



Standard and Chartered Bank Act 1975

CHAPTER iv

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ELIZABETH II



1975 CHAPTER iv

An Act to provide for the transfer to Standard and Chartered Banking Group Limited of parts of the undertakings of The Standard Bank Limited and The Chartered Bank; and for other purposes.

[8th May 1975]

WHEREAS—

(1) Standard and Chartered Banking Group Limited (hereinafter called “the Bank”) is a company incorporated under the Companies Acts 1948 to 1967 as a company limited by shares for the purpose of carrying on in the United Kingdom and elsewhere the business of banking, including the business of acting as executor and trustee:

(2) The Standard Bank Limited (hereinafter called “Standard”) is a company incorporated under the Joint Stock Banking Companies Acts 1857 and 1858 and is a company limited by shares and carries on in the United Kingdom and elsewhere the business of banking, including the business of acting as executor and trustee:

(3) The Chartered Bank (hereinafter called "Chartered") is a company incorporated by a Royal Charter granted by Her late Majesty Queen Victoria on 29th December 1853 and continued by subsequent supplemental charters, the latest of which was granted by Your Majesty on 25th June 1956, and also carries on in the United Kingdom and elsewhere the business of banking, including the business of acting as executor and trustee:

1948 c. 38.

(4) By a Scheme of arrangement sanctioned under section 206 of the Companies Act 1948 which took effect on 1st January 1970 Standard and Chartered became wholly owned subsidiaries of the Bank:

(5) For the better conduct of the said businesses carried on by Standard and Chartered within the United Kingdom it is expedient to make provision for the fusion of the parts of their undertakings by which those businesses are carried on by the transfer of those parts of the said undertakings to the Bank, and that the said transfer should be effected without interference with the conduct and continuity of those businesses:

(6) It is expedient that the other provisions contained 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:—

Short title.

1. This Act may be cited as the Standard and Chartered Bank Act 1975.

Interpretation.

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

"the appointed day" means the 1st October 1975 or such earlier day as may be appointed under subsection (3) of this section;

"the Bank" means Standard and Chartered Banking Group Limited;

"Chartered" means The Chartered Bank;

"customer" includes any person having a banking account or other dealing, transaction or arrangement in the course of business with an existing bank or the Bank;

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

“existing banks” means Standard and Chartered, and
“existing bank” means either of those companies;

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

“property” means property and assets of every description wheresoever situate, and includes securities, rights, 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, indemnity, undertaking or other means of securing payment or discharge of a debt or liability (whether present or future, actual or contingent);

“Standard” means The Standard Bank Limited;

“transferred undertaking” in relation to each of the existing banks means all existing property and liabilities of that bank (whether or not assignable at law or in equity and whether or not vested in, belonging to, or held by, that bank beneficially or in any fiduciary capacity) except—

(a) the property and liabilities of that existing bank recorded or due to be recorded immediately before the appointed day in the books of any branch or office of that bank situated outside the United Kingdom or otherwise then belonging to any such branch or office of that bank;

(b) any document required to be kept by that existing bank pursuant to the Companies Acts 1948 to 1967;

(c) all existing debts of whatsoever nature owing to or by that existing bank by or to the Bank;

(d) balances recorded, or due to be recorded, immediately before the appointed day in the books of any branch or office of that existing bank situated within the United Kingdom in connection with the following matters relating to the business of any branch or office of that existing bank situated outside the United Kingdom—

(i) the provision of branch capital or the fulfilment of local statutory requirements; or

(ii) the remittance of profits or the making good of losses; and.

(e) any holding of stocks, shares or securities recorded in the books of the head office of that existing bank as investments in its subsidiary or associated companies or as trade investments and, in the case of Chartered, any holding of securities charged, as to principal or interest, on the National Loans Fund or, as to payments under guarantee of redemption or repayment, on the Consolidated Fund of the United Kingdom;

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

(2) Any reference in this Act to any enactment shall be construed as a reference to that enactment as applied, extended, amended or varied by, or by virtue of, any subsequent enactment, including this Act.

(3) The Secretary of State may, on an application made by the Bank, by order made by statutory instrument, appoint a day earlier than the 1st October, 1975, to be the appointed day for the purposes of this Act.

Transfer of
United
Kingdom
businesses
to the Bank.

3.—(1) On the appointed day the transferred undertaking of Standard and the transferred undertaking of Chartered shall, by virtue of this Act and without further assurance, be transferred to, and vest in, the Bank.

(2) Where the transfer or vesting of any property forming part of the transferred undertaking of an existing bank is governed otherwise than by the law of any part of the United Kingdom, that existing bank shall, if the Bank so require, so soon as is practicable after the appointed day, take all necessary steps for securing the effective transfer or vesting thereof to or in the Bank and, pending such transfer or vesting, the existing bank shall hold any such property in trust for the Bank.

Provisions
as to trust
property
transferred.

4.—(1) Any property transferred to, and vested in, the Bank by virtue of this Act which immediately before the appointed day was held by an existing bank, 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;

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

(2) Any existing instrument or order of any court under or by virtue of which any such property became vested in an existing bank in any such fiduciary 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, an existing bank of remuneration for its services in any such fiduciary capacity, shall not fail by reason of anything in this Act, but shall accordingly be construed and have effect on and from the appointed day, so far as the context permits, as if for any reference therein to that existing 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 existing bank, there were substituted a reference to the Bank.

5. Without prejudice to the generality of the foregoing Transitional provisions of this Act but subject to any provision in this Act provisions. to the contrary effect, the following provisions shall have effect:—

(1) Every existing contract (whether in writing or not) forming part of the transferred undertaking of an existing bank, being a contract to which that bank was a party, shall be construed and have effect on and from the appointed day as if—

(a) the Bank had been a party thereto instead of that existing bank;

(b) for any reference (however worded and whether express or implied) to that existing bank there were substituted, as respects anything falling to be done on or after the appointed day, a reference to the Bank;

(c) any reference (however worded and whether express or implied) to the directors or to any director, officer, clerk or servant of that existing bank were, as respects anything falling to be done on or after the appointed day, a reference (as the case may require) to the directors of the Bank or to such director, officer, clerk or servant of the Bank as the Bank may appoint or, in default of appointment, to the director, officer, clerk or servant of the Bank who corresponds as nearly as may be to the first-mentioned director, officer, clerk or servant; and

(d) where the contract relates to any property or liabilities which are not transferred from that existing bank to the Bank by virtue of this Act, as if the

contract, to the extent to which it is enforceable by and against that existing bank, constituted two separate contracts one of which is enforceable by and against the Bank as regards the part of the property or liabilities (as the case may be) so transferred to it and not as regards the other part and the other of which is enforceable by and against the existing bank as regards the part of the property or liabilities (as the case may be) not so transferred to the Bank and not as regards the other part:

- (2) The provisions of paragraph (1) of this section, except sub-paragraph (a) thereof, shall apply to—
- (a) any statutory provision;
 - (b) any provision of any existing contract to which an existing bank was not a party; and
 - (c) any provision of any other existing document (not being a contract or a will);

being in each case a provision relating to the transferred undertaking of the existing bank, as they apply in relation to a contract to which paragraph (1) of this section applies:

- (3) Any account between an existing bank and a customer forming part of the transferred undertaking of that existing bank shall, on and from the appointed day, become an account between the Bank 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 the Bank or of the customer to vary the conditions or incidents subject to which any account is kept:

- (4) Any existing instruction, direction, mandate, power of attorney, authority or consent given to an existing bank (whether in writing or not and whether or not in relation to an account), except to such extent as it is, or relates to, property or a liability which is not transferred to the Bank by virtue of this Act or, not being or relating to property or a liability, it requires performance at any branch or office of that existing bank situated outside the United Kingdom, shall have effect on and from the appointed day, as if given to the Bank:
- (5) Any negotiable instrument or order for payment of money drawn on, or given to, or accepted or endorsed by, an existing branch or office of an existing bank

within the United Kingdom, or payable at any such place of business of an existing bank (whether so drawn, given, accepted or endorsed before, on or after the appointed day) shall have the same effect, on and from the appointed day, as if it had been drawn on, or given to, or accepted or endorsed by, the Bank, or were payable at the same place of business of the Bank:

- (6) The custody of any document, goods or other thing held by an existing bank as bailee for any other person at any branch or office of an existing bank within the United Kingdom shall be deemed to be passed to the Bank on the appointed day, and the rights and obligations of the existing bank under any contract of bailment relating to any such document, goods or property shall be transferred on that day to the Bank:
- (7) Any security which immediately before the appointed day was held by an existing bank as security for the payment or discharge of any debt or liability (whether present or future, actual or contingent) transferred to the Bank by virtue of this Act shall, on and from the appointed day, be held by, or (as the case may require) to the extent of that debt or liability be available to, the Bank as security for the payment or discharge of that debt or liability; and any such security which extends to future advances or liabilities shall, on and from the appointed day, be held by, and be available as aforesaid to, the Bank as security for future advances by, and future liabilities to, the Bank in the same manner in all respects as future advances by, or liabilities to, that existing bank were secured thereby immediately before that day:
- (8) Where any right or liability of an existing bank is by virtue of this Act transferred to the Bank, the Bank 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 the Bank; and any legal proceedings or applications to any authority pending immediately before the appointed day by or against an existing bank may be continued by or against the Bank:

- (9) Any judgment or award obtained by or against an existing bank in respect of its transferred undertaking and not fully satisfied before the appointed day shall, to the extent to which it is enforceable by or against the Bank, be enforceable by or against the Bank, as the case may be.

Contracts of
employment.

6.—(1) Paragraph (1) of section 5 (Transitional provisions) of this Act shall not apply to a contract for the employment of any person by an existing bank unless, immediately before the appointed day, the principal place of work of that person is situated in any country in Europe or, if his principal place of work is not so situated, unless he is then either—

(a) a member of The Standard Bank Limited Pension Fund falling within the classification of membership specified in sub-paragraphs (i), (ii) and (iii) of paragraph (1) (f) of rule 3 of the rules of that fund and his principal place of work is situated in any of the areas designated as scheduled areas for the purposes of that fund; or

(b) a member of The Chartered Bank Pension Fund.

(2) Employment by an existing bank and the Bank under any contract of employment to which paragraph (1) of the said section 5 applies shall be deemed for all purposes to be a single continuing employment.

(3) No director, secretary or auditor of an existing bank shall by virtue only of this Act become a director, secretary or auditor (as the case may be) of the Bank.

References
to existing
banks in
wills.

7.—(1) No testamentary gift shall be deemed by reason only of the operation of any of the provisions of this Act.

(2) 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, whether made before, on or after the appointed day, which has not been proved in any part of the United Kingdom before the appointed day and which, but for the provisions of this section, appoints an existing bank 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 the existing bank 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 terms and conditions of, or to a scale of fees of, that existing bank published before the making of the will, there were substituted a reference to the Bank.

8.—(1) All books and other documents which would before the appointed day have been evidence in respect of any matter for or against an existing bank in respect of its transferred undertaking shall be admissible in evidence in respect of the same matter for or against the Bank. Evidence and books and documents.

(2) In this section “documents” has the same meaning as in section 10 of the Civil Evidence Act 1968. 1968 c. 64.

9.—(1) On and from the appointed day, the Bankers’ Books Evidence Act 1879 shall apply to the books of the existing banks transferred to the Bank by virtue of this Act, and to entries made therein before the appointed day, as if such books had at all relevant times been the books of the Bank and, for the purposes of section 4 of that Act, books so transferred to the Bank shall be deemed to have been the ordinary books of the Bank 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. Application of Bankers’ Books Evidence Act 1879. 1879 c. 11.

(2) In this section “books” has the same meaning as in the said Act of 1879.

10.—(1) The production of a Queen’s Printer’s copy of this Act shall, for all purposes, be conclusive evidence of the transfer of any property or liabilities to the Bank and of the vesting thereof in the Bank in accordance with the provisions of this Act. Evidence of transfer.

(2) Without prejudice to the generality of the foregoing—

(a) any such copy of this Act shall, in relation to any registered securities within the meaning of the Stock Transfer Act 1963 transferred to, and vested in, the Bank by virtue 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 an existing bank to the Bank; 1963 c. 18.

(b) any document made or executed on or after the appointed day whereby the 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 an existing bank immediately before the appointed day, whether alone or jointly with any other person, shall be sufficient evidence that the interest of the existing bank in such property became vested in the Bank by virtue of this Act.

(3) In this section “convey” has the same meaning as in the Law of Property Act 1925. 1925 c. 20.

Transfers of interests in land.

1954 c. 56.

11. It is hereby declared that the transfer or vesting of an interest in land by virtue of this Act shall not—

- (a) constitute a purchase or creation of that interest for the purposes of section 30 (2) of the Landlord and Tenant Act 1954; or
- (b) constitute an assignment, transfer, devolution, parting with possession or other disposition of that interest for the purposes of any provision relating to assignment, transfer, devolution, parting with possession or other disposition 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.

Saving for existing companies.

12. Nothing in this Act shall derogate from or prejudice the powers of either the Bank or Standard to alter its memorandum and articles of association, or the powers of Chartered to alter its bye-laws and rules; and nothing in this Act shall derogate from or prejudice the powers of the Bank, Standard or Chartered to dispose of, or deal with, its assets or to carry on or discontinue its business or any part thereof.

Saving for enactments concerning banking companies.

13. Nothing in this Act shall exempt any body corporate from the provisions of any enactment relating to the carrying on of the business of banking.

Application to Scotland.

14.—(1) This Act shall extend to Scotland.

(2) In the application of this Act to Scotland the following provisions shall have effect:—

(a) In the construction of this Act—

“debenture” includes a floating charge or any instrument containing a floating charge;

“judicial trustee” includes a judicial factor;

“mortgage” includes a standard security, an assignation or disposition *ex facie* absolute and any agreement qualifying the same, a bond and disposition or assignation in security, a cash credit bond and disposition or assignation in security, an assignation in security and any real right or burden of whatever kind in the nature of a security;

“ probate ” includes confirmation of executors and reference to the proving of a will shall be construed accordingly;

“ will ” includes a trust disposition and settlement and any deed taking effect on the death of any person whereby any part of his estate is disposed of, or under which a succession thereto arises; and

for the reference in subsection (2) of section 8 (Evidence and books and documents) of this Act to section 10 of the Civil Evidence Act 1968 there shall be substituted reference to section 17 of the Law Reform (Miscellaneous Provisions) (Scotland) Act 1968:

1968 c. 64.

1968 c. 70.

(b) All cash credit bonds and dispositions or assignments in security and standard securities expressed to be in favour of an existing bank transferred to, and vested in, the Bank on the appointed day by virtue of this Act shall, on and from that day, have the same effect in favour of the Bank up to the maximum amounts stated therein respectively in all respects as if they had been originally granted in favour of the Bank for such maximum amounts:

(c) All property heritably vested in an existing bank redeemably or irredeemably which is by virtue of this Act transferred to, and vested in, the Bank shall be without further assurance so transferred to, and vested in, the Bank to the same effect as if the title of the Bank thereto had been recorded in the Register of Sasines on the appointed day.

15.—(1) It is hereby declared that this Act extends to Northern Ireland.

Application to Northern Ireland.

(2) In the application of this Act to Northern Ireland—

(a) for the reference in subsection (2) of section 8 (Evidence and books and documents) of this Act to section 10 of the Civil Evidence Act 1968 there shall be substituted reference to section 6 of the Civil Evidence Act (Northern Ireland) 1971;

1971 c. 36 (N.I.).

(b) for the reference in section 10 (Evidence of transfer) of this Act to the Stock Transfer Act 1963 there shall be substituted reference to the Stock Transfer Act (Northern Ireland) 1963; and

1963 c. 18.

1963 c. 24 (N.I.).

(c) for paragraph (a) of section 11 (Transfers of interests in land) of this Act, there shall be substituted the following paragraph:—

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

1964 c. 36
(N.I.).

Costs of
Act.

16. 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 the Bank.

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