

INBS merges with Anglo Irish

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The assets and liabilities of Irish Nationwide Building Society have been transferred to Anglo Irish Bank with immediate effect.

The move follows an order made by the High Court today under the Credit Institutions (Stabilisation) Act 2010.

Following the merger of the two institutions Anglo Irish Bank will change its name to Irish Bank Resolution Corporation (IBRC).

The assets and liabilities being transferred include the management of the INBS commercial loan book on behalf of the National Assets Management Agency (Nama) and the remaining commercial banking operations and mortgage business of Irish Nationwide.

Under the transfer all mortgage holders previously with Irish Nationwide have now transferred to Anglo. Mortgage customers will continue to have the same payment obligations in line with existing terms and conditions, and mortgage accounts will transfer with existing terms and conditions.

All property held by Irish Nationwide are also included as part of today's transfer announcement.

Separately, there is a property asset management strategy in place to maximise the value of the property portfolio for the taxpayer.

As a result of today's move, all Irish Nationwide employees are automatically transfer to the employment of Anglo with immediate effect. The merger will lead to an institution of about 1,300 staff.

The make-up of the board and management of the new entity will be led by the board and management of Anglo in consultation with the Department of Finance.

This morning's transfer follow on from Anglo's recent announcement of the launch of the sale of its US loan book and disposal of its wealth management business. Both of these processes are now underway and are unaffected by the legal merger with INBS or the intended name change for the merged organisation.

Anglo chief executive Mike Aynsley described the transfer order as "another significant step towards the reshaping of the Irish banking landscape for future economic recovery".

"The merger of INBS into Anglo is part of an overall process that is fully aligned with and supports the Government's financial system deleveraging agenda to secure financial sector stability in Ireland," he said.

Separately, Irish Nationwide chief executive Gerry McGinn said the move would not impact on customers. "Today's seamless transfer is the culmination of many months hard work by the employees at Irish Nationwide as we prepared the society for work out," he said.

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