
STATUTORY INSTRUMENTS

2008 No. 2546

The Bradford & Bingley plc Transfer of Securities and Property etc. Order 2008

PART 2

THE FIRST TRANSFER AND RELATED PROVISIONS

The first transfer

3.—(1) By virtue of this Order, the shares in Bradford & Bingley are transferred to the Treasury Solicitor as nominee of the Treasury.

(2) The transfer under paragraph (1) takes place at the time this Order comes into force (“the first transfer time”).

(3) The transfer of the shares effected under paragraph (1) shall vest title in the Treasury Solicitor—

- (a) free from all trusts, liabilities and incumbrances; and
- (b) together with all rights, benefits or privileges which attach or accrue to or arise from such shares on or after the first transfer time.

Registration of shares and issue of certificates

4.—(1) The Treasury Solicitor is entitled with effect from the first transfer time to be entered in the register of members of Bradford & Bingley as holder of the shares in Bradford & Bingley without the need for delivery of any instrument of transfer or other instrument or document and notwithstanding—

- (a) the absence of any required consent or concurrence to or with the transfer; and
- (b) any other restriction relating to the transfer.

(2) The operator of a relevant system in which any shares in Bradford & Bingley are held immediately prior to the first transfer time (“relevant shares”) shall forthwith after the first transfer time—

- (a) withdraw his permission for title to the relevant shares to be transferred by means of the relevant system with effect from the first transfer time; and
- (b) inform all the system-members and Bradford & Bingley’s registrar of the date and time the relevant shares ceased to be securities participating in the system.

(3) Bradford & Bingley shall procure that Bradford & Bingley’s registrar shall forthwith after the first transfer time—

- (a) take such action as the operator of a relevant system may require to convert any relevant shares held in such a system immediately prior to the first transfer time into certificated form; and

- (b) register in Bradford & Bingley’s register of members (including its issuer register of members) the Treasury Solicitor as the holder of shares in Bradford & Bingley.
- (4) The operator of a relevant system in which any relevant shares are held immediately prior to the first transfer time, Bradford & Bingley and Bradford & Bingley’s registrar shall each—
 - (a) provide each other with such information as shall be necessary to comply with this article; and
 - (b) co-operate to ensure that the issuer register of members of Bradford & Bingley reconciles with the operator register of members of Bradford & Bingley immediately prior to the first transfer time.
- (5) From the first transfer time and until the Treasury Solicitor is entered in Bradford & Bingley’s register of members (including its issuer register of members)—
 - (a) he is deemed for all purposes (including for the purposes of the Companies Acts and the USRs) to be—
 - (i) the sole member of Bradford & Bingley; and
 - (ii) entered as holder on the operator register of members of Bradford & Bingley and in Bradford & Bingley’s register of members (including its issuer register of members); and
 - (b) no other person may exercise or purport to exercise in respect of Bradford & Bingley any right deriving from any shares in Bradford & Bingley.
- (6) The Treasury Solicitor is entitled from the first transfer time to all the rights and advantages of a member of Bradford & Bingley to the exclusion of all other persons, notwithstanding that he is not entered in either Bradford & Bingley’s register of members (including its issuer register of members) or the operator register of members of Bradford & Bingley.
- (7) Part 21 of the 2006 Act (certification and transfer of securities) applies to Bradford & Bingley with the following modifications—
 - (a) the transfer effected by article 3(1) is deemed to be a transfer falling within section 776(2) (a) (duty of company as to issue of certificates etc on transfer); and
 - (b) sections 776(3) and (4), 777 (issue of certificates etc: cases within the Stock Transfer Act 1982) and 778 (issue of certificates etc: allotment or transfer to financial institution) do not apply.
- (8) In this article “certificated”, “issuer register of members”, “operator”, “operator register of members”, “relevant system” and “system-member” have the meanings given in the USRs.

Extinguishment of rights in relation to shares in Bradford & Bingley

5. By virtue of this Order, with effect from the first transfer time, any right or entitlement of a person to receive shares in Bradford & Bingley (whether by subscription, conversion or otherwise) is extinguished if the right or entitlement was granted by—
- (a) a relevant undertaking; or
 - (b) a person not within sub-paragraph (a) and is enjoyed by reason of or in connection with—
 - (i) any person’s office or employment with a relevant undertaking; or
 - (ii) the services provided by any person to a relevant undertaking.

Modification of interests, rights and liabilities associated with the dated subordinated notes

- 6.—(1) This article applies, with effect from the first transfer time, in respect of the dated subordinated notes.

(2) By virtue of this Order, the rights and liabilities associated with the dated subordinated notes shall be modified in accordance with paragraph (3).

(3) A default in the payment of any principal due in respect of a dated subordinated note—

- (a) shall not constitute an event of default under the note; and
- (b) shall not give rise to the consequences specified in paragraph (3) of article 7 in respect of any relevant instrument under that article.

Modification of rights in relevant instruments

7.—(1) The consequences specified in paragraph (3) shall not arise in respect of any relevant instrument as a result of the first transfer, or any other thing done, or matter arising, by virtue of or in connection with the first transfer.

(2) Any circumstances which, but for paragraph (1), would give rise to the consequences specified in paragraph (3) shall be taken not to have arisen for the purposes of any relevant instrument.

(3) The consequences are—

- (a) the termination of the relevant instrument or any rights or obligations under it;
- (b) any right to terminate the relevant instrument or any right or obligation under it becoming exercisable;
- (c) any amount becoming due and payable or capable of being declared due and payable;
- (d) any other change in the amount or timing of any payment falling to be made or due to be received by any person;
- (e) any right to withhold, net or set off any payment becoming exercisable;
- (f) any event of default or breach of any right arising;
- (g) any right not to advance any amount becoming exercisable;
- (h) any obligation to provide or transfer any deposit or collateral;
- (i) any right to give or withhold any consent or approval; or
- (j) any other right or remedy (whether or not similar in kind to those referred to in paragraphs (a) to (i)) arising or becoming exercisable.

(4) Without prejudice to paragraph (3), any provision in a relevant instrument that, as a result of the first transfer or any other thing done, or matter arising, by virtue of or in connection with the first transfer, provides for an obligation not to be created, suspends or extinguishes (in whole or in part) such an obligation or renders such an obligation subject to conditions, shall be of no effect.

(5) This article does not apply to any action taken by the Treasury under article 10.

(6) In this article, “relevant instrument” has the meaning given in paragraph 4(3) of Schedule 1 to the Act and the specified connection referred to in paragraph 4(3)(c) of that Schedule is between Bradford & Bingley and those undertakings whose assets and liabilities, profits and losses are consolidated in the consolidated accounts of Bradford & Bingley.