - (i) investment banks;
    - (j) issuing houses and investment and trust companies;
    - (k) dealers in securities; or
    - (l) other similar businesses.
  - (3) Sub-paragraph (2) above includes,
    - (a) borrowing, raising and taking in money in any way, on any terms and in any currencies, and to employ and use that money;
    - (b) depositing, lending or advancing money, securities or other property (with or without taking security) and generally making or negotiating loans and advances of every kind and providing liquidity support or other financial assistance or facilities on any terms and in any currencies;
    - (c) issuing, subscribing for, guaranteeing that any person will subscribe for, underwriting, buying, selling, discounting, holding, guaranteeing, transferring and dealing with or trading in the following, relating to any person—
      - (i) obligations;
      - (ii) instruments (whether transferable or negotiable or not);
      - (iii) securities (whether transferable or negotiable or not);
      - (iv) bills and drafts; or

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- (v) derivative instruments of whatever nature;
  - (d) granting, issuing, negotiating and in any manner dealing with, or in, travellers' cheques, letters of credit, circular notes, money orders and other negotiable instruments;
  - (e) dealing in any kind of commodities or other physical things;
  - (f) receiving cash, securities, documents and any kind of valuables on current account or deposit, or for safe keeping, or in any other way;
  - (g) collecting and transmitting money and securities and acting as agents for the receipt or payment of money or for the delivery of securities and documents, and providing clearing and money transmission services;
  - (h) carrying on business as providers of leasing, contract hire, hire purchase, conditional or credit sale, instalment finance, personal contract purchase or deferred payment facilities and any other credit facilities;
  - (i) managing property;
  - (j) buying, selling, purchasing and repurchasing and dealing in bullion, foreign exchange, currency, futures, options, bills, precious and other metals and commodities;
  - (k) acting as agent, broker or provider of any kind of life assurance, industrial assurance, general insurance, re-insurance or other kinds of non-life insurance; and
  - (l) undertaking or acting as agents, consultants or advisers in relation to, or in connection with, the management of property or insurance, all aspects of taxation and pension matters and the management and investment of money and generally to transact agency, consultancy and advisory business.
- (4) To issue notes of all denominations or amounts payable to bearer subject to compliance with any legal requirements which may from time to time be applicable thereto and to perform any obligations arising from such issue.
- (5) To enter into any—
- (a) guarantee;
  - (b) bond;
  - (c) recognisance;
  - (d) cautionary obligation;
  - (e) contract of indemnity or suretyship; or
- otherwise give security or become responsible for the performance or discharge of any obligation or duties by any person.
- (6) Without prejudice to the generality of sub-paragraph (5) above, to—
- (a) guarantee, support or secure, whether—
    - (i) by personal undertaking or covenant, or
    - (ii) by mortgaging or charging all or any part of the undertaking, property and assets, present or future, and uncalled capital of the Bank, or
    - (iii) by both such methods,
 the performance of the obligations of, and the payment of monies secured by, or payable under or in respect of the securities of, any person;
  - (b) give and take counter-guarantees and indemnities; and
  - (c) give and receive security for the implementation of any obligation.

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- (7) To undertake the insurance, re-insurance and counter-insurance of all kinds of risks and generally to carry on the business of an insurance and guarantee company in all its aspects.
- (8) Generally to carry on all or any of the business of a holding company and to—
- (a) co-ordinate and regulate all or any part of the businesses and operations of any and all companies, firms and businesses controlled directly or indirectly for the time being by the Bank or in which the Bank is interested for the time being, whether as a shareholder or otherwise and whether directly or indirectly; and
  - (b) acquire and hold, either in the name of the Bank or in that of any nominee or trustee—
    - (i) shares;
    - (ii) stocks;
    - (iii) debentures;
    - (iv) debenture stock;
    - (v) bonds;
    - (vi) notes;
    - (vii) obligations; and
    - (viii) securities;issued or guaranteed by any company, corporation or undertaking wherever incorporated or carrying on business; and
  - (c) co-ordinate the policy management and administration of any companies, corporations or undertakings in which the Bank is a member or participant or which are controlled by or associated with the Bank in any manner.
- (9) To carry on business as an investment holding company and to acquire, invest in and hold by way of investment—
- (a) shares;
  - (b) stocks;
  - (c) debentures;
  - (d) debenture stock;
  - (e) bonds;
  - (f) bills;
  - (g) notes;
  - (h) obligations;
  - (i) certificates of deposit;
  - (j) mortgages;
  - (k) policies of assurance; and
  - (l) securities of all kinds;
- created, issued or guaranteed by any person mentioned in sub-paragraph (10) below.
- (10) The persons referred to in sub-paragraph (9) above are—
- (a) any company, association or partnership, whether with limited or unlimited liability, constituted or carrying on business in any part of the world;
  - (b) any individual;
  - (c) any government, sovereign, ruler, commissioners, public body or authority, supreme, municipal, local or otherwise, in any part of the world; or

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- (d) units of and participants in any trust, scheme, mutual fund or collective investments scheme in any part of the world.
- (11) To do any of the following things (alone or with others)—
- (a) act as a trustee (including a custodian trustee or trust corporation);
  - (b) act as the personal representative of anyone’s estate;
  - (c) act as the trustee of any securities;
  - (d) act as receiver or treasurer or as a trustee for a receiver or treasurer;
  - (e) act as an attorney;
  - (f) act as an administrator;
  - (g) act as a manager or trustee of any unit trust, investment trust or other form of investment;
  - (h) issue and carry on any business relating to any type of—
    - (i) charge card;
    - (ii) credit card;
    - (iii) debit card;
    - (iv) payment card; or
    - (v) any other type of card, token, voucher, or similar document issued by or for any bank;
  - (i) finance or assist in financing the acquisition, construction, development, sale, hire, or lease of any property or infrastructure and the provision of services in connection therewith, whether by way of any of the following, or otherwise—
    - (i) personal loan;
    - (ii) hire purchase;
    - (iii) instalment finance;
    - (iv) conditional or credit sale; and
    - (v) deferred payment;
  - (j) buy or sell securities (including derivative products) for the account of the Bank or for any other person and to provide any services which may be ancillary to this business;
  - (k) acquire by assignation, assignment or otherwise debts owing to any person and to collect such debts;
  - (l) act as—
    - (i) forwarding agents;
    - (ii) travel and shipping agents;
    - (iii) commission agents;
    - (iv) surveyors;
    - (v) architects;
    - (vi) valuers;
    - (vii) auditors;
    - (viii) property consultants and managers;
    - (ix) land and estate agents; and
    - (x) loss adjusters; and
 generally undertake and carry on every kind of professional and agency business in all its forms;

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- (m) carry on the business of providing any of the following services for, or in relation to, any person, property or business—
    - (i) secretarial services;
    - (ii) managerial services;
    - (iii) consultancy services;
    - (iv) accountancy services;
    - (v) statistical services;
    - (vi) legal services; and
    - (vii) any executive, supervisory or advisory services;
  - (n) carry on the business of selling, installing, operating, renting and providing—
    - (i) data processing, storage and retrieval equipment and systems;
    - (ii) computers;
    - (iii) computer bureau services; and
    - (iv) communication systems of every kind;
  - (o) act as agent, broker or provider of pensions or pensions advice, or as the manager, trustee or administrator of pension schemes or their assets;
  - (p) seek for and secure, and use and develop, any openings for the employment of capital;
  - (q) keep any register, record or account relating to any securities or funds; and
  - (r) carry out any duties relating to securities or funds, including registering transfers and issuing certificates.
- (12) To take any action (including accepting any obligation) which may—
- (a) uphold, or support, the credit of the Bank;
  - (b) obtain, maintain or restore public confidence; or
  - (c) avoid or minimise financial disturbances which are affecting, or may affect, the Bank's business, either directly or indirectly.
- (13) To acquire any property, business, assets, liabilities or rights which appear to be necessary or convenient for the Bank's purposes, or which contribute towards the Bank's interests.
- (14) To sell, secure (by mortgage, charge, lien, or other form of security), develop, lease, improve and operate or use any property, business, assets or rights belonging to the Bank or in which the Bank may be interested.
- (15) To accept any securities, or other obligations, of any person in consideration for—
- (a) any property which has been, or may be, let, sold, or disposed of; or
  - (b) any services which have been, or may be provided; and
- to hold and retain or sell, charge, mortgage and deal with any such securities or other obligations so received.
- (16) To enter into any partnership or any arrangement to share profits, merge, enter into a joint venture, amalgamate or co-operate with any person who carries on, or proposes to carry on, any business within the Bank's objects and to acquire and hold any securities of such person.
- (17) To form, or promote, or be involved in forming or promoting any company whose objects—
- (a) include carrying on any business which the Bank is authorised to carry on;

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- (b) include acquiring, or taking over, any of the Bank’s assets or liabilities; or
  - (c) may in any way advance the objects or interests of the Bank, either directly or indirectly.
- (18) To acquire and hold the securities of any company referred to in sub-paragraph (17) above or of any other person and to guarantee any payment on any securities issued by any such company or any other obligation of any such company.
- (19) To acquire in any way, hold and sell any securities of any person whose objects are, either wholly or partly, similar to the Bank’s or which appear to the directors of the Bank to be necessary or convenient to promote or advance the Bank’s interests.
- (20) The securities referred to in sub-paragraph (19) can be—
- (a) acquired either by the Bank alone or together with any other person; and
  - (b) held in the Bank’s name or in the name of a nominee.
- (21) To exercise and enforce all rights and powers given by, or connected with, the ownership of any of the securities referred to in sub-paragraph (18), including any powers of veto or control which the Bank has by holding those securities.
- (22) To carry on any business or activity which is within the Bank’s objects or powers by or through subsidiaries, or companies which are controlled, either directly or indirectly, by the Bank and to co-ordinate the administration of any of these companies and provide all kinds of services and facilities for any or all of them.
- (23) To apply for, and promote, any charter, statute, regulation, licence or concession, and to ask for any action or authorisation from any person anywhere in the world who has legislative or regulatory powers, in order to—
- (a) extend or change the Bank’s objects and powers;
  - (b) alter the Bank’s constitution;
  - (c) enable the Bank to carry out its objects or to carry them out better; or
  - (d) for any other purpose which may seem to the directors of the Bank to be expedient.
- (24) For the purposes of sub-paragraphs (25) to (34) below—
- “the beneficiaries” means past or present directors, officers, employees, agents or consultants or other connected persons (including their dependants and people connected with them) of any of the qualifying bodies; and
- “the qualifying bodies” means—
- (a) the Bank or any holding company of the Bank;
  - (b) any body, whether or not incorporated, in which the Bank or any holding company of the Bank has or had any kind of direct or indirect interest;
  - (c) any body, whether or not incorporated, in which any subsidiary of the Bank has or had any kind of direct or indirect interest, including any building society which has merged with a subsidiary of the Bank;
  - (d) any body, whether or not incorporated, which is allied to or associated with the Bank or any holding company of the Bank;
  - (e) any subsidiary of any company or other body referred to in this paragraph; and
  - (f) any body, whether or not incorporated, acquired by the Bank or by any subsidiary of the Bank (including any building society, the business of

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which is transferred to the Bank or any subsidiary of the Bank under section 97 of the Building Societies Act 1986 (c. 53)).

- (25) To award or grant—
- (a) pensions;
  - (b) allowances;
  - (c) gratuities;
  - (d) bonuses;
  - (e) superannuation; or
  - (f) death, disablement, sickness or other benefit funds;
- to the beneficiaries.
- (26) To set up and maintain, or be involved in any other way with setting up and maintaining, trusts, funds, or schemes (whether contributory or non-contributory) intended to provide pensions, or other benefits, for any of the beneficiaries.
- (27) To set up, maintain and contribute to—
- (a) any scheme or arrangement for encouraging or facilitating the holding of shares or other securities in the Bank or any company associated with it by, or for the benefit of, any of the beneficiaries; or
  - (b) any scheme for sharing profits with the beneficiaries; and
- (as far as permitted by law) to lend money to the beneficiaries with a view to enabling them to acquire shares or other securities in or of the Bank or any other company associated with it.
- (28) To form, support, donate, or subscribe to, any charitable funds or institutions, or any benevolent schemes or projects of public or general interest, where the directors of the Bank consider that the Bank's support may be likely to benefit the Bank, its shareholders, or any of the beneficiaries, directly or indirectly.
- (29) To set up and maintain any club or other establishment, or any scheme which is intended to advance the interests of the Bank or of any of the beneficiaries.
- (30) To take out and renew insurance for, or for the benefit of, any of the beneficiaries.
- (31) The insurance referred to in sub-paragraph (30) above can include insurance against any liability which any of the beneficiaries have—
- (a) as a result of anything they do, or do not do, in carrying out or trying to carry out their duties, or using or trying to use their powers in relation to the Bank, or any of the qualifying bodies; or
  - (b) in any other way in connection with their duties, powers or posts in relation to the Bank or any of the qualifying bodies.
- (32) To take out and renew insurance for, or for the benefit of, any trustees of any pension fund which the Bank's employees, or employees of any of the qualifying bodies, are interested in.
- (33) The insurance mentioned in sub-paragraph (32) above can include insurance against any liability referred to in sub-paragraph (31) above in relation to their duties as trustees of any such pension funds.
- (34) To indemnify, or exempt any of the beneficiaries or the people referred to in sub-paragraph (32) above in any other way against, or from, any liability referred to in paragraphs (31) and (33) respectively so far as the law allows.

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- (35) To pay and discharge all or any expenses, costs and disbursements, to pay commissions and to remunerate any person for services rendered or to be rendered, in connection with the formation, promotion and flotation of the Bank and the underwriting or placing or issue at any time of any securities of the Bank or of any other person.
- (36) To the extent permitted by law, to give financial assistance, directly or indirectly, for the acquisition of shares in the Bank or any holding company of the Bank or for the reduction or discharge of any liability incurred for the purpose of such an acquisition.
- (37) To issue, allot and grant options over securities of the Bank—
- (a) for cash or otherwise; or
  - (b) in payment or part payment for—
    - (i) any property or rights therein purchased or otherwise acquired by the Bank; or
    - (ii) any services rendered to, or at the request of, or for the benefit of, the Bank; or
  - (c) as security for, or indemnity for, or towards satisfaction of, any liability or obligation undertaken or agreed to be undertaken by or for the benefit of the Bank; or
  - (d) in consideration of any obligation or liability (even if valued at less than the nominal value of such securities); or
  - (e) for any other purpose.
- (38) To undertake and provide any service required in connection with or relating to individual insolvency or bankruptcy or the administration, receivership or winding-up of any company.
- (39) To acquire any property or any interest in such property, and—
- (a) to sell, feu, lease, exchange, hire, or otherwise dispose of; and
  - (b) to improve, manage, develop, grant rights or privileges in respect of or otherwise deal with
- any such property or interest or otherwise turn the same to the Bank's advantage.
- (40) To build, construct, maintain, alter, enlarge, pull down, remove or replace any—
- (a) buildings;
  - (b) works;
  - (c) plant and machinery; and
  - (d) all other works and facilities which may seem to the directors of the Bank necessary or convenient for the business of the Bank or likely to be to the Bank's advantage; and
- to work, manage and control the same or to join with any person in doing any of the above.
- (41) To apply for, register, purchase, develop or otherwise acquire and protect, prolong and renew intellectual property rights, including, but not limited to, any patents, trade marks, service marks, design rights, copyrights, licences and the like, or any secret or other information as to any invention or process, which in the opinion of the directors of the Bank may be likely to be to the Bank's advantage and—
- (a) to use, develop, manufacture under or grant licences in respect of, or
  - (b) otherwise turn to account and expend money—



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- (i) in experimenting upon and testing and carrying on all kinds of research and development work in connection with; and
  - (ii) in improving or seeking to improve;any such rights and information so developed, acquired or proposed to be acquired.
- (42) In any manner to invest and deal with the moneys of the Bank not immediately required by it.
- (43) To—
  - (a) enter into any arrangement with any—
    - (i) government or other public body or authority;
    - (ii) company; or
    - (iii) individual; and
  - (b) obtain from any such government, body, authority, company or individual all—
    - (i) enactments;
    - (ii) charters;
    - (iii) contracts;
    - (iv) decrees;
    - (v) rights;
    - (vi) concessions; and
    - (vii) privileges;which may seem to the directors of the Bank to be conducive to the Bank's purposes or any of them or likely to be to the Bank's advantage; and
  - (c) carry out, exercise and comply with any such—
    - (i) enactments;
    - (ii) charters;
    - (iii) contracts;
    - (iv) decrees;
    - (v) rights;
    - (vi) concessions; and
    - (vii) privileges.
- (44) To distribute among the shareholders of the Bank in specie or in kind any property of the Bank, and in particular any securities of other companies belonging to the Bank or of which the Bank may have the power of disposing.
- (45) To advertise, market and sell the products and services of the Bank and of any other person and to carry on the business—
  - (a) of advertisers or advertising agents; or
  - (b) of a marketing and selling organisation; or
  - (c) of a supplier, wholesaler, retailer, merchant or any other dealer.
- (46) To provide—
  - (a) technical;
  - (b) cultural;
  - (c) artistic;
  - (d) educational;
  - (e) entertainment; or

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- (f) business;  
 material, facilities or services and to carry on any business involving any such provision.
- (47) To cease carrying on or wind up any business or activity of the Bank and to cancel any registration of and to wind up or procure the dissolution of the Bank in any state or territory.
- (48) To secure all or any of the Bank’s liabilities in respect of money raised or borrowed, or any other debt or obligation of, or binding on, the Bank, by mortgaging or charging all or any part of the undertaking, property and assets, present and future, and uncalled capital of the Bank.
- (49) To transfer to any person any part of, or the whole or substantially the whole of, the business and undertaking of the Bank and all or any rights and liabilities in connection therewith, or to receive from any person any part of, or the whole or substantially the whole of, the business and undertaking of such person and all or any rights and liabilities in connection therewith, whether pursuant to the Financial Services and Markets Act 2000 (c. 8) or by such other means as the directors of the Bank think fit.
- (50) To establish and maintain branches and agencies in any part of the world.
- (51) To carry out any of the objects set out in sub-paragraphs (1) to (50)—
- (a) as principal or agent;
  - (b) by or through trustees or agents;
  - (c) in partnership or on a joint account;
  - (d) as joint venture with any person; or
  - (e) in any other way;
- in any part of the world.
- (52) To carry on any other trade or business whatever which can, in the opinion of the directors of the Bank—
- (a) be advantageously carried on by the Bank in connection with, or incidental to—
    - (i) any of the businesses referred to in sub-paragraphs (1) to (51); or
    - (ii) the general business of the Bank; or
  - (b) be calculated directly or indirectly to—
    - (i) enhance the value of;
    - (ii) facilitate the realisation of; or
    - (iii) render profitable or more profitable;
 any of the property or rights of the Bank; or
  - (c) be likely to be to the Bank’s advantage.
- (53) To use any of the powers conferred above and do all such other things as may be deemed, or as the Bank considers, incidental or conducive to the attainment of the above objects or any of them.

### *Interpretation*

- 2           The following rules of interpretation apply to this Schedule.

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- (1) The objects set out in paragraph 1 shall be construed in the widest manner possible and their construction shall not be restricted by the scope of any examples given in those objects.
- (2) Unless the context expressly requires it, the provisions of paragraph 1 will not be limited to, or restricted by—
  - (a) any other object, or objects, set out in the other provisions of paragraph 1;
  - (b) the terms of any other provision of paragraph 1; or
  - (c) the Bank’s name.
- (3) None of the—
  - (a) provisions or objects of; or
  - (b) powers conferred by;paragraph 1 shall be treated as subordinate to or incidental to any other such provision, object or power.
- (4) The Bank shall have full power to use any of the powers conferred by, and to achieve or try to achieve any of the objects set out in, any one or more of the provisions of paragraph 1.
- (5) In this Schedule, unless the subject or context requires otherwise, the following terms shall have the following meanings—
  - “acquire” means to acquire in any way, including purchasing, taking options over, taking on lease or in exchange, hiring, subscribing for, or otherwise acquiring, and for any kind of estate or interest, whether directly or indirectly, by contract, tender, underwriting or in any other way and on any terms and conditions;
  - “the Bank” means Bank of Scotland plc;
  - “company” includes any company or corporate body established anywhere in the world;
  - “holding company” has the same meaning as in the Companies Act 1985 (c. 6), except that it also includes any other parent undertaking, as defined in that Act;
  - “person” includes a body of persons corporate or unincorporated;
  - “property” includes real, heritable, moveable and personal property of any kind and any interest in, or right to, any such property;
  - “securities” include any shares, stocks, debentures, debenture stock, bonds, notes or warrants, whether fully or partly paid; and
  - “subsidiary” has the same meaning as in the Companies Act 1985, except that it also includes any other subsidiary undertaking, as defined in that Act.

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## SCHEDULE 2

Sections 8 and 23

## REPEALS

## PART 1

## BANK OF SCOTLAND

| <i>Title and reference</i>   | <i>Extent of repeal</i>  |
|--|--|
| An Act of the Parliament of Scotland, 5 William III, 17 July 1695, for Erecting a Bank in Scotland | In the copy printed in Edinburgh by the King's printer of Acts of the Parliament of Scotland—<br>from the words "which shall lie open" on line 24 of page 3 to the words "carrying on the Bank," on line 4 of page 4;<br>the words "under which Name," on line 8 of that page;<br>the words "and shall have a common seal," on line 9 of that page;<br>the words "by the Name foresaid," on line 10 of that page;<br>from the words "And for the better Ordering" on lines 17 and 18 of that page to the words "allanarly, in whose Favours this Act is granted" on line 47 of page 6. |
| The Bank of Scotland Act 1873 (c. xcix)  | The whole Act.   |
| Bank of Scotland Act 1920 (c. xxxi)  | The whole Act.   |
| Bank of Scotland Order Confirmation Act 1954 (c. lvi)  | Section 15 of the Schedule.  |

## PART 2

## CLERICAL, MEDICAL AND GENERAL LIFE ASSURANCE SOCIETY

| <i>Title and reference</i>   | <i>Extent of repeal</i> |
|--|-------------------------|
| The Clerical, Medical and General Life Assurance Act 1961 (c. xii) | The whole Act.          |
| The Clerical, Medical and General Life Assurance Act 1974 (c. xi)  | The whole Act.          |