



Lloyds TSB Act 1998

1998 CHAPTER v

An Act to provide for the transfer to and vesting in Lloyds Bank Plc of the undertakings of TSB Bank plc and Hill Samuel Bank Limited; and for connected purposes. [31st July 1998]

WHEREAS Lloyds TSB Group plc (hereinafter called “Lloyds TSB”) is a public limited company registered in Scotland under the Companies Act 1985 whose subsidiary companies carry on in the United Kingdom and elsewhere the businesses of banking and financial services and other related activities:

And whereas Lloyds Bank Plc (hereinafter called “Lloyds”) and TSB Bank plc (hereinafter called “TSB”) are public limited companies registered in England and Wales under the Companies Act 1862 and the Companies Acts 1948 to 1967 respectively and Lloyds and TSB carry on in the United Kingdom and elsewhere the businesses of banking and financial services and other related activities:

And whereas Hill Samuel Bank Limited (hereinafter called “Hill Samuel”) is a company registered in England under the Companies Act 1929 and carries on in the United Kingdom and elsewhere the businesses of banking and financial services and other related activities:

And whereas TSB is a subsidiary and Lloyds and Hill Samuel are wholly-owned subsidiaries of Lloyds TSB:

And whereas for the better conduct of the business of Lloyds TSB and its subsidiaries it is expedient that provision be made for the transfer to and vesting in Lloyds of the undertakings of TSB and Hill Samuel and that the transfer and vesting should be effected economically and without interference with the conduct and continuity of the businesses carried on by Lloyds TSB or its subsidiaries:

And whereas it is expedient that the other provisions in this Act should be enacted:

And whereas 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 Short title

This Act may be cited as the Lloyds TSB Act 1998.

2 Interpretation

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

“account” includes any contract or facility between a person and a transferor company by virtue of which money or any unit of account is, or may be, deposited or borrowed by any person;

“appointed day” means a day appointed under section 3 (Appointed day) of this Act as an appointed day for the purposes of this Act and, in relation to any property or liability, any reference in this Act to an appointed day is a reference to the appointed day for the undertaking or the part of an undertaking (as the case may be) of which that property or liability forms part;

“contract” includes any agreement, transaction, arrangement or understanding, whether or not conditional or in writing and whether or not governed by English law;

“convey” has the same meaning as in the Law of Property Act 1925;

“customer” includes any person having an account or other dealing with a transferor company;

“document” means any thing in which information of any description is recorded;

“enactment” means any enactment in this Act or in any general or local Act or in any order, rule or regulation made under any Act;

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

“Hill Samuel” means Hill Samuel Bank Limited;

“liability” includes a duty and an obligation of any description (whether present or future, actual, contingent or prospective);

“Lloyds” means Lloyds Bank Plc;

“Lloyds TSB” means Lloyds TSB Group plc;

“property” means property and assets of every description and includes property and assets held on trust or in a fiduciary capacity and security interests, rights, benefits and powers of every description;

“seal” includes a common seal and also any official seal which may be kept pursuant to section 39 or 40 of the Companies Act 1985;

“security interest” includes a mortgage or charge (in each case 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, flawed asset arrangement, undertaking or other means of securing payment or discharge of a debt or liability;

“transferor company” means TSB or Hill Samuel and “transferor companies” means both of them;

“trustee” includes a trustee or custodian trustee of any trust, settlement, covenant, contract or will (whether originally so appointed or not; and whether appointed under hand or seal or by order of any court); executor of the will, or administrator of the estate, of a deceased person; judicial trustee appointed

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by order of any court; attorney for another person; or any person acting in a fiduciary capacity;

“TSB” means TSB Bank plc;

“undertaking” means the business and all property and liabilities of a transferor company of whatever nature, but does not include any seal, or any documents relating to the constitution of that transferor company or those documents comprising registers, indices, or minute books usually required to be kept by that transferor company at its registered office pursuant to the provisions of the Companies Act 1985; a reference to a part of an undertaking is a reference to a part determined by reference to the place (the United Kingdom or a country or territory outside the United Kingdom) in or from which it is carried on; and “undertakings” means the undertakings of TSB and Hill Samuel; and

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

- (2) Any reference in this Act to property or liabilities of a transferor company is a reference to property or liabilities wherever they are situated or arise and whether or not they are capable of being transferred or assigned by that transferor company and whether that transferor company is entitled or subject to them 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 Lloyds may appoint a day to be the appointed day for an undertaking for the purposes of this Act and may appoint different days as the appointed day for different parts of an undertaking.
- (2) Before the day which is to be an appointed day under subsection (1) above, Lloyds shall publish a notice in the London Gazette, the Edinburgh Gazette and the Belfast Gazette of the day so appointed under this section, stating it is an appointed day for the purposes of this Act and the undertaking or the part thereof in respect of which it is to be the appointed day.
- (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 Lloyds, 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 Vesting of undertakings in Lloyds

- (1) On an appointed day the undertaking, or the part of an undertaking, in respect of which that day is so appointed, shall, by virtue of this Act and without further assurance, be transferred to, and vest in, Lloyds to the intent that Lloyds shall succeed to the undertaking, or the part of the undertaking, as if in all respects Lloyds were the same person in law as the transferor company.
- (2) Where the transfer or vesting of any property or liability comprised in an undertaking is governed by the law of any country or territory outside the United Kingdom, the transferor company shall, if Lloyds so requires, take all necessary steps for securing that the transfer to and vesting in Lloyds of the property or liability is fully effective under the law of that country or territory.

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5 Provisions as to trust property and wills

(1) Any property transferred to, and vested in, Lloyds by virtue of this Act which immediately before the appointed day was held by a transferor company, whether alone or jointly with any other person, as trustee, shall, on and from the appointed day, be held by Lloyds 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 or may become vested in a transferor company as trustee, and any provision therein, or any existing contract for the payment to, or retention by, a transferor company of remuneration for its services in any such 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 the transferor company, other than a reference (however worded and whether express or implied) to terms and conditions of, or to a rate, charge, tariff or scale of fees of, the transferor company, there were substituted a reference to Lloyds:

Provided that any right which was exercisable by a transferor company to alter the terms and conditions or the rate, charge, tariff or scale of fees of that transferor company shall on and after the appointed day be exercisable by Lloyds.

(3) Any will made before the appointed day which has not been proved in any part of the United Kingdom before the appointed day, and any will made on or after the appointed day, being a will which appoints a transferor company to be a trustee or recipient of any property as trustee, shall be construed and have effect as if for any reference therein to the transferor company as such 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 rate, charge, tariff or scale of fees of, the transferor company, there were substituted a reference to Lloyds:

Provided that any right which was exercisable by a transferor company to alter the terms and conditions or the rate, charge, tariff or scale of fees of that transferor company shall on and after the appointed day be exercisable by Lloyds.

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

6 Supplementary provisions as to transfer and vesting

Without prejudice to the generality of the foregoing provisions of this Act but subject to any provision of this Act to the contrary, the following provisions shall have effect in relation to the undertakings or any part of an undertaking:—

(1) Every contract to which a transferor company is a party shall be construed and have effect on and from the appointed day—

- (a) as if Lloyds had been a party thereto instead of the transferor company;
- (b) subject to paragraph (3) below, as if for any reference (however worded and whether express or implied) to the transferor company there were substituted a reference to Lloyds;
- (c) as if any reference (however worded and whether express or implied) to the directors, officers, representatives or employees or to any director, officer, representative or employee of the transferor company were a reference to the directors, officers, representatives or employees of Lloyds as the case may

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require, or to such director, officer, representative or employee of Lloyds as Lloyds may nominate for that purpose or, in default of nomination, to the director, officer, representative or employee of Lloyds who corresponds as nearly as may be to the first mentioned director, officer, representative or employee; and

- (d) where the contract relates to property or liabilities which are for the time being only partly transferred to, and vested in, Lloyds by virtue of this Act, as if the contract, to the extent to which it is enforceable by and against the transferor company, constituted two separate contracts, one of which is enforceable by and against Lloyds as regards the part of the property or, as the case may be, liabilities so transferred to, and vested in, Lloyds and not as regards the other part, and the other of which is enforceable by and against the transferor company as regards the part of the property or, as the case may be, liabilities not so transferred to, and vested in, Lloyds 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 contract to which a transferor company was not a party; and sub-paragraphs (a), (b) and (c) of that paragraph shall, on and from the appointed day, apply to any provision of any other document (not being a contract or a will) as they apply to a contract to which paragraph (1) above applies:
 - (3) Sub-paragraph (b) of paragraph (1) above shall not apply to the name or title of any rate, charge, tariff, scale of fees, terms or conditions of a transferor company which includes the initials, the name or part of the name of that transferor company, but on or after the appointed day Lloyds may change the name or title:
 - (4) An offer or invitation to treat made to or by a transferor company before the appointed day shall be construed and have effect on and after the appointed day as an offer or invitation to treat, as the case may be, made to or by Lloyds:
 - (5) Any account between a transferor company and a customer shall, on and from the appointed day, become an account between Lloyds 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 Lloyds or of the customer to vary the conditions or incidents subject to which any account is kept:

- (6) For the purpose of construing and giving effect to any contract which—
 - (a) has effect or continues to have effect on, or on and after, the appointed day; and
 - (b) makes reference to a rate, charge, tariff or scale of fees or to terms or conditions published, determined or ascertained from time to time by TSB or Hill Samuel,

Lloyds shall have the same right under that contract as TSB or Hill Samuel had to publish, determine, ascertain, vary or amend rates, charges, tariffs, scales of fees, terms or conditions, and any such rates, charges, tariffs, scales of fees, terms or conditions published, determined, ascertained, varied or amended by Lloyds shall apply in place of those which could have been published, determined, ascertained, varied or amended by TSB or Hill Samuel:

- (7) Any existing instruction, order, direction, mandate, power of attorney, authority, undertaking or consent given to or by a transferor company (whether in writing or