



Industry Act 1975

1975 CHAPTER 68

PART II

POWERS IN RELATION TO TRANSFERS OF CONTROL OF IMPORTANT MANUFACTURING UNDERTAKINGS TO NON-RESIDENTS

16 Contents of vesting order.

- (1) Without prejudice to the generality of section 13(2) above, a vesting order may contain provisions by virtue of which rights, liabilities or incumbrances to which assets or capital which will vest by virtue of the order are subject—
 - (a) will be extinguished in consideration of the payment of compensation as provided under section 19 below, or
 - (b) will be transferred to the Secretary of State ^{F1} . . . , or
 - (c) will be charged on the compensation under section 19 below.
- (2) A vesting order which provides for the vesting of assets employed in an undertaking may prohibit or set aside any transfer of assets so employed or of any right in respect of such assets.
- (3) A vesting order may include such provisions as the Secretary of State considers necessary or expedient to safeguard—
 - (a) any capital which will vest by virtue of the order; and
 - (b) any assets—
 - (i) of a body corporate whose capital will so vestor
 - (ii) of any subsidiary of such a body corporate;and may in particular, but without prejudice to the generality of this subsection, prohibit or set aside the transfer of any such capital or assets or any right in respect of such capital or assets.

Status: Point in time view as at 06/01/1992.

Changes to legislation: There are currently no known outstanding effects for the Industry Act 1975, Section 16. (See end of Document for details)

- (4) A vesting order setting aside a transfer of capital or a transfer of assets such as are mentioned in subsection (2) above shall entitle the Secretary of State ^{F1} . . . to recover the capital or assets transferred.
- (5) A vesting order setting aside a transfer of assets such as are mentioned in subsection (3) (b) above shall entitle the body corporate or subsidiary to recover the assets transferred.
- (6) Any vesting order setting aside a transfer shall give the person entitled to recover the capital or assets a right to be compensated in respect of the transfer.
- (7) The transfers to which this section applies include transfers made before the draft of the order is laid before Parliament but after the Secretary of State has served notice on the person concerned of his intention to lay a draft order.
- (8) In subsection (7) above “the person concerned” means—
 - (a) in the case of an order such as is mentioned in paragraph (i) of section 13(2) above, the relevant body corporate, and
 - (b) in the case of an order such as is mentioned in paragraph (ii) of that subsection, the person carrying on the undertaking.
- (9) The Secretary of State shall publish a copy of any such notice in the London Gazette, the Edinburgh Gazette and the Belfast Gazette as soon as practicable after he has served it.

Textual Amendments

- F1** Words in s. 16(1)(b)(4) repealed (6.1.1992) by [British Technology Group Act 1991 \(c. 66, SIF 64\)](#), s. 17(2), [Sch. 2, Pt. I](#); [S.I. 1991/2721](#), [art. 2](#).

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