



Allied Irish Banks Act 1996

1996 CHAPTER vii

PART II

TRANSFER OF THE AIB GROUP BUSINESS

3 Appointed day for vesting of AIB Group business

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

4 Vesting of AIB Group business in AIB NI

- (1) Subject as provided in subsection (2) below, on the appointed day the AIB Group business shall, by virtue of this Act and without further assurance, vest in AIB NI as if, as respects the AIB Group business, AIB NI were the same person in law as the transferor banks and to the intent that AIB NI shall succeed to the whole of the AIB Group business.
- (2) Where the vesting of any part of the AIB Group business is governed wholly or partly by the law of any territory outside the United Kingdom, the transferor banks 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, the transferor banks shall hold any such property in trust for AIB NI.

5 Trust property

- (1) Any property vested in AIB NI by virtue of this Act which immediately before the appointed day was held by a transferor bank, whether alone or jointly with any other person—

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- (a) as trustee or custodian trustee of any trust deed, settlement, covenant, agreement and whether originally so appointed or not, and whether appointed under hand or seal, or by order of any court or otherwise; or
- (b) as judicial trustee appointed by order of any court; or
- (c) in any other fiduciary capacity whatsoever;

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 a transferor bank in any such capacity, and any provision therein, and any existing contract or arrangement for the payment to, or retention by, a transferor bank 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 a transferor bank (not being a reference, however worded and whether express or implied, to terms and conditions of, or to a scale of fees of, that transferor bank) there were substituted a reference to AIB NI.

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 AIB Group business:—

- (1) Every contract to which a transferor bank 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 that transferor bank;
 - (b) for any reference (however worded and whether express or implied) to that transferor bank 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 that transferor bank 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—
 - (a) any statutory provision other than the provisions of this Act;
 - (b) any provision of any existing contract to which a transferor bank was not a party; and
 - (c) to any provision of any other existing document (not being a contract);
 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 a transferor bank 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:

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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 a transferor bank, 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, a transferor bank or payable at any place of business of a transferor bank 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 a transferor bank as bailee shall pass to AIB NI on the appointed day, and the rights and obligations of that transferor bank 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 a transferor bank, or by a nominee or agent of or trustee for a transferor bank, 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 the transferor bank in question 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, the transferor bank in question were secured thereby immediately before that day:
- (8) Where by virtue of this Act any right or liability of a transferor bank becomes a right or liability of AIB NI, AIB NI and all other persons shall, on and from the appointed day, have 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 the transferor banks may be continued by or against AIB NI:
- (9) Any judgment or award obtained by or against a transferor bank and not fully satisfied before the appointed day shall on that day, to the extent to which it is enforceable by or against a transferor bank, become enforceable by or against AIB NI:

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- (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 a transferor bank in respect of a breach by that transferor bank of the data protection principles; but the transfer to, and vesting in AIB NI by this Act of the AIB Group 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 the existing banks are subject immediately before the appointed day or to a contravention by AIB NI or a transferor bank of the data protection principles.

7 Officers, etc., of transferor banks

No director, secretary or auditor of a transferor bank 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 a transferor bank 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 10 of the Civil Evidence Act 1968.

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 the transferor banks 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.

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 a transferor bank 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 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 a transferor bank to AIB NI.

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- (4) Any document made or executed on or after the appointed day, whereby AIB NI or a transferor bank, 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 a transferor bank immediately before any such day, whether alone or jointly with any other person, shall be sufficient evidence that the interest of that transferor bank 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 a transferor bank, is not vested in AIB NI under this Act.
- (5) Where there is any other transaction by AIB NI or a transferor bank on or after the appointed day in connection with, or in relation to, any property or liabilities which are property or liabilities of a transferor bank 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, that transferor bank 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 that transferor bank, the property or liabilities were not vested in AIB NI under this Act.
- (6) A joint certificate given by or on behalf of a transferor bank 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 a transferor bank 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 vesting falling within subsection (2) of section 4 (Vesting of AIB Group business in AIB NI) of this Act.
- (9) In this section “convey” has the same meaning as in the Law of Property Act 1925.

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 30 (2) of the Landlord and Tenant Act 1954; or
- (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.

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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 a transferor bank; and employment with that transferor bank and AIB NI under any such contract shall be deemed for all purposes to be a single continuing employment.