



British Aerospace Act 1980

1980 CHAPTER 26

*Vesting of property, etc., of British Aerospace in
a company nominated by the Secretary of State*

10 Dissolution of British Aerospace and transitional provisions

- (1) Subject to the following provisions of this section and to the transitional provisions contained in Schedule 2 to this Act, Part I and sections 40(4), 41(4), 44(4), 48, 49, 50 and 53 of the Act of 1977 and paragraphs 3(2) and 9 of Schedule 5 to that Act shall cease to have effect on the appointed day in relation to British Aerospace; and any reference in those provisions or in paragraph 14 of Schedule 6 to the Act of 1977 (in whatever terms expressed) to either or both of the Corporations originally established by section 1 of that Act shall be construed after that day as a reference to the other Corporation so established (that is to say, British Shipbuilders).
- (2) Notwithstanding subsection (1) above, British Aerospace shall continue in existence after the appointed day, and section 1(1) to (4) and (6) of the Act of 1977 shall continue to have effect in relation to its constitution and proceedings, until it is dissolved in accordance with subsection (9) below; and the period of its continued existence after the appointed day is referred to below in this section as " the transitional period ".
- (3) It shall be the duty of British Aerospace and of the successor company to take, as and when during the transitional period the successor company considers appropriate, all such steps as may be requisite to secure that the vesting in the successor company by virtue of section 1 of this Act of any foreign property, right, liability or obligation of British Aerospace is effective under the relevant foreign law.
- (4) During the transitional period, until the vesting in the successor company by virtue of section 1 of any foreign property, right or obligation of British Aerospace is effective under the relevant foreign law, it shall be the duty of British Aerospace to hold that property or right for the benefit of the successor company and to perform that obligation as it falls to be performed.
- (5) Nothing in subsections (3) and (4) above shall be taken as prejudicing the effect under the law of the United Kingdom or of any part of the United Kingdom of the vesting in the successor company by virtue of section 1 of this Act of any property, right, liability

or obligation of British Aerospace (including any foreign property, right, liability or obligation).

(6) Notwithstanding subsection (1) above —

- (a) it shall be the duty of British Aerospace to prepare statements of accounts in accordance with section 17(1)(6) and (c) of the Act of 1977 in respect of the last accounting year of British Aerospace ending before the appointed day, and that section shall continue to apply during the transitional period in relation to those statements and in relation also to the auditing of accounts kept in accordance with subsection (1)(a) of that section in respect of that accounting year; and
- (b) it shall be the duty of British Aerospace to make a report to the Secretary of State in accordance with section 18 of that Act in respect of that accounting year (but subsection (5) of that section shall not apply to any such report).

(7) British Aerospace shall have all such powers as may be requisite for the performance of its duties under this section; but—

- (a) it shall be the duty of the successor company during the transitional period to act on behalf of British Aerospace (so far as possible) in performing any duty imposed on British Aerospace by subsection (3) or (4) above; and (6) it shall be the duty of British Aerospace to make a report to the Secretary of State in accordance with section 18 of that Act in respect of that accounting year (but subsection (5) of that section shall not apply to any such report).
- (b) any rights, liabilities and obligations acquired or incurred by British Aerospace during that period in the performance of any such duty shall become rights, liabilities and obligations of the successor company after the dissolution of British Aerospace in accordance with subsection (9) below.

(8) Any expenses incurred by British Aerospace in performing any of its duties under this section shall be met by the successor company.

(9) The Secretary of State may, by order made by statutory instrument after consulting British Aerospace and the successor company, dissolve British Aerospace on a day specified in the order, as soon as he is satisfied that nothing further remains to be done by British Aerospace under subsection (3) or (6) above.

(10) References in this section to any foreign property, right, liability or obligation of British Aerospace are references respectively to—

- (a) property of British Aerospace situated in a country or territory outside the United Kingdom ; and
- (b) any right to which British Aerospace is entitled or (as the case may be) any liability or obligation to which it is subject under the law of any such country or territory.