

## Supplemental provisions in relation to section 1323

1324. Without prejudice to the generality of section 1323 (4) to (7), the following provisions shall have effect where a body corporate registers under this Chapter as a company, that is to say—

(a) a reference (express or implied) to the body corporate in any instrument made, given, passed, or executed before the registration date shall be read as a reference to the company,

(b) all contracts, agreements, conveyances, mortgages, deeds, leases, licences, other instruments, undertakings and notices (whether or not in writing) entered into by, made with, given to or by, or addressed to the body corporate (whether alone or with any other person) before the registration date and subsisting immediately before the registration date shall, to the extent that they were previously binding on and enforceable by, against, or in favour of the body corporate, be binding on and enforceable by, against, or in favour of the company as fully and effectually in every respect as if, instead of the body corporate, the company had been the person by whom they were entered into, with whom they were made, or to or by whom they were given or addressed as the case may be,

(c) an instruction, order, direction, mandate, or authority given to the body corporate and subsisting immediately before the registration date shall be deemed to have been given to the company,

(d) a security held by the body corporate as security for a debt or other liability to the body corporate incurred before the registration date shall be available to the company as security for the discharge of that debt or liability and, where the security extends to future or prospective debts or liabilities, shall be available as security for the discharge of debts or liabilities to the company incurred on or after the registration date, and, in relation to a security, the company, shall be entitled to all the rights and priorities (howsoever arising) and shall be subject to all liabilities to which the body corporate would have been entitled or subject if the body corporate had not become registered as a company,

(e) all the rights and liabilities of the body corporate as bailor or bailee of documents or chattels shall be vested in and assumed by the company,

(f) a negotiable instrument or order for payment of money which, before the registration date is drawn on or given to or accepted or endorsed by the body corporate or payable at a place of business of the body corporate shall, unless the context otherwise requires, have the same effect on and after the registration date as if it had been drawn on or given to or accepted or endorsed by the company instead of the body corporate or was payable at the place of business of the company,

(g) nothing effected or authorised by this Chapter—

(i) shall be regarded as placing the body corporate, or the company, or any other person, in breach of contract or confidence or as otherwise making any of them guilty of a civil wrong, or

(ii) shall be regarded as giving rise to a right to any person to terminate or cancel any contract or

arrangement or to accelerate the performance of any obligation, or

(iii) shall be regarded as placing the body corporate or the company, or any other person in contravention or breach of any enactment or rule of law or contractual provision prohibiting, restricting or regulating the assignment or transfer of any property or the disclosure of any information, or

(iv) shall release any surety, wholly or in part, from any obligation, or

(v) shall invalidate or discharge any contract or security.