



New South Wales

Trustee Amendment (Investments) Regulation 1998

under the
Trustee Act 1925

His Excellency the Governor, with the advice of the Executive Council, has made the following Regulation under the *Trustee Act 1925*.

J. W. Shaw
Attorney General

Explanatory note

The object of this Regulation is to amend the *Trustee Regulation 1995* so as to provide guidance with respect to the forms of securities in which a trustee may invest trust funds.

This Regulation is made under the *Trustee Act 1925*, including sections 14DB and 104A (the general regulation-making power).

1998 No 131

Clause 1 Trustee Amendment (Investments) Regulation 1998

**Trustee Amendment (Investments) Regulation
1998**

1 Name of Regulation

This Regulation is the *Trustee Amendment (Investments) Regulation 1998*.

2 Commencement

This Regulation commences on 13 March 1998.

3 Amendment of Trustee Regulation 1995

The *Trustee Regulation 1995* is amended as set out in Schedule 1.

4 Notes

The explanatory note does not form part of this Regulation.

Schedule 1 Amendment

(Clause 3)

Clause 4

Insert after clause 3:

4 Guidelines for trustees: section 14DB

- (1) The object of this clause is to provide guidance to trustees with respect to the investment of trust funds where the value of the funds subject to the trust does not exceed \$50,000.
- (2) The following investments are investments that a trustee might reasonably consider appropriate for the investment of trust funds:
 - (a) any public funds or Government stock or Government securities of the Commonwealth or any State of the Commonwealth,
 - (b) any debentures or securities guaranteed by the Government of New South Wales,
 - (c) any debentures or securities:
 - (i) issued by a public or local authority, or a statutory body representing the Crown, constituted by or under any law of the Commonwealth, of any State of the Commonwealth, of the Northern Territory or of the Australian Capital Territory, and
 - (ii) guaranteed by the Commonwealth, any State of the Commonwealth or the Northern Territory,
 - (d) any debentures or securities issued by the Northern Territory and guaranteed by the Commonwealth,
 - (e) interest bearing deposits in a bank,
 - (f) any deposit with, withdrawable shares in, or loan of money to, a building society or credit union.

Note. A trustee does not comply with the requirements of section 14A of the Act merely by investing trust funds in accordance with the guidelines set out in this clause. See, in particular, section 14DB (2) of the Act. The obligations of a trustee are set out in section 14A of the Act, in other sections of the Act and in other rules and principles of law and equity.