

TRUSTEE (AMENDMENT) ACT 1993 No. 18

NEW SOUTH WALES



TABLE OF PROVISIONS

1. Short title
 2. Commencement
 3. Amendment of Trustee Act 1925 No. 14
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TRUSTEE (AMENDMENT) ACT 1993 No. 18

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Act No. 18, 1993

An Act to amend the Trustee Act 1925 to allow a trustee to invest in securities by means of the Reserve Bank Information and Transfer System. [Assented to 18 May 1993]

The Legislature of New South Wales enacts:**Short title**

1. This Act may be cited as the *Trustee (Amendment) Act 1993*.

Commencement

2. This Act commences on a day to be appointed by proclamation.

Amendment of Trustee Act 1925 No. 14

3. The Trustee Act 1925 is amended by inserting after section 14E the following section:

Investment in securities under Reserve Bank RITS system

14F. (1) A chose in action arising under the RITS system and which entitles its holder to a security of a particular description (the “**underlying security**”) is, for the purposes of this Act and the trust instrument creating a trust, taken to be the same in all respects as the underlying security.

(2) Accordingly, the holding or acquisition by a trustee of such a chose in action is to be regarded as an investment by the trustee in the underlying security.

(3) It does not matter that the right conferred by the chose in action is a right in respect of securities of a particular description and not in respect of particular securities.

(4) This section applies to a trust created before or after the commencement of this section but applies only to the extent that the trust instrument creating the trust does not expressly forbid its application.

(5) In this section:

“**the RITS system**” means the Reserve Bank Information and Transfer System operated by the Reserve Bank of Australia, as operating from time to time.

*[Minister's second reading speech made in—
Legislative Council on 21 April 1993
Legislative Assembly on 28 April 1993]*