

SCHEDULE 1

Business, &c. transferred from ACo to BCo

PART 4

Further provisions

Trust accounts, &c.

27.—(1) Paragraph (3) makes provision for how the trust account contract trust property is to be held as from the transfer time.

(2) In paragraph (1), “the trust account contract trust property” means the Total Property (within the meaning of the trust account contract), which is held by ACo on the trusts constituted by the trust account contract.

(3) The trust account contract trust property is to be held by BCo for itself absolutely.

(4) In connection with and in consequence of the transfer and sub-paragraphs (1) and (3), the property ACo is to be treated, as from immediately after the transfer time, as holding on trust under the trusts constituted by the trust account contract is—

- (a) ACo’s beneficial interest in the trust constituted by clause 9.1 of the transfer administration agreement⁽¹⁾ (which is described in that clause as “the Trust Account ACo Beneficial Share”), and
- (b) all sums from time to time standing to the credit of any bank account in the name of ACo which is used for the purpose of collecting, directly or indirectly—
 - (i) monies due in respect of mortgage loans which were made by ACo but which have been beneficially assigned to Granite Finance Trustees Limited, or
 - (ii) realisations from security related to mortgage loans which were made by ACo but which have been beneficially assigned to Granite Finance Trustees Limited.

(5) In connection with and in consequence of the transfer and sub-paragraphs (1), (3) and (4), any interest which was derived from ACo’s beneficial interest in the trust account contract trust property immediately before the transfer time is, as from immediately after the transfer time, to be treated as derived from the property ACo is to be treated as holding on trust under the trusts constituted by the trust account contract by virtue of sub-paragraph (4).

Membership of companies

28.—(1) BCo is entitled as from the transfer time to all the rights, benefits and privileges of a member of each relevant company limited by shares and relevant company limited by guarantee.

(2) BCo enjoys the entitlement conferred by sub-paragraph (1) whether or not it is entered in the registers of members of the companies, notwithstanding any provision of the articles of association of the companies or of the 2006 Act, the Companies Act 1985⁽²⁾, any other enactment or any rule of law.

(1) Clause 9.1 of the transfer administration agreement provides that, with effect from immediately after the transfer time, BCo declares that it shall hold as trustee all sums from time to time standing to the credit of the Trust Accounts (as defined in the transfer administration agreement) on trust absolutely for itself and ACo in the manner and proportions set out in the transfer administration agreement.

(2) 1985 c.6.

Status: This is the original version (as it was originally made). This item of legislation is currently only available in its original format.

(3) In relation to each relevant company limited by shares, section 776 of the 2006 Act (duty of company as to issue of certificates etc. on transfer) has effect with the modifications specified in paragraph (4).

(4) The transfer is to be treated as—

- (a) a transfer under subsection (2)(a), and
- (b) lodged with the relevant company limited by shares at the transfer time.

(5) The following provisions of the 2006 Act are disapplied in relation to the transfer of shares in each relevant company limited by shares—

- (a) section 776(3) and (4) (qualifications as to duty to issue certificates);
- (b) section 777 (issue of certificates etc.: cases within the Stock Transfer Act 1982);
- (c) section 778 (issue of certificates etc.: allotment or transfer to a financial institution).

(6) BCo is entitled to be registered in the register of members of each relevant company limited by guarantee as from the transfer time, notwithstanding any provision of the company's articles of association.