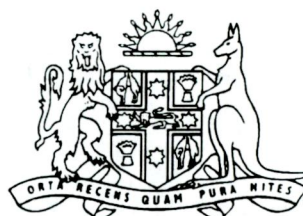


First print



New South Wales

Bank Mergers Bill 1996

Explanatory note

This explanatory note relates to this Bill as introduced into Parliament.

Overview of Bill

The object of this Bill is to enable regulations to be made to facilitate the merger of banks. The Bill deals with mergers originating in New South Wales. Mergers of banks originating in other States or Territories are dealt with under the *Bank Mergers (Application of Laws) Act 1996*.

Outline of provisions

Clause 1 sets out the name (also called the short title) of the proposed Act.

Clause 2 provides for the commencement of the proposed Act on the date of assent.

Clause 3 sets out the object of the proposed Act.

Clause 4 enables the Governor-in-Council to make regulations providing for or relating to the merger of 2 or more banks. The regulations may relate to various matters, including the transfer of the undertaking of a bank to another bank or a bank becoming the successor in law to another bank, obligations of the banks concerned, the effect of the merger on assets, contracts, securities and other matters, the recognition of the transfer of assets and liabilities, and other matters of a savings or transitional nature.

Clause 5 enables a regulation relating to a bank being merged with another bank to provide for the former bank's dissolution or liquidation and to make provision for universal succession.

Clause 6 contains a general regulation making power.

Clause 7 sets out Parliament's intention that regulations relating to the merger of banks should, as far as possible, have effect in relation to land, acts, things, transactions and matters outside New South Wales, whether in or outside Australia.

Clause 8 provides that the proposed Act binds the Crown.

Clause 9 excludes regulations under the Act from the operation of the *Subordinate Legislation Act 1989*.

Clause 10 provides for the review of the Act by the Minister 5 years after its commencement.

First print



New South Wales

Bank Mergers Bill 1996

Contents

	Page
1 Name of Act	2
2 Commencement	2
3 Object	2
4 Regulations for the merging of banks	2
5 Succession of banks	4
6 Regulations generally	4
7 Extra-territorial operation	4
8 Act binds Crown	4
9 Amendment of Subordinate Legislation Act 1989 No 146	5
10 Review of Act	5



New South Wales

Bank Mergers Bill 1996

No , 1996

A Bill for

An Act to make provision for the merger of banks, and for other purposes.

The Legislature of New South Wales enacts:**1 Name of Act**

This Act is the *Bank Mergers Act 1996*.

2 Commencement

This Act commences on the date of assent.

5

3 Object

- (1) The object of this Act is to facilitate the merger of 2 or more banks and to enable regulations to be made for that purpose.
- (2) For the purposes of this Act, a merger includes any transaction by which a bank acquires another bank, either by the transfer of the whole or part of the undertaking of the other bank, or by becoming the successor in law of the other bank, or by other means.

10

4 Regulations for the merging of banks

- (1) The regulations may make provision for or relating to the merger of 2 or more banks.
- (2) Without limiting subsection (1), the regulations may make provision for or with respect to:
 - (a) the transfer of the whole or part of the undertaking of a bank to another bank and the vesting of the whole or part of that undertaking in the other bank,
 - (b) the succession of one 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 banks concerned in relation to the merger and related transactions,
 - (d) the effect of the merger on existing contracts, agreements (oral or written), deeds, leases, licences and other instruments and other undertakings of a bank that is being merged with another bank,

15

20

25

30

-
- (e) the relationship of a bank with the customers or depositors of another bank concerned,
 - (f) the effect of the merger on custody or bailment of documents, goods or things held by the banks concerned,
 - (g) the effect of the merger on existing securities of a bank that is being merged with another bank, 5
 - (h) the effect of the merger on the employment, superannuation and related rights of staff of a bank that is being merged with another bank,
 - (i) the use of business names by the banks concerned, 10
 - (j) the effect of the merger on existing or pending legal proceedings and evidence in existing or future legal proceedings, and on legal rights and obligations,
 - (k) the effect of the merger on the liabilities of the banks concerned, 15
 - (l) the construction of references to the banks concerned and any other persons or bodies affected by the merger,
 - (m) service of documents on the banks concerned,
 - (n) the transfer of assets or liabilities of a bank that is being merged with another bank and the recognition of the transfer by the Registrar-General or any other person or authority, 20
 - (o) the identification of assets or liabilities of a bank that is being merged with another bank,
 - (p) the transfer of charges, and compliance with related statutory requirements, as a consequence of the merger, 25
 - (q) evidence of matters related to the merger,
 - (r) payment, or exemption from payment, of duties, taxes, charges, rates or other imposts,
 - (s) other provisions of a savings or transitional nature consequential on the merger. 30
- (3) A regulation made for the purposes of this section may be expressed to have effect despite 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. 35
-

5 Succession of banks

- (1) A regulation for the purposes of this Act may provide for the liquidation or dissolution of a bank being merged with another bank.
- (2) Any such regulation may only be made with the approval of the Minister administering the *Corporations Law*. 5
- (3) A regulation for the purposes of this Act may provide that a bank is the successor in law of another bank and is, for all purposes, a continuation of and the same legal entity as the other bank.

6 Regulations generally 10

The Governor may make regulations, not inconsistent with this Act, for or with respect to any matter that by this Act is required or permitted to be prescribed or that is necessary or convenient to be prescribed for carrying out or giving effect to this Act.

7 Extra-territorial operation 15

It is the intention of Parliament that a regulation relating to the merger of 2 or more banks under this Act should apply, as far as possible, (and except in so far as the regulation otherwise provides) to the following:

- (a) land situated outside New South Wales, whether in or outside Australia, 20
- (b) things situated outside New South Wales, whether in or outside Australia,
- (c) acts, transactions and matters done, entered into or occurring outside New South Wales, whether in or outside Australia, 25
- (d) things, acts, transactions and matters (whether situated, done, entered into or occurring) that would, apart from this Act, be governed or otherwise affected by the law of a foreign country. 30

8 Act binds Crown

This Act binds the Crown in right of New South Wales and, in so far as the legislative power of Parliament permits, the Crown in all its other capacities.

9 Amendment of Subordinate Legislation Act 1989 No 146

The *Subordinate Legislation Act 1989* is amended by inserting at the end of Schedule 4 the following matter:

23. Regulations under the *Banks Mergers Act 1996*.

10 Review of Act

5

- (1) The Minister is to review this Act to determine whether the policy objectives of the Act remain valid and whether the terms of the Act remain appropriate for securing those objectives.
- (2) The review is to be undertaken as soon as possible after the period of 5 years from the date of assent to this Act.
- (3) A report on the outcome of the review is to be tabled in each House of Parliament within 12 months after the end of the period of 5 years.

10



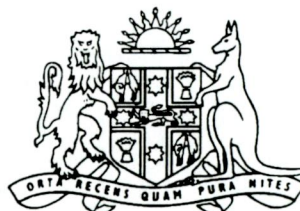
New South Wales

Bank Mergers Act 1996 No 130

Contents

	Page
1 Name of Act	2
2 Commencement	2
3 Object	2
4 Regulations for the merging of banks	2
5 Succession of banks	4
6 Regulations generally	4
7 Extra-territorial operation	4
8 Act binds Crown	4
9 Amendment of Subordinate Legislation Act 1989 No 146	5
10 Review of Act	5

1



New South Wales

Bank Mergers Act 1996 No 130

Act No 130, 1996

An Act to make provision for the merger of banks, and for other purposes.
[Assented to 4 December 1996]

The Legislature of New South Wales enacts:**1 Name of Act**

This Act is the *Bank Mergers Act 1996*.

2 Commencement

This Act commences on the date of assent.

3 Object

- (1) The object of this Act is to facilitate the merger of 2 or more banks and to enable regulations to be made for that purpose.
- (2) For the purposes of this Act, a merger includes any transaction by which a bank acquires another bank, either by the transfer of the whole or part of the undertaking of the other bank, or by becoming the successor in law of the other bank, or by other means.

4 Regulations for the merging of banks

- (1) The regulations may make provision for or relating to the merger of 2 or more banks.
- (2) Without limiting subsection (1), the regulations may make provision for or with respect to:
 - (a) the transfer of the whole or part of the undertaking of a bank to another bank and the vesting of the whole or part of that undertaking in the other bank,
 - (b) the succession of one 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 banks concerned in relation to the merger and related transactions,
 - (d) the effect of the merger on existing contracts, agreements (oral or written), deeds, leases, licences and other instruments and other undertakings of a bank that is being merged with another bank,

-
- (e) the relationship of a bank with the customers or depositors of another bank concerned,
 - (f) the effect of the merger on custody or bailment of documents, goods or things held by the banks concerned,
 - (g) the effect of the merger on existing securities of a bank that is being merged with another bank,
 - (h) the effect of the merger on the employment, superannuation and related rights of staff of a bank that is being merged with another bank,
 - (i) the use of business names by the banks concerned,
 - (j) the effect of the merger on existing or pending legal proceedings and evidence in existing or future legal proceedings, and on legal rights and obligations,
 - (k) the effect of the merger on the liabilities of the banks concerned,
 - (l) the construction of references to the banks concerned and any other persons or bodies affected by the merger,
 - (m) service of documents on the banks concerned,
 - (n) the transfer of assets or liabilities of a bank that is being merged with another bank and the recognition of the transfer by the Registrar-General or any other person or authority,
 - (o) the identification of assets or liabilities of a bank that is being merged with another bank,
 - (p) the transfer of charges, and compliance with related statutory requirements, as a consequence of the merger,
 - (q) evidence of matters related to the merger,
 - (r) payment, or exemption from payment, of duties, taxes, charges, rates or other imposts,
 - (s) other provisions of a savings or transitional nature consequential on the merger.
- (3) A regulation made for the purposes of this section may be expressed to have effect despite 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.
-

5 Succession of banks

- (1) A regulation for the purposes of this Act may provide for the liquidation or dissolution of a bank being merged with another bank.
- (2) Any such regulation may only be made with the approval of the Minister administering the *Corporations Law*.
- (3) A regulation for the purposes of this Act may provide that a bank is the successor in law of another bank and is, for all purposes, a continuation of and the same legal entity as the other bank.

6 Regulations generally

The Governor may make regulations, not inconsistent with this Act, for or with respect to any matter that by this Act is required or permitted to be prescribed or that is necessary or convenient to be prescribed for carrying out or giving effect to this Act.

7 Extra-territorial operation

It is the intention of Parliament that a regulation relating to the merger of 2 or more banks under this Act should apply, as far as possible, (and except in so far as the regulation otherwise provides) to the following:

- (a) land situated outside New South Wales, whether in or outside Australia,
- (b) things situated outside New South Wales, whether in or outside Australia,
- (c) acts, transactions and matters done, entered into or occurring outside New South Wales, whether in or outside Australia,
- (d) things, acts, transactions and matters (whether situated, done, entered into or occurring) that would, apart from this Act, be governed or otherwise affected by the law of a foreign country.

8 Act binds Crown

This Act binds the Crown in right of New South Wales and, in so far as the legislative power of Parliament permits, the Crown in all its other capacities.

9 Amendment of Subordinate Legislation Act 1989 No 146

The *Subordinate Legislation Act 1989* is amended by inserting at the end of Schedule 4 the following matter:

23. Regulations under the *Banks Mergers Act 1996*.

10 Review of Act

- (1) The Minister is to review this Act to determine whether the policy objectives of the Act remain valid and whether the terms of the Act remain appropriate for securing those objectives.
- (2) The review is to be undertaken as soon as possible after the period of 5 years from the date of assent to this Act.
- (3) A report on the outcome of the review is to be tabled in each House of Parliament within 12 months after the end of the period of 5 years.

[Minister's second reading speech made in—
Legislative Council on 24 October 1996
Legislative Assembly on 30 October 1996]

