ELIZABETH II



1983 CHAPTER xvii

An Act to provide for the vesting in MAIBL PLC of the undertaking of Standard Chartered Merchant Bank Limited; and for other purposes. [1st December 1983]

WHEREAS—

(1) Standard Chartered Merchant Bank Limited (hereinafter referred to as "SCMB") and MAIBL PLC (hereinafter referred to as "MAIBL") are companies incorporated under the Companies Acts 1929 and 1948 respectively as companies limited by shares and are recognised banks for the purposes of the Banking Act 1979: 1979 c. 37.

(2) MAIBL is a wholly-owned subsidiary of SCMB and SCMB is a wholly-owned subsidiary of Standard Chartered Bank PLC:

(3) For the better conduct of the businesses of SCMB and MAIBL it is expedient that provision be made for the fusion of

the undertakings by which those businesses are carried on by vesting in MAIBL the undertaking of SCMB, and that that fusion of undertakings should be effected without interference with the conduct and continuity of the businesses of the two companies:

(4) It is expedient that the other provisions contained in this Act should be enacted:

(5) 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 Chartered Merchant Bank Act 1983.

Interpretation.

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

"the appointed day" means 31st December 1983 or such earlier day as may be appointed under section 3 of this Act;

"customer" includes any person having a banking account or other dealing, transaction or arrangement in the course of business with SCMB or, as the case may be, MAIBL;

"excluded items" means the following:—

(*a*) documents required to be kept pursuant to the provisions of the Companies Acts 1948 to 1983;

(*b*) shares in MAIBL held by SCMB;

(*c*) share capital and reserves of SCMB; and

(*d*) the subordinated loan owing by SCMB to Standard Chartered Bank PLC;

"existing" means existing or in force immediately before the appointed day;

"liabilities" includes duties and obligations of every description wheresoever arising (whether present or future, actual or contingent), but does not include any excluded item;

"MAIBL" means MAIBL PLC;

"property" means property and assets of every description wheresoever situate, and includes property held on trust and securities, rights, benefits and powers of

every description, but does not include any excluded item;

"SCMB" means Standard Chartered Merchant Bank Limited;

"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);

"will" includes a codicil and any other testamentary writing.

(2) (*a*) References in this Act to property and liabilities of SCMB are references to all such property and liabilities, whether or not capable of being transferred or assigned by SCMB.

(*b*) Any such reference to property of SCMB is a reference to property of SCMB whether situated in the United Kingdom or elsewhere.

(*c*) Any such reference to rights or liabilities of SCMB is a reference to rights to which SCMB is entitled or, as the case may be, to liabilities to which SCMB is subject, whether under the law of the United Kingdom or of any part of the United Kingdom or under the law of any country or territory outside the United Kingdom.

Appointed day.

3.—(1) The directors of SCMB may appoint a day earlier than 31st December 1983 to be the appointed day for the purposes of this Act if before that day—

(*a*) MAIBL has taken such steps as are necessary to be re-registered as a private company and to change its name to Standard Chartered Merchant Bank Limited; and

(*b*) SCMB has taken such steps as are necessary to change its name to SCMB Holdings Limited.

(2) If an earlier day is appointed under subsection (1) above SCMB shall publish in the London Gazette a notice stating the day so appointed.

Vesting of SCMB's undertaking in MAIBL.

4.—(1) On the appointed day, subject to the exception of the excluded items, all existing property and liabilities of SCMB of whatsoever nature and whether SCMB holds or is subject to the

same beneficially or in any fiduciary capacity, shall by virtue of this Act and without further assurance, vest in MAIBL and become property and liabilities of MAIBL as if in all respects MAIBL were the same person in law as SCMB, to the intent that MAIBL shall succeed to the whole undertaking of SCMB and to the right to use the name "Standard Chartered Merchant Bank".

(2) As consideration for the vesting of property and liabilities under subsection (1) above MAIBL shall allot to SCMB 2,000,000 ordinary shares of £1 each in the capital of MAIBL credited as fully paid.

(3) Where the vesting of any property referred to in subsection (1) above is governed otherwise than by the law of any part of the United Kingdom, SCMB shall, if MAIBL so requires, so soon as is practicable after the appointed day, take all necessary steps for securing the effective vesting of the property in MAIBL and, pending such vesting, SCMB shall hold any such property in trust for MAIBL.

Trust property and wills.

5.—(1) Any property vested in MAIBL by virtue of this Act which immediately before the appointed day was held by SCMB, whether alone or jointly with any other person as trustee or custodian trustee of any trust deed, settlement, covenant, agreement or will (whether originally so appointed or not, and whether appointed under hand or seal, or by order of any court), as judicial trustee appointed by order of any court, or in any other fiduciary capacity shall, on and from the appointed day, be held by MAIBL 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 property became vested in SCMB in any such fiduciary capacity, and any provision therein, or any existing contract or arrangement for the payment to, or retention by, SCMB of remuneration for its services in any such fiduciary capacity, shall, on and from the appointed day, be construed and have effect, so far as the context permits, as if for any reference therein to SCMB, other than a reference (however worded and whether express or implied) to terms and conditions of, or to a scale of fees of, SCMB, there were substituted a reference to MAIBL.

(3) No testamentary gift shall be adeemed by reason only of the operation of any provision of this Act.

Supplementary provisions.

6. Without prejudice to the generality of the foregoing provisions of this Act but subject to any provision in this Act to

the contrary effect, the following provisions shall have effect in relation to property and liabilities vested in MAIBL by virtue of this Act:—

(1) Every existing contract to which SCMB is a party (whether in writing or not) shall be construed and have effect on and from the appointed day as if—

(*a*) MAIBL had been a party thereto instead of SCMB;

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

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

(2) Sub-paragraphs (*b*) and (*c*) of paragraph (1) above shall apply to any statutory provision and to any provision of any existing contract to which SCMB was not a party and sub-paragraphs (*a*), (*b*) and (*c*) of that paragraph shall apply to any provision of any other existing document (not being a contract or a will) as, in any such case, they apply to a contract to which paragraph (1) above applies:

(3) Any account between SCMB and a customer shall, on and from the appointed day, become an account between MAIBL 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 MAIBL 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 SCMB (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 MAIBL:

(5) Any negotiable instrument or order for payment of money drawn on, or given to, or accepted or endorsed by, SCMB, or payable at any place of business of SCMB, 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 MAIBL, or were payable at the same place of business of MAIBL:

(6) The custody of any document, goods or other thing held by SCMB as bailee shall pass to MAIBL on the appointed day, and the rights and obligations of SCMB under any contract of bailment relating to any such document, goods or thing shall on that day become rights and obligations of MAIBL:

(7) Any security held immediately before the appointed day by SCMB, or by a nominee of, or trustee for, SCMB, as security for the payment or discharge of any debt or liability (whether present or future, actual or contingent) shall, on and from the appointed day, be held by, or, as the case may require, by that nominee or trustee for, MAIBL, and to the extent of that debt or liability be available to MAIBL, 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, MAIBL as security for future advances by, and future liabilities to, MAIBL in the same manner in all respects as future advances by, or liabilities to, SCMB were secured thereby immediately before that day:

(8) Where by virtue of this Act any right or liability of SCMB becomes a right or liability of MAIBL, MAIBL 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 MAIBL; and any legal proceedings or applications to any authority pending immediately before the appointed day by or against SCMB may be continued by or against MAIBL:

(9) Any judgment or award obtained by or against SCMB and not fully satisfied before the appointed day shall, to the extent to which it is enforceable by or against SCMB, be enforceable by or against MAIBL.

Contracts of employment.

7.—(1) Paragraph (1) of section 6 (Supplementary provisions) of this Act applies to a contract for the employment of any person by SCMB; and employment with SCMB and MAIBL under any such contract shall be deemed for all purposes to be a single continuing employment.

(2) No officer, clerk or servant of SCMB who, by virtue of this Act, becomes an officer, clerk or servant of MAIBL shall be entitled as of right to participate in the Midland and International Banks Limited Pension and Life Assurance Scheme.

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

Evidence and books and documents.

8.—(1) All books and other documents which would, before the appointed day, have been evidence in respect of any matter for or against SCMB shall be admissible in evidence in respect of the same matter for or against MAIBL.

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

Application of Bankers' Books Evidence Act 1879. 1879 c. 11.

9.—(1) On and from the appointed day, the Bankers' Books Evidence Act 1879 shall apply to the books of SCMB vested in MAIBL by virtue of this Act, and to entries made therein before the appointed day, as if such books were the books of MAIBL.

(2) For the purposes of section 4 of the said Act of 1879, books which become the books of MAIBL by virtue of this Act shall be deemed to have been the ordinary books of MAIBL 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.

Evidence of vesting.

10.—(1) The production of a Queen's Printer's copy of this Act shall, for all purposes, be conclusive evidence of the vesting of the property and liabilities of SCMB in MAIBL in accordance with the provisions of this Act.

(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 vested in MAIBL by virtue of this Act, operate for all the purposes of the said Act of 1963 or of the Stock Exchange (Completion of Bargains) Act 1976 as a duly executed stock transfer of such securities from SCMB to MAIBL;

1963 c. 18.

1976 c. 47.

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

(3) Nothing in this section applies to any property falling within subsection (3) of section 4 (Vesting of SCMB's undertaking in MAIBL) of this Act.

(4) In this section "convey" has the same meaning as in the Law of Property Act 1925.

1925 c. 20.

Vesting of interests in land.

11. The vesting in MAIBL 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

1954 c. 56.

(*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 expectant on it.

Saving for MAIBL.

12. Nothing in this Act shall derogate from or prejudice the powers of MAIBL to alter its memorandum and articles of association or 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 institutions. 1948 c. 38.

13. Nothing in this Act shall exempt SCMB or MAIBL or any other subsidiary of SCMB (within the meaning of the Companies Act 1948) from the provisions of any enactment regulating the carrying on of the business of any of them.

Application to Scotland and Northern Ireland.

14.—(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 custodian or a holder on deposit or pledge and "contract of bailment" includes any other contract regulating custody of things:

"debenture" includes a floating charge or any instrument containing a floating charge;

"judgment" includes a decree;

"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; and

"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:

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

(*c*) To enable MAIBL 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, or may be used as, a general disposition, conveyance or, as the case may be, assignation of such property in favour of MAIBL:

(*d*) 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.

(3) 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*) the references in subsection (2) (*a*) of section 10 (Evidence of vesting) of this Act to the Stock Transfer Act 1963 and the Stock Exchange (Completion of Bargains) Act 1976 shall include references to the Stock Transfer Act (Northern Ireland) 1963 and the Stock Exchange (Completion of Bargains) (Northern Ireland) Order 1977 respectively, and for the reference in subsection (4) of that section to the Law of Property Act 1925 there shall be substituted reference to the Conveyancing Act 1881; and

1963 c. 18.
1976 c. 47.
1963 c. 24 (N.I.).
S.I. 1977/1254 (N.I. 21).
1925 c. 20.
1881 c. 41.

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

"(*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.

15. 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 SCMB.

PRINTED IN ENGLAND BY OYEZ PRESS LIMITED

FOR W. J. SHARP

Controller and Chief Executive of Her Majesty's Stationery Office and Queen's Printer of Acts of Parliament

LONDON: PUBLISHED BY HER MAJESTY'S STATIONERY OFFICE

£1.75 Net

ISBN 0 10 511783 8



Standard Chartered Merchant Bank Act 1983

CHAPTER xvii

ARRANGEMENT OF SECTIONS

Section

1. Short title.
2. Interpretation.
3. Appointed day.
4. Vesting of SCMB's undertaking in MAIBL.
5. Trust property and wills.
6. Supplementary provisions.
7. Contracts of employment.
8. Evidence and books and documents.
9. Application of Bankers' Books Evidence Act 1879.
10. Evidence of vesting.
11. Vesting of interests in land.
12. Saving for MAIBL.
13. Saving for enactments concerning banking institutions.
14. Application to Scotland and Northern Ireland.
15. Costs of Act.