



AUSTRALIAN CAPITAL TERRITORY

Bank Mergers Act 1997

No. 47 of 1997

An Act relating to the merger of banks

[Notified in ACT Gazette S264: 19 September 1997]

The Legislative Assembly for the Australian Capital Territory enacts as follows:

Short title

1. This Act may be cited as the *Bank Mergers Act 1997*.

Commencement

2. This Act commences on the day on which it is notified in the *Gazette*.

Object

3. The object of this Act is to facilitate the merger of 2 or more banks in so far as each of those banks, or either or any of them, has property, rights, assets or liabilities in, or carries on banking business in, the Territory.

Merger—meaning

4. In this Act, a reference to the merger of banks shall be read as including a reference to any transaction by which a bank acquires another bank by—

- (a) the transfer to the acquiring bank of the whole or a part of the undertaking of the other bank;
- (b) the acquiring bank becoming the successor in law of the other bank; or
- (c) any other means.

Regulations for the merger of banks

5. (1) The regulations may make provision for or relating to the merger of 2 or more banks.

(2) Without limiting the generality of subsection (1), the regulations may make provision for or with respect to—

- (a) the transfer of the whole or a part of the undertaking of a bank to another bank and the vesting of the whole or that part of that undertaking in the other bank;
- (b) the succession of a bank as the successor in law of another bank and the effect of that succession, including the vesting of assets or liabilities;
- (c) the obligations of the merging banks in relation to the merger and related transactions;
- (d) the effect of the merger on—
 - (i) existing contracts, oral or written agreements, deeds, leases, licences and other instruments and other undertakings of a merging bank;
 - (ii) custody or bailment of documents, goods or things held by a merging bank;
 - (iii) existing securities of a merging bank;
 - (iv) the employment, superannuation and related rights of staff of a merging bank;
 - (v) current or pending legal proceedings, evidence in current or future legal proceedings, and legal rights and obligations; and
 - (vi) the liabilities of the merging banks;

- (e) the relationship of a merging bank with the customers of another merging bank;
- (f) the use of business names by the merging banks;
- (g) the construction of references to the merging banks and any other persons or bodies affected by the merger;
- (h) service of documents on the merging banks;
- (i) the transfer of assets or liabilities of a merging bank and due registration or other legal recognition of the transfer;
- (j) the identification of assets or liabilities of a merging bank;
- (k) the transfer of charges, and compliance with related statutory requirements, consequent on the merger;
- (l) evidence of matters related to the merger;
- (m) payment, or exemption from payment, of duties, taxes, charges, rates or other imposts consequent on or otherwise related to the merger; and
- (n) other matters of a savings or transitional nature consequent on the merger.

(3) A regulation made for the purposes of this section may be expressed to have effect notwithstanding the provisions of any other Act relating to the payment of duties, taxes, charges, rates or other imposts or to the registration of ownership of assets or liabilities and, if so expressed, has effect accordingly.

Regulations generally

6. The Executive may make regulations for the purposes of this Act.

Extraterritorial operation

7. (1) In so far as—

- (a) the legislative power of the Legislative Assembly permits; and
- (b) is consistent with the object of this Act;

it is intended that regulations made for the purposes of section 5 should apply in relation to—

- (c) land and things situated outside the Territory, whether within or outside Australia;
- (d) acts done, transactions entered into, events occurring and matters arising outside the Territory, whether within or outside Australia; and

- (e) things, acts, transactions, events and matters that would, but for this Act, be governed or otherwise affected by the law of a foreign country.

(2) Subsection (1) has effect subject to any contrary intention appearing, whether expressly or by implication, in the regulations.

Review of Act

8. (1) The Minister is to review this Act to determine whether its object remains valid and whether its provisions remain appropriate for achieving that object.

(2) The review is to be undertaken as soon as practicable after the expiration of 5 years after the commencement of this Act.

(3) The Minister shall prepare a report on the outcome of the review and shall cause a copy of the report to be laid before the Legislative Assembly within 15 sitting days after the report is prepared.

[Presentation speech made in Assembly on 26 August 1997]