



ANNO DECIMO SEXTO

ELIZABETHAE II REGINAE

A.D. 1967

No. 71 of 1967

An Act to amend the Trustee Act, 1936-1953.

[Assented to 16th November, 1967]

BE IT ENACTED by the Governor of the State of South Australia, with the advice and consent of the Parliament thereof, as follows :

1. (1) This Act may be cited as the "Trustee Act Amend- Short titles.
ment Act, 1967".

(2) The Trustee Act, 1936-1953, as amended by this Act, may be cited as the "Trustee Act, 1936-1967".

(3) The Trustee Act, 1936-1953, is hereinafter referred to as "the principal Act".

2. This Act is incorporated with the principal Act and that Incorporation.
Act and this Act shall be read as one Act.

3. Subsection (1) of section 5 of the principal Act is amended Amendment of
principal Act,
s. 5—
Authorized
investment.
by inserting therein after paragraph (k) thereof the following
paragraph :—

(k1) with any person carrying on business in the State who is approved by the Reserve Bank of Australia as and declared by proclamation (which the Governor is hereby empowered to make) to be a

dealer in the short term money market to whom loans may be made by trustees if the dealer either—

- (i) surrenders to the trustee a Safe Custody Receipt issued by the said Reserve Bank for Government securities and gives an irrevocable direction to the said Bank to attorn to the trustee in respect of the securities specified in such Safe Custody Receipt and lodged with the said Bank and the said Bank accepts such direction and undertakes to deliver such securities to the trustee upon demand and surrender of the Safe Custody Receipt ;

or

- (ii) endorses to and delivers to the trustee a commercial bill of exchange which has been accepted by a bank proclaimed by the Governor under paragraph (f) of this section as a bank in which deposits may be made by trustees.

Enactment of
s. 10a of
principal Act—

Power to invest
in certain
approved
securities.

4. The following section is inserted in the principal Act immediately after section 10 thereof :—

10a. (1) Notwithstanding anything contained in this Act or any other law or rule of law relating to the powers, duties, or liabilities of, or the investment of trust moneys by, trustees or by any particular trustee or class of trustees, a trustee who is an approved lender may, unless expressly forbidden by the instrument (if any) creating the trust, for the purpose of making an insurable loan lend on an approved security such amount as the trustee thinks fit, but not exceeding in any case such amount as is the subject of a contract of insurance in respect of the loan entered into by the Corporation pursuant to the provisions of the Commonwealth Act.

(2) Where a trustee lends money on an approved security in accordance with the provisions of subsection (1) of this section, the trustee is not chargeable with breach of trust by reason only of the proportion borne by the amount of the loan to the value of the property on which the loan is secured.

(3) The powers conferred on a trustee by this section are in addition to the powers conferred by the instrument (if any) creating the trust or by any other law that is applicable to the trustee.

(4) In this section the expressions "approved lender", "approved security", "contract of insurance", "insurable loan" and "the Corporation" have the meanings assigned to them respectively by the *Housing Loans Insurance Act* 1965 of the Commonwealth as amended from time to time or any Act passed in substitution for that Act (in this section referred to as "the Commonwealth Act").

In the name and on behalf of Her Majesty, I hereby assent to this Bill.

J. M. NAPIER, Governor's Deputy.