



# Alliance & Leicester plc (Group Reorganisation) Act 2000

## 2000 CHAPTER iii

An Act to provide for the transfer to Alliance & Leicester plc of the undertakings of Girobank plc and Alliance & Leicester Personal Finance Limited; and for related purposes.  
[10th February 2000]

### WHEREAS—

- (1) Alliance & Leicester plc (hereinafter called “A&L”) is a company registered in England and Wales under the Companies Act 1985 which was formed for the purpose, inter alia, of carrying on the whole of the business formerly carried on by Alliance & Leicester Building Society (hereinafter called “Alliance & Leicester”):
- (2) On 21st April 1997 the whole of the business of Alliance & Leicester was transferred to A&L pursuant to section 97 of the Building Societies Act 1986:
- (3) Girobank plc (hereinafter called “Girobank”) and Alliance & Leicester Personal Finance Limited (hereinafter called “ALPF”) are limited companies registered in England and Wales under the Companies Act 1985 and carry on in the United Kingdom and elsewhere the businesses of banking, lending and financial services and activities related to such businesses:
- (4) A&L is the beneficial owner of all the issued shares in Girobank and ALPF:
- (5) For the better conduct of the businesses of A&L, Girobank and ALPF, it is expedient that provision be made for the fusion of their respective undertakings by the transfer to A&L of the undertakings of Girobank and ALPF, and that that fusion of undertakings should be effected 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 Citation

This Act may be cited as the Alliance & Leicester plc (Group Reorganisation) Act 2000.

## 2 Interpretation

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

“A&L” means Alliance & Leicester plc;

“ALPF” means Alliance & Leicester Personal Finance Limited;

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

“the appointed day” means, in relation to a transferor, the day appointed under section 3 below in relation to that transferor;

“customer” includes any person having a banking account, a loan account or any other dealing, transaction, agreement or arrangement in the course of business with Girobank or ALPF or, as the case may be, A&L;

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

“Girobank” means Girobank plc;

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

“property” means property and assets of every description (whether present or future, actual or contingent), and includes property held in a fiduciary capacity and 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, assignment by way of security, indemnity, right of set-off, undertaking or other means of securing the payment or discharge of a liability (whether present or future, actual or contingent);

“the transferors” means Girobank and ALPF, and reference to “a transferor” is a reference to one of the transferors;

“undertakings” means the businesses and all existing property and liabilities of the transferors of whatsoever nature, but does not include any seal or documents required to be kept by the transferors pursuant to the provisions of the Companies Act 1985; and a reference to an undertaking is a reference to the undertaking of a transferor;

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

(2) For the purposes of this Act a transferor 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 the transferor by a customer; and
- (b) acknowledged by the transferor;

in either case whether or not in writing.

(3) Any reference in this Act to property or liabilities of a transferor is a reference to property or liabilities to which the transferor is 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 the transferor and whether the transferor is entitled or subject to the property or liabilities under the law

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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 A&L may appoint a day in relation to either or both of the transferors to be the appointed day for the purposes of this Act; and different days may be appointed for each transferor.
- (2) Before a day so appointed A&L shall publish in the London Gazette, the Edinburgh Gazette and the Belfast Gazette a notice of that day stating that it is an appointed day for the purposes of this Act and specifying the transferor to which the day relates.
- (3) The publication of a notice under subsection (2) above shall be conclusive evidence of a day being an appointed day for the purposes of this Act; and a photocopy or other reproduction, certified by an authorised officer of A&L, of a page or part of a page of the London Gazette, the Edinburgh Gazette or the Belfast Gazette containing the notice shall be conclusive evidence of publication of the notice.

### **4 Transfer of Girobank's and ALPF's undertakings to A&L**

- (1) On the appointed day the undertaking of a transferor shall, by virtue of this Act and without further assurance, vest in A&L to the intent that A&L shall succeed to that undertaking as if in all respects A&L were the same person in law as the transferor.
- (2) Where the transfer of any property or liability forming part of the undertaking of a transferor is governed by the law of any country or territory outside the United Kingdom, the transferor shall, if A&L so requires, take all necessary steps for securing the effective transfer thereof to or in A&L and, pending such transfer, the transferor shall hold any such property in trust for A&L.

### **5 Wills, etc**

No testamentary gift shall be adeemed by reason only of the operation of any provision 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 in relation to the undertakings or any part thereof:—

- (1) Every existing contract to which a transferor is a party (whether in writing or not) shall have effect on and from the appointed day as if—
  - (a) the contract had been made with A&L instead of the transferor;
  - (b) for any reference (however worded and whether express or implied) to the transferor there were substituted, as respects anything falling to be done on or after the appointed day, a reference to A&L;
  - (c) any reference (however worded and whether express or implied) to the directors or to any director, officer or employee of the transferor were, as respects anything falling to be done on or after the appointed day, a reference to the directors of A&L or, as the case may require, to such director, officer or employee of A&L as A&L may appoint for that purpose or, in default of

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appointment, to the director, officer or employee of A&L 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 A&L, the contract, to the extent to which it is enforceable by and against the transferor, constituted two separate contracts, one of which is enforceable by and against A&L 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 the transferor as regards the part of the property or liabilities not so vested in A&L and not as regards the other part:

- (2) Sub-paragraphs (b) and (c) of paragraph (1) above shall, on and from the appointed day, apply to any enactment other than the provisions of this Act and to any provision of any existing contract to which a transferor was not a party; and sub-paragraphs (a), (b) and (c) of that paragraph shall, on and from the appointed day, apply to any provisions of any other existing document (not being a contract or a will) as they apply to a contract to which that paragraph applies:

- (3) Any account between a transferor and a customer shall, on the appointed day, become an account between A&L 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 A&L 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 or by a transferor (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 or, as the case may be, by A&L:
- (5) Any negotiable instrument or order for payment of money drawn on or by, or given to, or accepted or endorsed by, a transferor, or payable at any place of business of a transferor, 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 by, or given to, or accepted or endorsed by A&L, or (as the case may be) as if the place of business at which it is payable were a place of business of A&L:
- (6) The custody of any document or record, goods or other thing held by a transferor as bailee shall pass to A&L on the appointed day, and the rights and obligations of the transferor under any contract of bailment relating to any such document or record, goods or thing shall on that day become rights and obligations of A&L:

- (7) (a)

Any security held immediately before the appointed day by a transferor, or by a nominee or agent of or trustee for a transferor, 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 A&L, and be available to A&L (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 A&L in accordance with the provisions of this Act and any liabilities thereby secured, A&L shall be entitled to the rights and priorities and be subject to the obligations and incidents to which the transferor in question would have been entitled and subject if it had continued to hold the security;

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- (c) Without prejudice to the generality of sub-paragraph (b) above, in any case where any existing liability subsists between a transferor and A&L, in respect of which the transferor or A&L or a nominee or agent of or trustee for the transferor or A&L, holds security, that liability shall, for the purpose of enforcing or realising that security, be deemed to continue in effect notwithstanding the vesting in A&L of the undertaking of the transferor or any part thereof;
  - (d) 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 A&L (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 or liabilities were secured thereby immediately before that day:
- (8) Where by virtue of this Act any property or liability of a transferor becomes property or a liability of A&L, A&L 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 property or liability as if it had at all times been property or a liability of A&L; and any legal proceedings or application to any authority existing or pending immediately before the appointed day by or against the transferor may be continued by or against A&L:
- (9) Any judgment or award obtained by or against a transferor and not fully satisfied before the appointed day shall on that day, to the extent to which it is enforceable by or against the transferor, become enforceable by or against A&L:
- (10) The Data Protection Commissioner may, on and from the appointed day, serve on A&L any notice under section 40 of the Data Protection Act 1998 which he could have served on a transferor in respect of a breach by the transferor of the data protection principles; but the vesting in A&L by this Act of the undertakings (and any disclosure to A&L of any information in contemplation or as a result thereof) shall not amount to a breach of any duty of confidentiality to which the transferors are subject immediately before the appointed day or to a contravention by A&L or a transferor of the data protection principles.

## **7 Accounting provisions**

- (1) In this section “accounts” means all accounting records, any other accounts, statements of account, financial statements or directors' reports required to be prepared by, and in accordance with provisions of, the Companies Act 1985 and “individual accounts” means the accounts of an individual company prepared in accordance with section 226 of and Schedule 4 to that Act or section 255 of and Part I of Schedule 9 to that Act.
- (2) For the purposes of the accounts of A&L and the transferors, the transfer of the undertaking of a transferor to A&L by this Act shall be taken to have been effected immediately after the last financial year of that transferor and to have been a vesting of all the property and liabilities to which that transferor was entitled or subject immediately before the end of that year.
- (3) The amount to be attributed to any asset and any liability which is taken by virtue of subsection (2) above to have been vested in A&L immediately after the last financial