

1991

The Legislative Assembly of the Australian Capital Territory

Australia and New Zealand Banking Group Limited (NMRB)
Bill 1991

Explanatory Memorandum

Circulated by the Authority of the Chief Minister and Treasurer

Ms Rosemary Follett, MLA

Australia and New Zealand Banking Group Limited

(NMRB) Bill 1991

Explanatory Memorandum

Preamble

This bill recites the present relationship between National Mutual Royal Bank Limited (NMRB), National Mutual Royal Savings Bank Limited. (NMR Savings Bank), Australia and New Zealand Banking Group Limited (ANZ) and Australia and New Zealand Savings Bank Limited (ANZ Savings Bank), the proposals for the merger of NMRB with ANZ and of NMR Savings Bank with the ANZ Savings Bank and the aims of the legislation.

Outline

This Bill enables the National Mutual Royal Bank to be integrated with the Australian New Zealand Banking Group Limited and for the National Mutual Royal Savings Bank to be partly integrated with the Australian New Zealand Savings Bank Limited and partly with the Australian New Zealand Banking Group. The legislation provides for the transfer of banking activities, assets and liabilities of the National Mutual Royal Bank to the ANZ Banking Group.

Revenue/Cost Implications

The Bill has no revenue or cost implications.

Part 1 - Preliminary

Clause 1 states the title of the Bill

Clause 2 states the purpose of the Bill

Clause 3 is the interpretation clause and contains definitions of terms used in the Bill

Included in these terms are:

"category A undertaking NMR Savings Bank" comprising all of the property and liabilities of NMR Savings Bank described in the Schedule to the Bill.

"category B undertaking NMR Savings Bank" comprising the business and all of the property of NMR Savings Bank (except any category A property and any excluded asset and any right or power relating thereto) and all liabilities of NMR Savings Bank (except category A liabilities).

"excluded assets" being the assets (primarily land held otherwise than by way of security and shares) which are to be excluded from the transfer of assets to be effected under the proposed Act.

"undertaking of NMRB" including all of the business, property and liabilities of NMRB with the exception of excluded assets and rights or powers relating to the excluded assets.

Clause 4 provides that the Minister may by notice in the Gazette appoint a day for the proposed Act to Come into operation.

Clause 5 declares that this Act binds the Crown.
Part II - Vesting of Undertaking of NMRB in ANZ

Clause 6 provides for the vesting of the undertaking of NMRB in ANZ on an appointed day, that the Act provides evidence of such vesting and obliges NMRB to take steps to secure the transfer of any portion of its undertaking not vested under the Act.

Clause 7 provides that contracts and other legal arrangements with NMRB (not relating to excluded assets or

superannuation or similar funds) are to be binding on or are enforceable by or against ANZ.

- Clause 8 provides for the continuation after the appointed day of the relationships between NMRB and its customer as relationships between ANZ and those customers, the transfer of securities and bailment arrangements from NMRB to ANZ and for negotiable and other instruments to be effective as if relating to ANZ.
- Clause 9 provides for the preservation of legal proceedings commenced by or against NMRB before the appointed day or which relate to contracts entered or matters done or omitted to be done by or before the appointed day except in relation to excluded assets and provides for the continuation of such proceedings by or against the ANZ.
- Clause 10 enables the amendment, without cost, of references in documents in proceedings relating to excluded assets from ANZ to NMRB and for the continuation of such proceedings against NMRB.
- Clause 11 provides that evidence which could have been used for or against NMRB can be used for or against ANZ.
- Clause 12 provides, from the appointed day, for references to NMRB in Acts (other than the Bill or National Mutual Royal Savings Bank Limited (Merger) Act 1987) or documents to be construed as references to ANZ except in relation to excluded assets or where the context otherwise requires.

Part III - vesting of Undertaking of NMR Savings Bank in ANZ Savings Bank and ANZ

- Clause 13 provides for the respective vesting of categories A and B of the undertakings of NMR Savings Bank in ANZ Savings Bank and ANZ, that the Act provides evidence of such vesting, and obliges NMR Savings Bank to take steps to secure the transfer of any portion of the categories A and B undertakings not vested under the Act.
- Clause 14 provides that contracts and other legal arrangements with NMR Savings Bank relating to categories A and B undertakings (and not relating to excluded assets) are to be binding on and enforceable by or against ANZ Savings Bank and ANZ respectively.
- Clause 15 provides for the continuation in respect of categories A and B undertakings, after the appointed day, of the relationships between NMR Savings Bank and its customers as relationships between ANZ Savings Bank and ANZ respectively and those customers, the transfer of securities and bailment arrangements to those banks respectively and for negotiable or other instruments relating to categories A and B undertakings to be effective as if relating to ANZ Savings Bank or ANZ respectively. There are also specific provisions enabling ANZ and ANZ Savings Bank to share securities in certain circumstances.
- Clause 16 provides, in respect of the category A undertaking, for the preservation of legal proceedings commenced by or against NMR Savings Bank before the appointed day or which relate to contracts entered or matters done or omitted to be done before the appointed day (except in relation to excluded assets) and for the continuation of such proceedings by or against ANZ Savings Bank.

Clause 17 provides, in respect of the category B undertaking, for the preservation of legal proceedings commenced by or against NMR Savings Bank before the appointed day or which relate to contracts entered or matters done or omitted to be done before the appointed day (except in relation to excluded assets) and for the continuation of such proceedings by or against ANZ.

Clause 18 enables the amendment without cost, of reference in documents in proceedings relating to excluded assets from ANZ or ANZ Savings Bank to NMR Savings Bank.

Clause 19 provides, in respect of the category A undertaking, that evidence that could have been used for or against NMR Savings Bank can be used for or against ANZ Savings Bank.

Clause 20 provides, in respect of the category B undertaking, that evidence that could have been used for or against NMR Savings Bank can be used for or against ANZ.

Clause 21 provides, from the appointed day, for references to NMR Savings Bank in Acts (other than the Act or National Mutual Royal Savings Bank Limited (Merger) Act 1987) or documents to be construed as references to ANZ Savings Bank (to the extent they relate to the category A undertaking) or to ANZ (in all other cases), except in relation to excluded assets or where the context otherwise requires.

Part IV - General

Clause 22 provides that nothing effected by the proposed Act or done or suffered by NMRB, NMR Savings Bank, ANZ or ANZ Savings Bank under the proposed Act is to be regarded as placing them in breach, making them guilty of a

wrong, or enabling termination or release of any agreement with them.

- Clause 23 provides that service of a document within the meaning of section 109X of the Corporations Law of the Australian Capital Territory on one bank may be deemed, in specified instances, to be service on another and that the clause ceases to have any effect upon NMRB or NMR Savings Bank (as the case may be) ceasing to a subsidiary of ANZ within the meaning of section 9 of the Corporations Law of the Australian Capital territory.
- Clause 24 provides protection for persons who deal with ANZ and ANZ Savings Bank in relation to excluded assets.
- Clause 25 provides that the Chief Executive Officer of ANZ may certify whether specified property or liabilities formed or did not form part of the category A undertaking of NMR Savings Bank or the category B undertaking of NMR Savings Bank.
- Clause 26 provides that where any land of which NMRB or NMR Savings Bank is the registered proprietor is by virtue of the proposed Act vested in ANZ or ANZ Savings Bank that bank is deemed to be the registered proprietor thereof for the purposes of the Real Property Act 1925 and the land may be dealt with accordingly.
- Clause 27 requires the Registrar of titles upon request to make amendments to the Register, the register book and the title documents under the Real Property Act 1925 to reflect the operation of this Act.
- Clause 28 has a similar effect to clause 27 (except that it relates to property other than that to which clauses

25, 26 or 27 apply) in that it avoids the need for certificates or forms to be lodged in relation to each asset transferred.

Clause 29 provides that certificates given under the Act are to be conclusive unless the contrary is established.

Clause 30 provides that nothing in the Act exempts ANZ or ANZ Savings Bank from the provisions of any Act relating to companies carrying on the business of banking.

Clause 31 provides that the vesting of the undertaking of NMRB in ANZ Banking Group through all instruments, certificates or documents is exempt from all duties and charges in the ACT.

Schedule

Part 1 contains a list of those liabilities of NMR Savings Bank which constitute the category A Liabilities of NMR Savings Bank and which by virtue of the Act will be vested in ANZ Savings Bank.

Part 2 contains a list of those assets of NMR Savings Bank which constitute the category A property of NMR Savings Bank and which by virtue of the Act will be vested in ANZ Savings Bank.