



Trustee Savings Banks Act 1985

1985 CHAPTER 58

Preliminary

1 Preliminary.

(1) In this Act—

- (a) “the existing TSB group” means the following, taken as a whole—
- (i) the existing trustee savings banks certified under the ^{M1}Trustee Savings Banks Act 1969 or ^{M2}1981 (“the existing banks”);
 - (ii) the Trustee Savings Banks Central Board (“the Central Board”);
 - (iii) Trustee Savings Banks (Holdings) Limited (“the existing holding company”); and
 - (iv) the existing subsidiaries of any of the existing banks, the Central Board or the existing holding company;

and “existing” with reference to any of those banks or companies means existing immediately before the vesting day and, in the case of a bank, with a certification under the ^{M3}Trustee Savings Banks Act 1969 or ^{M4}1981 effective on 17th December 1984;

- (b) “the new TSB group” means the following, taken as a whole—
- (i) the companies formed or to be formed with objects including that of assuming and conducting, after the vesting day, the respective businesses of the existing banks and eligible to succeed them;
 - (ii) the companies which, immediately before the vesting day, are subsidiaries of the existing banks, the Central Board or the existing holding company;
 - (iii) the company formed or to be formed with objects including that of acting as the holding company for the companies falling within (i) and (ii) above and which, immediately before the vesting day, is a subsidiary of the Central Board (“the new holding company”);

and for the purposes of this section “formed”, with reference to the objects of a company, includes the alteration of its objects (with or without an alteration of its name);

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- (c) “successor”, with reference to an existing bank, means the company formed or to be formed with objects including that of assuming and conducting its business and eligible to succeed it; and
 - (d) “the vesting day” means the day appointed for the transfer by virtue of section 3 below of the assets and liabilities of any of the bodies comprising the existing TSB group to any of the bodies comprising the new TSB group.
- (2) For a company to be “eligible to succeed” an existing bank it must have been, immediately before the vesting day, a subsidiary of the Central Board or the existing holding company and it must—
- (a) in the case of the company which is to succeed the existing bank for England and Wales, be registered (and accordingly have its registered office) in England and Wales;
 - (b) in the case of the company which is to succeed the existing bank for Scotland, be registered (and accordingly have its registered office) in Scotland;
 - (c) in the case of the company which is to succeed the existing bank for Northern Ireland, be registered (and accordingly have its registered office) in Northern Ireland; and
 - (d) in the case of the company which is to succeed the existing bank for the Channel Islands, be incorporated (and accordingly have its registered office) in any of the Channel Islands.
- (3) References in this Act to a company being a subsidiary of another or being a holding company as regards another company are to be construed in accordance with the ^{M5}Companies Act 1985.
- (4) The vesting day shall be appointed by the Treasury by order made by statutory instrument after consulting the Central Board.
- (5) This Act, except section 6, has effect for the purpose of enabling the existing TSB group to be reorganised into the new TSB group and any reference in it to “the reorganisation” shall be construed accordingly.

Modifications etc. (not altering text)

C1 [S. 1\(4\)](#): 21.7.1986 appointed as vesting day by [S.I. 1986/1222](#), [art. 2](#)

Marginal Citations

M1 [1969 c. 50](#).
M2 [1981 c. 65](#).
M3 [1969 c. 50](#).
M4 [1981 c. 65](#).
M5 [1985 c. 6](#).

The reorganisation

^{F12} **The Central Board and the reorganisation.**

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Textual Amendments

F1 S. 2 repealed (22.7.2004) by [Statute Law \(Repeals\) Act 2004 \(c. 14\)](#), [Sch. 1 Pt. 5](#) Group 16

3 Transfer of assets, liabilities, etc. from existing to new institutions.

- (1) Subject to subsection (8) below, on the vesting day there shall, by virtue of this subsection, be transferred to and vested in the new holding company—
 - (a) all the property, rights, liabilities and obligations of the Central Board except any shares in the new holding company;
 - (b) all the shares of the existing banks in the existing holding company; and
 - (c) all the property, rights, liabilities and obligations of the existing holding company.
- (2) Subject to paragraph 2 of Schedule 2 to this Act, the transfer of the assets specified in paragraphs (b) and (c) of subsection (1) above shall be for the consideration determined by the Central Board under section 2 above and the consideration for the transfer of the shares specified in paragraph (b) shall be treated for the purposes of this section as having accrued to the bank immediately before the transfer of the bank's assets effected by subsection (3) below.
- (3) Subject to subsections (4), (5) and (8) below, on the vesting day, there shall, by virtue of this subsection, be transferred from each of the existing banks to and vested in its successor all the property, rights, liabilities and obligations of the bank.
- (4) The liabilities referable to a depositor's deposit with a bank which are transferred by subsection (3) above to the bank's successor are liabilities to return his deposit and to pay interest on it (if it was payable) at the rate prevailing immediately before the vesting day, but, as from that day, the rights, liabilities and obligations referable to the deposit shall become instead rights, liabilities and obligations incident to the relationship of customer and banker (and variable accordingly).
- (5) The rules of each of the existing banks shall not, by virtue of subsection (3) above, bind its successor, but nothing in subsection (3) or (4) above or the foregoing provision of this subsection shall affect the continuance in force of any direction, authority or power subsisting with reference to a customer's account with a bank immediately before the transfer of the account to its successor.
- (6) References in this Act to property, rights, liabilities and obligations of any body comprised in the existing TSB group are, subject to subsection (8) below, references to property, rights, liabilities and obligations of theirs whether or not capable of being transferred or assigned and, in its application to an existing bank, property, rights, liabilities and obligations are property, rights, liabilities or obligations "of" the bank whether they are vested in or incumbent on the custodian trustees of the bank, the general trustees of the bank or the bank as an institution.
- (7) The substitution effected by the foregoing provisions of the section of a body comprised in the new TSB group for a body comprised in the existing TSB group as employer under contracts of employment subsisting immediately before the vesting day shall, in the case of the successor to an existing bank, be treated for the purposes of the application of [F²section 218(3) of the Employment Rights Act 1996] or the corresponding Northern Ireland enactment (continuity of employment on statutory

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substitution of employers), as the substitution of one body corporate for another body corporate.

- (8) No person holding office as a member of the Central Board, as an officer of the existing holding company, as a trustee of an existing bank or as an auditor shall be entitled, by virtue of the foregoing provisions of this section, to hold any corresponding office in any body comprised in the new TSB group.
- (9) Schedule 1 to this Act has effect for supplementing this section.
- (10) In subsection (7) above “the corresponding Northern Ireland enactment” is paragraph 10(3) of Schedule 1 to the ^{M6}Contracts of Employment and Redundancy Payments Act (Northern Ireland) 1965.

Textual Amendments

F2 Words in s. 3(7) substituted (22.8.1996) by 1996 c. 18, ss. 240, 243, **Sch. 1 para.27** (with ss. 191-195, 202)

Marginal Citations

M6 1965 c. 19. (N.I.).

4 Dissolution of existing banks and repeal of 1981 Act etc.

^{F3}(1)

^{F4}(2)

- (3) On such day as the Treasury, by order made by statutory instrument, appoints—
- (a) the ^{M7}Trustee Savings Banks Act 1981, and
 - (b) the other enactments relating to such banks,
- shall, subject to any provision made under subsection (5) below, cease to have effect.
- (4) Different days may be appointed under subsection (3) above for the repeal of different provisions.
- (5) Any order under subsection (3) above may contain such transitional and saving provisions as appear to the Treasury to be appropriate in connection with the reorganisation.
- (6) ^{F5}... in subsection (3)(b) above, “the other enactments relating to such banks” has the meaning given by section 7(3) below.

Textual Amendments

F3 S. 4(1) repealed (22.7.2004) by [Statute Law \(Repeals\) Act 2004 \(c. 14\)](#), **Sch. 1 Pt. 5** Group 16

F4 S. 4(2) repealed (22.7.2004) by [Statute Law \(Repeals\) Act 2004 \(c. 14\)](#), **Sch. 1 Pt. 5** Group 16

F5 Words in s. 4(6) repealed (22.7.2004) by [Statute Law \(Repeals\) Act 2004 \(c. 14\)](#), **Sch. 1 Pt. 5** Group 16

Modifications etc. (not altering text)

C2 31.10.1990 appointed for the purposes of ss. 2(4), 4(2) by [S.I. 1990/1982](#), **art. 2**

Changes to legislation: There are currently no known outstanding effects for the Trustee Savings Banks Act 1985. (See end of Document for details)

C3 Power of appointment conferred by s. 4(3) partly exercised: [S.I. 1986/1220](#), 1223, 1988/1168, 1990/1982

Marginal Citations

M7 [1981 c. 65](#).

Taxation

5 Taxation.

Schedule 2 to this Act shall have effect for the purpose of making provision about taxation in relation to the reorganisation.

Miscellaneous and general

6 **F6**

Textual Amendments

F6 [S. 6](#) repealed by [Banking Act 1987 \(c. 22, SIF 10\)](#), s. 108(2), [Sch. 7 Pt. I](#)

7 Short title, commencement, repeals and extent.

- (1) This Act may be cited as the Trustee Savings Banks Act 1985.
- (2) This Act shall come into force at the end of the period of two months beginning with the day on which it is passed.
- (3) The enactments to be repealed or revoked under section 4(3) above are those specified in Schedule 4 to this Act and, for the purposes of that subsection, “the other enactments relating to such banks” means the enactments so specified other than the Trustee Savings Banks Act 1981.
- (4) Subject to subsection (5) below, this Act extends to Northern Ireland, the Isle of Man and the Channel Islands and shall have effect in that island or those islands subject to such adaptations and modifications as Her Majesty may by Order in Council specify.
- (5) Where any enactment repealed or instrument revoked under section 4(3) above extends to any part of the United Kingdom or to the Isle of Man or the Channel Islands, the repeal or revocation extends to that part, that island or those islands.

Changes to legislation:

There are currently no known outstanding effects for the Trustee Savings Banks Act 1985.