



# Allied Irish Banks Act 1993

## 1993 CHAPTER xiv

An Act to provide for the transfer to AIB Group Northern Ireland plc of part of the undertaking of Allied Irish Banks, p.l.c.; and for related purposes. [27th July 1993]

WHEREAS—

- (1) AIB Group Northern Ireland plc (hereinafter called “AIB NI”) is a public company incorporated in Northern Ireland under the Companies Acts (Northern Ireland) 1960 to 1982 as a company limited by shares:
- (2) Allied Irish Banks, p.l.c. (hereinafter called “AIB”) is a public company incorporated in the Republic of Ireland under the Companies Acts 1963 to 1990 of that jurisdiction as a company limited by shares and carries on in Northern Ireland and elsewhere the business of banking, including the business of acting as executor and trustee; being a company incorporated outside the United Kingdom, AIB has complied with (inter alia) Part X of the Companies Act (Northern Ireland) 1960:
- (3) AIB NI is an authorised institution under the Banking Act 1987 and carries on the business of banking in Northern Ireland under the style “First Trust Bank”:
- (4) AIB NI is a wholly owned subsidiary of AIB:
- (5) For the better conduct of the businesses of AIB and AIB NI in Northern Ireland it is expedient to make provision for the fusion of those businesses by transferring to and vesting in AIB NI the Northern Irish undertaking of AIB without interference with the conduct and continuity of those businesses:
- (6) It is expedient that the other provisions in this Act should be enacted:
- (7) The objects of this Act cannot be attained without the authority of Parliament:

May it therefore please Your Majesty that it may be enacted, and be it enacted, by the Queen’s most Excellent Majesty, by and with the advice and consent of the Lords Spiritual and Temporal, and Commons, in this present Parliament assembled, and by the authority of the same, as follows:—

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## 1 Short title

This Act may be cited as the Allied Irish Banks Act 1993.

## 2 Interpretation

(1) In this Act, unless the subject or context otherwise requires—

“AIB” means Allied Irish Banks, p.l.c.;

“AIB NI” means AIB Group Northern Ireland plc;

“the appointed day ” means such day as may be appointed under section 3 of this Act;

“excluded items” means—

- (a) documents required to be kept pursuant to the Companies Acts 1963 to 1990 of the Republic of Ireland;
- (b) shares in AIB Group Holdings (U.K.) Limited held or owned beneficially by AIB;
- (c) share capital and reserves of AIB;
- (d) such accounts as may on or before the appointed day be specified by the directors of AIB, being accounts in respect of which security is held outside the United Kingdom and in respect of which such security might, in the opinion of the directors of AIB, be prejudiced by the transfer of those accounts by this Act; and
- (e) the liability of AIB as guarantor under a loan agreement dated 9th August 1991 and made between AIB Holdings (N.I.) Limited as borrower and the other parties named therein;

“existing” means existing, outstanding or in force immediately before the appointed day;

“liabilities” includes duties and obligations of every description whether present or future, actual or contingent;

“the Northern Ireland banking business” means the business of AIB carried on through its head office and branches in Northern Ireland, except excluded items, including (without other limitation)—

- (a) all banking accounts maintained with AIB at any office or branch of AIB in Northern Ireland and all rights and liabilities of AIB in respect of those accounts;
- (b) the business of a bank of issue;
- (c) the rights, obligations and duties of AIB as an executor, administrator or trustee of—
  - (i) any will, estate, settlement or trust the document evidencing which is held at a branch of AIB which is situate in Northern Ireland; or
  - (ii) any debenture, debenture stock or loan stock;
- (d) all real property (of whatever tenure and wheresoever situate) held by AIB for the purposes of or in connection with the Northern Ireland banking business;
- (e) all other property and liabilities of AIB wheresoever situate held for or otherwise relating to the Northern Ireland banking business;

“property” means property and assets of every description and rights of every description (whether present or future, actual or contingent), and

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includes property held on trust and securities, benefits and powers of every description;

“security ” includes a mortgage or charge (whether legal or equitable), debenture, bill of exchange, promissory note, guarantee, lien, pledge (whether actual or constructive), hypothecation, assignment by way of security, indemnity, right of set-off, undertaking or other means of securing payment or discharge of a liability (whether present or future, actual or contingent); and

“will” includes a codicil and any other testamentary writing.

- (2) Any reference in this Act to property or liabilities of AIB is a reference to property or liabilities to which AIB is for the time being entitled or subject (whether beneficially or in any fiduciary capacity), wherever such property or liabilities are situated or arise and whether or not capable of being transferred or assigned by AIB, and whether AIB is entitled or subject to the property or liabilities under the law of any part of the United Kingdom or under the law of any country or territory outside the United Kingdom.

### **3 Appointed day**

- (1) The directors of AIB may appoint a day to be the appointed day for the purposes of this Act.
- (2) Not less than 14 days before the day appointed under subsection (1) above AIB shall publish in the London Gazette and the Belfast Gazette a notice stating the day so appointed.

### **4 Vesting of Northern Ireland banking business in AIB NI**

- (1) Subject as provided in subsection (2) below, on the appointed day the Northern Ireland banking business shall, by virtue of this Act and without further assurance, vest in AIB NI as if, as respects the Northern Ireland banking business, AIB NI were the same person in law as AIB and to the intent that AIB NI shall succeed to the whole of the Northern Ireland banking business.
- (2) Where the vesting of any part of the Northern Ireland banking business is governed wholly or partly by the law of any territory outside the United Kingdom, AIB shall, if AIB NI so requires, take all necessary steps for the purpose of securing the vesting thereof in AIB NI and, pending such vesting, AIB shall hold any such property in trust for AIB NI.

### **5 Trust property and wills**

- (1) Any property transferred to and vested in AIB NI by virtue of this Act which immediately before the appointed day was held by AIB, whether alone or jointly with any other person—
- (a) as trustee or custodian trustee of any trust deed, settlement, covenant, agreement or will, and whether originally so appointed or not, and whether appointed under hand or seal, or by order of any court or otherwise;
  - (b) as executor of the will of a deceased person;
  - (c) as administrator of the estate of a deceased person;
  - (d) as judicial trustee appointed by order of any court; or
  - (e) in any other fiduciary capacity whatsoever;

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shall, on and from the appointed day, be held by AIB NI alone or, as the case may be, jointly with such other person, in the same capacity, upon the trusts, and with and subject to the powers, provisions and liabilities, applicable thereto respectively.

- (2) Any existing instrument or order of any court under or by virtue of which any such property became vested in AIB in any such capacity (including in the case of a will any grant of probate thereof), and any provision therein, and any existing contract or arrangement for the payment to, or retention by, AIB of remuneration for its services in any such capacity, shall not fail by reason of anything in this Act, but shall be construed and have effect on and from the appointed day, so far as the context permits, as if for any reference therein to AIB (not being a reference, however worded and whether express or implied, to terms and conditions of, or to a scale of fees of, AIB) there were substituted a reference to AIB NI.
- (3) Notwithstanding any rule of law or practice, including any such rule arising by reason of any adjudication or provision by a court having jurisdiction outside the United Kingdom, any will the executorship, administration or trusteeship of which is comprised in the Northern Ireland banking business and made before the appointed day which has not been proved in any part of the United Kingdom before the appointed day, being a will which appoints AIB to be an executor, trustee or recipient of any property as trustee, shall be construed and have effect as if for any reference therein to AIB as such executor, trustee or recipient or otherwise in connection with such appointment (not being a reference, however worded and whether express or implied, to any terms and conditions of, or to a scale of fees of, AIB) there were substituted a reference to AIB NI.
- (4) No testamentary gift shall be adeemed by reason only of the operation of any of the provisions of this Act.

## **6 Supplementary provisions**

Without prejudice to the generality of the foregoing provisions, but subject to any provision of this Act to the contrary effect, the following provisions of this section shall have effect on the appointed day to the extent that they relate to the property or liabilities comprising the Northern Ireland banking business:—

- (1) Every contract to which AIB is a party (whether in writing or not) shall have effect on and from the appointed day as if—
  - (a) AIB NI had been a party thereto instead of AIB;
  - (b) for any reference (however worded and whether express or implied) to AIB there were substituted, as respects anything falling to be done on or after the appointed day, a reference to AIB NI; and
  - (c) any reference (however worded and whether express or implied) to the directors or to any director, officer or employee of AIB were, as respects anything falling to be done on or after the appointed day, a reference to the directors of AIB NI or, as the case may require, to such director, officer or employee of AIB NI as AIB NI may appoint for that purpose or, in default of appointment, to the director, officer or employee of AIB NI who corresponds as nearly as may be to the first-mentioned director, officer or employee:
- (2) Sub-paragraphs (b) and (c) of paragraph (1) above shall apply to—

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- (a) any statutory provision (including, without prejudice to that generality, section 10 of the Bank Charter Act 1844, section 8 of the Bankers (Ireland) Act 1845 and the Schedule to the Bankers (Northern Ireland) Act 1928),
  - (b) any provision of any existing contract to which AIB was not a party, and
  - (c) any provision of any other existing document (not being a contract or a will),
- as they apply to a contract to which that paragraph applies, and every such provision shall be construed and have effect accordingly:
- (3) Any account between AIB and a customer shall, on the appointed day, become an account between AIB NI and the customer subject to the same conditions and incidents as theretofore; and such account shall be deemed for all purposes to be a single continuing account:
- Provided that nothing herein shall affect any right of AIB NI or of the customer to vary the conditions or incidents subject to which any account is kept:
- (4) Any existing instruction, order, direction, mandate, power of attorney, authority, undertaking or consent given to AIB, either alone or jointly with another person, (whether in writing or not and whether or not in relation to an account) shall have effect, on and from the appointed day, as if given to AIB NI:
- (5) Any negotiable instrument or order for payment of money drawn on or given to, or accepted or endorsed by, AIB, or payable at any place of business of AIB, whether so drawn, given, accepted, endorsed or payable before, on or after the appointed day, shall have the same effect on and from that day, as if it had been drawn on, or given to, or accepted or endorsed by AIB NI, or were payable at the same place of business of AIB NI:
- (6) The custody of any document or record, goods or other thing held by AIB as bailee shall pass to AIB NI on the appointed day, and the rights and obligations of AIB under any contract of bailment relating to any such document or record, goods or thing shall on that day become rights and obligations of AIB NI:
- (7) (a) Any security held immediately before the appointed day by AIB, or by a nominee or agent of or trustee for AIB, as security for the payment or discharge of any liability shall, on and from that day, be held by, or, as the case may require, by that nominee, agent or trustee for, AIB NI, and be available to AIB NI (whether for its own benefit or, as the case may be, for the benefit of any other person) as security for the payment or discharge of that liability;
- (b) In relation to any security vested in AIB NI in accordance with the provisions of this Act and any liabilities thereby secured, AIB NI shall be entitled to the rights and priorities and be subject to the obligations and incidents to which AIB would have been entitled and subject if it had continued to hold the security;
- (c) Any security referred to in the foregoing provisions of this paragraph which extends to future advances or liabilities shall, on and from the appointed day, be available to AIB NI (whether for its own benefit or, as the case may be, for the benefit of any other person) as security for the payment or discharge of future advances and future liabilities to the same extent and in the same manner in all respects as future advances by, or liabilities to, AIB or, as the case may be, AIB NI were secured thereby immediately before that day:
- (8) Where by virtue of this Act any right or liability of AIB becomes a right or liability of AIB NI, AIB NI and all other persons shall, on and from the appointed day, have

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the same rights, powers and remedies (and in particular the same rights and powers as to taking or resisting legal proceedings or making or resisting applications to any authority) for ascertaining, perfecting or enforcing that right or liability as if it had at all times been a right or liability of AIB NI; and any legal proceedings or application to any authority existing or pending immediately before the appointed day by or against AIB may be continued by or against AIB NI:

- (9) Any judgment or award obtained by or against AIB and not fully satisfied before the appointed day shall on that day, to the extent to which it is enforceable by or against AIB, become enforceable by or against AIB NI.
- (10) The Data Protection Registrar may, on and from the appointed day, serve on AIB NI any notice under section 10 of the Data Protection Act 1984 which he could have served on AIB in respect of a breach by AIB of the data protection principles; but the transfer to, and vesting in, AIB NI by this Act of the Northern Ireland banking business (and any disclosure to AIB NI of any information in contemplation or as a result thereof) shall not amount to a breach of any duty of confidentiality to which AIB is subject immediately before the appointed day or to a contravention by AIB NI or AIB of the data protection principles.

## **7 Officers, etc., of AIB**

No director, secretary or auditor of AIB shall by virtue only of this Act become a director, secretary or, as the case may be, auditor of AIB NI.

## **8 Evidence: books and documents**

- (1) All books and other documents which would before the appointed day have been evidence in respect of any matter for or against AIB shall be admissible in evidence in respect of the same matter for or against AIB NI.
- (2) In this section “documents” has the same meaning as in section 6 of the Civil Evidence Act (Northern Ireland) 1971.

## **9 Application of Bankers' Books Evidence Act 1879**

- (1) On and from the appointed day the Bankers' Books Evidence Act 1879 shall apply to the books of AIB vested in AIB NI by virtue of this Act, and to entries made in those books before that day, as if such books had at all relevant times been the books of AIB NI.
- (2) For the purposes of section 4 of the said Act of 1879, books which have become the books of AIB NI by virtue of this Act shall be deemed to have been the ordinary books of AIB NI at the time of the making of any entry therein which purports to have been made before the appointed day, and any such entry shall be deemed to have been made in the usual and ordinary course of business.
- (3) In this section “books” shall be construed in accordance with section 9 (2) of the said Act of 1879.

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## 10 Evidence of vesting

- (1) The production of a Queen's Printer's copy of this Act shall, for all purposes, be conclusive evidence of the vesting of any property or liabilities of AIB in AIB NI in accordance with the provisions of this Act.
- (2) The following provisions of this section have effect without prejudice to the generality of subsection (1) above.
- (3) A Queen's Printer's copy of this Act shall, in relation to any registered securities within the meaning of the Stock Transfer Act (Northern Ireland) 1963 vested in AIB NI in accordance with the provisions of this Act, operate for all the purposes of the said Act of 1963 as a duly executed stock transfer in respect of the transfer of such securities from AIB to AIB NI.
- (4) Any document made or executed on or after the appointed day, whereby AIB NI or AIB, whether alone or jointly with any other person, conveys or transfers, or purports to convey or transfer, to any person (whether for consideration or not), or applies to be registered as the holder or proprietor of, any property held by AIB immediately before any such day, whether alone or jointly with any other person, shall be sufficient evidence that the interest of AIB in that property—
  - (a) in the case of such a document referring to the property as property held by AIB NI, is vested in AIB NI under this Act; and
  - (b) in the case of such a document referring to the property as property held by AIB, is not vested in AIB NI under this Act.
- (5) Where there is any other transaction by AIB NI or AIB on or after the appointed day in connection with, or in relation to, any property or liabilities which are property or liabilities of AIB immediately before that day, it shall be deemed in favour of any other party to the transaction, or any person claiming through or under him, that AIB NI or, as the case may be, AIB has full power and authority for that transaction as if—
  - (a) in the case of a transaction by AIB NI, the property or liabilities were vested in it under this Act; and
  - (b) in the case of a transaction by AIB, the property or liabilities were not vested in AIB NI under this Act.
- (6) A joint certificate given by or on behalf of AIB and AIB NI, whether given before, on or after the appointed day, that any property or liabilities specified in the certificate is or is not at the date so specified vested in AIB NI under this Act, shall be conclusive evidence for all purposes of the fact so certified.
- (7) Nothing in subsections (4) and (5) above affects the liability of AIB or AIB NI to the other of them in respect of anything done, or purporting to have been done, by either of them in connection with, or in relation to, any property or liabilities.
- (8) Nothing in this section applies to any transfer or vesting falling within subsection (2) of section 4 (Vesting of Northern Ireland banking business in AIB NI) of this Act.
- (9) In this section "convey" has the same meaning as in the Conveyancing Act 1881.

## 11 Interests in land

The vesting of an interest in land by or under this Act shall not—

- (a) constitute a purchase or creation of an estate for the purposes of section 10 (3) of the Business Tenancies Act (Northern Ireland) 1964; or

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- (b) constitute an assignment, transfer, devolution, parting with possession dealing with or other disposition of that interest for the purposes of any provision contained in any instrument concerning that interest; or
- (c) give rise to any forfeiture; or
- (d) invalidate or discharge any contract or security; or
- (e) operate so as to merge any leasehold interest in the reversion which is expectant thereon.

## **12 Contracts of employment**

Paragraph (1) of section 6 (Supplementary provisions) of this Act applies to a contract for the employment of any person by AIB; and employment with AIB and AIB NI under any such contract shall be deemed for all purposes to be a single continuing employment.

## **13 Saving for enactments concerning banking institutions**

Except as otherwise expressly provided in this Act, nothing in this Act shall exempt any body corporate from any statutory provision relating to the carrying on of the business of banking.

## **14 Application of Act in Great Britain**

- (1) This Act shall not extend to Scotland.
- (2) In the application of this Act to England and Wales—
  - (a) for the reference in section 8 (Evidence: books and documents) to section 6 of the Civil Evidence Act (Northern Ireland) 1971 there shall be substituted reference to section 10 of the Civil Evidence Act 1968;
  - (b) for the reference in subsection (3) of section 10 (Evidence of vesting) to the Stock Transfer Act (Northern Ireland) 1963 there shall be substituted reference to the Stock Transfer Act 1963;
  - (c) for paragraph (a) of section 11 (Interests in land) there shall be substituted the following:—
    - “(a) constitute a purchase or creation of that interest for the purposes of section 30 (2) of the Landlord and Tenant Act 1954;”.

## **15 Costs of Act**

The costs, charges and expenses preliminary to, and of and incidental to, the preparing for, obtaining and passing of this Act, or otherwise in relation thereto, shall be paid by AIB NI and may in whole or in part be paid out of revenue.