



# Alliance & Leicester (Girobank) Act 1993

## 1993 CHAPTER iii

### 1 Short title

This Act may be cited as the Alliance & Leicester (Girobank) Act 1993.

### 2 Interpretation

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

“Alliance & Leicester” means the Alliance & Leicester Building Society;

“the appointed day” means such day as may be appointed under section 3 (1) of this Act, and for any part of the personal bank means the day so appointed for that part;

“customer” means any person having a banking account or, as part of the services provided by Girobank to members of the public, some other dealing, transaction or arrangement with Girobank or, as the case may be, Alliance & Leicester;

“existing” means existing, outstanding or in force immediately before the appointed day, and in relation to any part of the personal bank means existing immediately before the day appointed for that part;

“Girobank” means Girobank plc;

“the Girobank personal bank tariff” means the tariff of charges made by Girobank in respect of current accounts with customers of Girobank who are individuals other than any such account—

(a) provided by Girobank in order to facilitate the operation of any trade or business; or

(b) in respect of which Girobank is on notice that the account is operated by or by any customer on behalf of an unincorporated association;

“the Keyway account tariff” means the tariff of charges made by Girobank in respect of Keyway accounts;

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

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“loan account” means any account in respect of which there is a credit balance in favour of Girobank or any account which is established or maintained for the purpose of providing such a balance;

“the personal accounts” means—

- (a) all current accounts in respect of which the charges made by Girobank are based on the Girobank personal bank tariff from time to time in force;
- (b) all Keyway accounts in respect of which the charges made by Girobank are based on the Girobank Keyway account tariff from time to time in force;
- (c) all loan accounts other than any such account—
  - (i) in respect of which Girobank is on notice that the account is provided by Girobank (whether wholly or in part and whether secured or unsecured) in order to facilitate the operation of any trade or business; or
  - (ii) which is secured on the same security as an account referred to in sub-paragraph (i) above; or
  - (iii) in respect of which Girobank is on notice that the account is operated by or by any customer on behalf of an unincorporated association; and
- (d) all savings and investment accounts other than any such account in respect of which Girobank is on notice that the account is operated—
  - (i) for the purpose of carrying on any trade or business; or
  - (ii) by or by any customer on behalf of an unincorporated association;

being accounts with customers of Girobank who are individuals;

“the personal bank” means that part of the business of Girobank represented by or consisting of—

- (a) the existing personal accounts including—
  - (i) all rights and liabilities of Girobank in respect of those accounts;
  - (ii) all such assets and liabilities of Girobank as the directors of Girobank shall on or before the appointed day calculate, in accordance with the scheme established under section 4 (Scheme for apportionment of certain assets and liabilities) of this Act, and declare to represent the existing value of the cleared balances in the personal accounts;
  - (iii) all such assets and liabilities of Girobank as the directors of Girobank shall on or before the appointed day calculate, in accordance with the scheme established under the said section 4, and declare to support the existing value of the cleared balances in the personal accounts; and
  - (iv) all property and liabilities of Girobank in respect of uncleared sums attributable to the personal accounts;
- (b) such other property and liabilities of Girobank (being property and liabilities which support the existing personal accounts) as the directors of Alliance & Leicester may determine before the appointed day;

and where a day is appointed for any part of the personal bank “the personal bank” means that part of the personal bank for which the day has been appointed;

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

- (2) For the purposes of this Act Girobank shall be deemed not to be on notice of any fact or thing unless, as regards that fact or thing, notice has been—
- (a) given to Girobank by a customer; and
  - (b) acknowledged by Girobank;
- in either case whether or not in writing.
- (3) Any reference in this Act to property or liabilities of Girobank is a reference to property or liabilities to which Girobank 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 Girobank, and whether Girobank 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 Alliance & Leicester may appoint a day to be the appointed day for the purposes of this Act and they may appoint different days for different parts of the personal bank.
- (2) Alliance & Leicester shall publish in the London Gazette, the Edinburgh Gazette and the Belfast Gazette notice of any day appointed under this section, stating whether it is the appointed day for the whole or part only of the personal bank and, where it is for part only, stating that part of the personal bank to which the appointed day relates.

### **4 Scheme for apportionment of certain assets and liabilities**

Before any day is appointed under section 3 (Appointed day) of this Act the directors of Alliance & Leicester and of Girobank shall in consultation with the Bank of England and the Building Societies Commission agree a scheme for the apportionment of those assets and liabilities of Girobank representing the value of cleared balances and supporting the value of those balances—

- (a) between the personal accounts and the remainder of Girobank;
- (b) if different days are to be appointed for different parts of the personal bank, between those parts.

### **5 Vesting of personal bank in Alliance & Leicester**

- (1) Subject as provided in subsection (2) below and in section 11 (Saving for contracts of employment) and section 12 (Saving for agreement with Post Office Counters Limited) of this Act, on the appointed day the personal bank shall, by virtue of this

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Act and without further assurance, vest in Alliance & Leicester as if, as respects the personal bank, Alliance & Leicester were the same person in law as Girobank.

- (2) Where the vesting of any part of the personal bank is governed wholly or partly by the law of any country or territory outside the United Kingdom, Girobank shall, if Alliance & Leicester so requires, take all necessary steps for the purpose of securing the vesting thereof in Alliance & Leicester.

## **6 Wills, etc**

No testamentary gift shall be deemed by reason only of the operation of any provision of this Act.

## **7 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 any appointed day to the extent that they relate to the property or liabilities comprising the personal bank or the part of the personal bank for which that day is appointed:—

- (1) Every contract to which Girobank is a party (whether in writing or not) shall have effect on and from the appointed day as if—
- (a) Alliance & Leicester had been a party thereto instead of Girobank;
  - (b) for any reference (however worded and whether express or implied) to Girobank there were substituted, as respects anything falling to be done on or after the appointed day, a reference to Alliance & Leicester;
  - (c) any reference (however worded and whether express or implied) to the directors or to any director, officer or employee of Girobank were, as respects anything falling to be done on or after the appointed day, a reference to the directors of Alliance & Leicester or, as the case may require, to such director, officer or employee of Alliance & Leicester as Alliance & Leicester may appoint for that purpose or, in default of appointment, to the director, officer or employee of Alliance & Leicester who corresponds as nearly as may be to the first-mentioned director, officer or employee; and
  - (d) where the contract relates to property or liabilities which are for the time being only partly vested in Alliance & Leicester, the contract, to the extent to which it is enforceable by and against Girobank, constituted two separate contracts, one of which is enforceable by and against Alliance & Leicester as regards the part of the property or liabilities so vested in it and not as regards the other part, and the other of which is enforceable by and against Girobank as regards the part of the property or liabilities not so vested in Alliance & Leicester and not as regards the other part:
- (2) Sub-paragraphs (b) and (c) of paragraph (1) above shall apply to any statutory provision, to any provision of any existing contract to which Girobank was not a party and to 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: Provided that the said sub-paragraphs (b) and (c) shall not apply to any existing authorisation or exemption under any enactment regulating the carrying on of the business of Girobank:
- (3) Any account between Girobank and a customer shall, on the appointed day, become an account between Alliance & Leicester and the customer subject to the same conditions

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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 Alliance & Leicester or of the customer to vary the conditions or incidents subject to which any account is kept:

- (4) (a) Without prejudice to paragraph (3) above, any customer who immediately before the appointed day
    - (i) was a borrower from Girobank in respect of an advance which if made by Alliance & Leicester would have been an advance secured on land within the meaning of section 10 (1) of the Building Societies Act 1986; or
    - (ii) was a borrower from Girobank by having taken with the consent of Girobank a transfer of any land already the subject of such an advance; or
    - (iii) on the death of a borrower or otherwise on transfer by operation of law had become entitled to land already the subject of such an advance and had not been required to pay the advance; shall be a borrowing member of Alliance & Leicester;
  - (b) For the purpose of section 11 of the said Act of 1986 every such advance shall
    - (i) if secured by a mortgage which takes priority over all other mortgages of the land which is security for the advance, be treated as a class 1 advance; and
    - (ii) if secured by a mortgage which takes priority after one other mortgage of the land which is security for the advance, be treated as a class 2 advance:
- (5) Without prejudice to paragraph (3) above, any customer of Girobank other than such a customer as is mentioned in paragraph (4) above shall not on the appointed day by virtue of this Act become a member of Alliance & Leicester:
  - (6) Any existing instruction, order, direction, mandate, power of attorney, authority, undertaking or consent given to Girobank (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 Alliance & Leicester:
  - (7) Any negotiable instrument or order for payment of money drawn by or given to, or accepted or endorsed by, Girobank, or payable to any place of business of Girobank, 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 Alliance & Leicester, or (as the case may be) as if the place of business at which it is payable were a place of business of Alliance & Leicester:
  - (8) The custody of any document or record, goods or other thing held by Girobank as bailee shall pass to Alliance & Leicester on the appointed day, and the rights and obligations of Girobank under any contract of bailment relating to any such document or record, goods or thing shall on that day become rights and obligations of Alliance & Leicester:
  - (9) (a) Any security held immediately before the appointed day by Girobank, or by a nominee or agent of or trustee for Girobank, 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, Alliance & Leicester,

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- and be available to Alliance & Leicester (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 Alliance & Leicester in accordance with the provisions of this Act and any liabilities thereby secured, Alliance & Leicester shall be entitled to the rights and priorities and be subject to the obligations and incidents to which Girobank 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 Alliance & Leicester (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, Girobank or, as the case may be, Alliance & Leicester were secured thereby immediately before that day:
- (10) Where by virtue of this Act any right or liability of Girobank becomes a right or liability of Alliance & Leicester, Alliance & Leicester 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 Alliance & Leicester; and any legal proceedings or application to any authority existing or pending immediately before the appointed day by or against Girobank may be continued by or against Alliance & Leicester:
- (11) Any judgment or award obtained by or against Girobank and not fully satisfied before the appointed day shall on that day, to the extent to which it is enforceable by or against Girobank, become enforceable by or against Alliance & Leicester.

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

- (1) All books and other documents which would, before any day appointed under section 3 (Appointed day) of this Act, have been evidence in respect of any matter for or against Girobank shall be admissible in evidence in respect of the same matter for or against Alliance & Leicester.
- (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 any day appointed under section 3 (Appointed day) of this Act the Bankers' Books Evidence Act 1879 shall apply to the books of Girobank vested in Alliance & Leicester by virtue of this Act, and to entries made in those books before that day, as if such books were the books of Alliance & Leicester, and as if at the time that any such entries were made Alliance & Leicester were a banker within the meaning of that Act.
- (2) For the purposes of section 4 of the said Act of 1879, books which have become the books of Alliance & Leicester by virtue of this Act shall be deemed to have been the ordinary books of Alliance & Leicester at the time of the making of any entry therein

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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 and liabilities of Girobank in Alliance & Leicester 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 Alliance & Leicester 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 Girobank to Alliance & Leicester.
- (4) Any document made or executed on or after any day appointed under section 3 (Appointed day) of this Act, whereby Alliance & Leicester or Girobank, 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 Girobank immediately before any such day, whether alone or jointly with any other person, shall be sufficient evidence that the interest of Girobank in that property—
- (a) in the case of such a document referring to the property as property held by Alliance & Leicester, is vested in Alliance & Leicester under this Act; and
  - (b) in the case of such a document referring to the property as property held by Girobank, is not vested in Alliance & Leicester under this Act.
- (5) Where there is any other transaction by Alliance & Leicester or Girobank on or after any day appointed under section 3 (Appointed day) of this Act in connection with, or in relation to, any property or liabilities which are property or liabilities of Girobank immediately before that day, or shall be deemed in favour of any other party to the transaction, or any person claiming through or under him, that Alliance & Leicester or, as the case may be, Girobank has full power and authority for that transaction as—
- (a) in the case of a transaction by Alliance & Leicester, the property or liabilities were vested in it under this Act; and
  - (b) in the case of a transaction by Girobank, the property or liabilities were not vested in Alliance & Leicester under this Act.
- (6) A joint certificate given by or on behalf of Girobank and Alliance & Leicester, whether given before, on or after any day appointed under section 3 (Appointed day) of this Act, that any property or liabilities specified in the certificate is or is not at the date so specified vested in Alliance & Leicester 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 Girobank or Alliance & Leicester 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) In this section “convey” has the same meaning as in the Law of Property Act 1925.

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## 11 Saving for contracts of employment

Nothing in section 5 (Vesting of personal bank in Alliance & Leicester) or in section 7 (Supplementary provisions) of this Act shall

- (a) apply to any contract for the employment of any person by Girobank; or
- (b) affect any rights or liabilities accrued or incurred by any person or body in connection with any such contract or the employment of any person by Girobank.

## 12 Saving for agreement with Post Office Counters Limited

Nothing in section 5 (Vesting of personal bank in Alliance & Leicester) of this Act applies to the agreement dated 2nd July 1990 and made between Girobank of the one part and Post Office Counters Limited on the other part and accordingly section 7 (Supplementary provisions) of this Act shall not affect the operation of that agreement.

## 13 Saving for certain loan contracts

Notwithstanding the terms of any contract or instrument relating to any indebtedness of Girobank or Alliance & Leicester, nothing effected by this Act shall constitute a breach or default under any such contract or instrument or any other event upon the happening of which any debt may (with or without fulfilment or satisfaction of other conditions or prerequisites) become repayable prior to the stated maturity or any security therefor may (with or without fulfilment or satisfaction as aforesaid) become enforceable.

## 14 Application to Scotland and Northern Ireland

- (1) This Act shall extend to Scotland and Northern Ireland.
- (2) In the application of this Act to Scotland the following provisions shall have effect:
  - (a) In the construction of this Act
    - “assignment” includes an assignation;
    - “bailee” includes a custodier, and “contract of bailment” includes any other contract regulating custody of things;
    - “convey” includes the execution of any deed or other instrument or document by which any property, or any estate, interest, security or other right in or over property, is constituted, completed, disposed, assigned, transmitted or discharged;
    - “debenture” includes a floating charge or any instrument containing a floating charge;
    - “judgment” includes a decree; and
    - “mortgage” includes a standard security, an assignation or disposition ex facie absolute and any agreement qualifying the time, 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 whether or not constituted in respect of a heritable security;
  - (b) All standard securities and cash credit bonds and dispositions or assignations in security expressed to be in favour of Girobank vested in Alliance & Leicester by or under this Act shall, on and from the appointed day, have the



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same effect in favour of Alliance & Leicester up to such maximum amounts as may be stated therein respectively in all respects as if they had been originally granted in favour of Alliance & Leicester for such maximum amounts;

- (c) To enable Alliance & Leicester to complete a title, if thought fit, to any property vested in it by virtue of this Act by notice of title or otherwise, or to deduce title, this Act shall be deemed to be, and may be used as, a general disposition, conveyance or, as the case may be, assignation of such property in favour of Alliance & Leicester;
  - (d) For the reference in subsection (2) of section 8 (Evidence: 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;
  - (e) In section 10 (Evidence of vesting) of this Act, subsection (8) shall be omitted:
- (3) In the application of this Act to Northern Ireland—
- (a) for the reference in subsection (2) of section 8 (Evidence: 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;
  - (b) the references in subsection (3) of section 10 (Evidence of vesting) of this Act to the Stock Transfer Act 1963 shall include references to the Stock Transfer Act (Northern Ireland) 1963; and for the reference in subsection (8) of that section to the Law of Property Act 1925 there shall be substituted reference to the Conveyancing Act 1881.

## 15 Costs of Act

The costs, charges and expenses preliminary to, and of and incidental to, the preparing, obtaining and passing of this Act shall be paid by Alliance & Leicester and may in whole or in part be paid out of revenue.