

Passed by both Houses



New South Wales

Trustee Companies Amendment Bill 2009

Contents

	Page
1 Name of Act	2
2 Commencement	2
Schedule 1 Amendment of Trustee Companies Act 1964 No 6	3
Schedule 2 Amendment of other Acts and instrument	8

I certify that this PUBLIC BILL, which originated in the LEGISLATIVE COUNCIL, has finally passed the LEGISLATIVE COUNCIL and the LEGISLATIVE ASSEMBLY of NEW SOUTH WALES.

Legislative Council
2009

Clerk of the Parliaments



New South Wales

Trustee Companies Amendment Bill 2009

Act No , 2009

An Act to amend the *Trustee Companies Act 1964* to facilitate the regulation of trustee companies by the Commonwealth; and for other purposes.

The Legislature of New South Wales enacts:

1 Name of Act

This Act is the *Trustee Companies Amendment Act 2009*.

2 Commencement

- (1) This Act commences on a day or days to be appointed by proclamation, except as provided by subsection (2).
- (2) Sections 1 and 2 and Schedule 2.4 [2] commence on the date of assent to this Act.

Schedule 1 Amendment of Trustee Companies Act 1964 No 6

- [1] **Section 2 Repeal and savings**
Omit the section.
- [2] **Section 3 Interpretation**
Omit the definitions of *Commission*, *Financial institution*, *GST*, *Insurance company*, *New Tax System Price Exploitation law*, *Nominee corporation*, *Subordinated loan* and *Voting share* from section 3 (1).
- [3] **Section 3 (1), definition of “Trustee company”**
Omit the definition. Insert instead:
Trustee company means a licensed trustee company within the meaning of Chapter 5D of the *Corporations Act 2001* of the Commonwealth.
- [4] **Section 3 (2)**
Insert “or the *Corporations Act 2001* of the Commonwealth” after “other Act”.
- [5] **Section 3 (3)–(9)**
Omit the subsections.
- [6] **Section 16 Common trust funds**
Omit the section.
- [7] **Sections 17A–19F, 20A–25 and 29–29E**
Omit the sections.
- [8] **Section 31 Managing director and others may represent trustee company**
Omit section 31 (3)–(6).
- [9] **Part 3 Shareholdings in trustee companies**
Omit the Part.
- [10] **Section 32B Excluded matters under section 5F of Corporations Act 2001 of the Commonwealth**
Omit the section.

[11] Sections 34A and 34B

Insert after section 34:

34A Compulsory transfer determinations

- (1) This section applies if:
 - (a) the Australian Securities and Investments Commission (*ASIC*) cancels the licence of a trustee company (the *transferring company*) and makes a determination under section 601WBA of the *Corporations Act 2001* of the Commonwealth that there is to be a transfer of estate assets and liabilities from the transferring company to another licensed trustee company (the *receiving company*), and
 - (b) ASIC issues a certificate of transfer under section 601WBG of that Act for the transfer, and
 - (c) either the transferring company or the receiving company (or both) is registered in New South Wales.
- (2) When the certificate of transfer comes into force, the receiving company is taken to be the successor in law in relation to estate assets and liabilities of the transferring company, to the extent of the transfer.

Note. Section 601WBG of the *Corporations Act 2001* of the Commonwealth requires the certificate of transfer to state when it is to come into force.
- (3) Without limiting subsection (2):
 - (a) if the transfer is a total transfer—all of the assets and liabilities of the transferring company become assets and liabilities of the receiving company (without the need for any further conveyance, transfer, assignment or assurance), and
 - (b) if the transfer is a partial transfer—the assets and liabilities listed as referred to in section 601WBG (2) (c) of the *Corporations Act 2001* of the Commonwealth of the transferring company become assets and liabilities of the receiving company (without the need for any further conveyance, transfer, assignment or assurance), and
 - (c) to the extent of the transfer, the duties, obligations, immunities, rights and privileges applying to the transferring company apply to the receiving company, and
 - (d) if the certificate includes provisions of the kind referred to in section 601WBG (3) of the *Corporations Act 2001* of the Commonwealth specifying:

-
- (i) that particular things are to happen or are taken to be the case—those things are, by force of this section, taken to happen, or to be the case, in accordance with those provisions, and
 - (ii) a mechanism for determining things that are to happen or are taken to be the case—things determined in accordance with the mechanism are, by force of this section, taken to happen, or to be the case, as determined in accordance with that mechanism.
- (4) The operation of this section is not to be regarded as:
- (a) a breach of contract or confidence or otherwise as a civil wrong, or
 - (b) a breach of any instrument (including, without limitation, any provision prohibiting, restricting or regulating the assignment or transfer of assets or liabilities), or
 - (c) an event of default under any contract or other instrument, or
 - (d) giving rise to any remedy by a party to a contract or other instrument, or as causing or permitting the termination of, or exercise of rights under, any contract or other instrument.

34B Exemption from State tax

- (1) In this section:
- exempt matter* means the transfer of the estate assets and liabilities of a transferring company to a receiving company under Division 2 of Part 5D.6 of the *Corporations Act 2001* of the Commonwealth.
- State tax* means application or registration fees, duty under the *Duties Act 1997* or any other tax, duty, fee or charge imposed by any Act or law of the State.
- (2) State tax is not payable in relation to:
- (a) an exempt matter, or
 - (b) anything done because of, or for a purpose connected with or arising out of, an exempt matter.

[12] Sections 35–36B

Omit the sections.

[13] Section 37 Regulations

Omit section 37 (2).

[14] Section 37A Savings and transitional regulations

Omit the section.

[15] Schedule 1

Omit First–Third Schedules. Insert instead:

Schedule 1 Savings, transitional and other provisions

Part 1 Preliminary

1 Regulations

- (1) The regulations may contain provisions of a savings or transitional nature consequent on the enactment of the following Acts:
Trustee Companies Amendment Act 2000
Trustee Companies Amendment Act 2009
- (2) Any such provision may, if the regulations so provide, take effect from the date of assent to the Act concerned or a later date.
- (3) To the extent to which any such provision takes effect from a date that is earlier than the date of its publication on the NSW legislation website, the provision does not operate so as:
 - (a) to affect, in a manner prejudicial to any person (other than the State or an authority of the State), the rights of that person existing before the date of its publication, or
 - (b) to impose liabilities on any person (other than the State or an authority of the State) in respect of anything done or omitted to be done before the date of its publication.

Part 2 Provisions consequent on enactment of Trustee Companies Amendment Act 2009

2 Definitions

In this Part:

amending Act means the *Trustee Companies Amendment Act 2009*.

trustee company means a trustee company within the meaning of this Act as in force before the commencement of this clause.

3 General

The provisions of this Part are subject to any regulations made under clause 1.

4 BNY Trust Company of Australia Limited

Subject to the other provisions of this Part, this Act, as in force immediately before the commencement of Schedule 1 [3] to the amending Act, continues to apply to and in respect of any estate management function (within the meaning of section 601RAC of the *Corporations Act 2001* of the Commonwealth) carried out by BNY Trust Company of Australia Limited under any grant of administration in force before that commencement.

5 Court may review rate of commission

Section 18 (3), as in force immediately before its repeal by the amending Act, continues to apply with respect to any application to the Court to review the commission (in whole or in part) or rate of commission charged in respect of an estate that was made before that repeal.

6 Charge on assets of estate or trust for advances

Section 17A, as in force immediately before its repeal by the amending Act, continues to apply to any sum advanced before that repeal.

7 Court may order account

Sections 20A–22, as in force immediately before their repeal by the amending Act, continue to apply to an application made to the Court with respect to the filing of an account, an order for an account or for an audit (as the case requires) made before that repeal.

8 Financial statements

Section 29D, as in force immediately before its repeal by the amending Act, continues to apply to any financial statement required to be forwarded under section 29D (2) within a period occurring before that repeal.

Schedule 2 Amendment of other Acts and instrument

2.1 Conveyancing Act 1919 No 6

[1] Section 7 Definitions

Omit the definition of *Trustee company* from section 7 (1). Insert instead:

Trustee company means a licensed trustee company within the meaning of Chapter 5D of the *Corporations Act 2001* of the Commonwealth authorised by an Act of New South Wales to act as trustee.

[2] Schedule 9 Savings, transitional and other provisions

Insert at the end of clause 1 (1):

Trustee Companies Amendment Act 2009

[3] Schedule 9, Part 8

Insert after Part 7:

Part 8 Provision consequent on enactment of Trustee Companies Amendment Act 2009

14 Trust corporations

Any act, matter or thing done by a trustee company as a trust corporation that had effect under this Act as in force immediately before its amendment by the *Trustee Companies Amendment Act 2009* is taken to have effect under this Act as amended.

2.2 Duties Act 1997 No 123

[1] Section 54 Change in trustees

Omit paragraph (b) of the definition of *special trustee* from section 54 (1).

Insert instead:

- (b) a licensed trustee company within the meaning of Chapter 5D of the *Corporations Act 2001* of the Commonwealth, and

[2] Section 54 (1), definition of “special trustee”

Omit “or a trustee company referred to in paragraph (b)” from paragraph (c).

2.3 Probate and Administration Act 1898 No 13

[1] Section 3 Definitions

Omit the definition of *Trustee company* from section 3 (1). Insert instead:

Trustee company means a licensed trustee company within the meaning of Chapter 5D of the *Corporations Act 2001* of the Commonwealth authorised by an Act of New South Wales to act as trustee.

[2] Fifth Schedule Savings and transitional provisions arising from amendments to this Act

Insert at the end of the Schedule with appropriate Part and clause numbering:

Part Provision consequent on enactment of Trustee Companies Amendment Act 2009

Trustee companies

Any act, matter or thing done by a trustee company that had effect under this Act as in force immediately before its amendment by the *Trustee Companies Amendment Act 2009* is taken to have effect under this Act as amended.

2.4 Trustee Companies Regulation 2005

[1] Clause 3 Definitions

Omit clause 3 (2) and (3). Insert instead:

- (2) Notes included in this Regulation do not form part of this Regulation.

[2] Clause 3A

Insert after clause 3:

3A Small estates

- (1) For the purposes of sections 15A and 15AA of the Act, a trustee company may file an election to administer an estate if the gross value of the estate in New South Wales is less than \$100,000.
- (2) A notice of an election under section 15A or 15AA of the Act, or a notice under section 15AB of the Act, must state that the election has been made and may contain any other particulars of the election that the trustee company thinks fit.

Trustee Companies Amendment Bill 2009

Schedule 2 Amendment of other Acts and instrument

- (3) A notice of an election under section 15A or 15AA of the Act must be published:
 - (a) if the deceased person resided in New South Wales at the date of death—in a newspaper circulating in the area where the deceased resided, or
 - (b) in any other case—in a Sydney daily newspaper.
- (4) This clause is taken to have commenced on 1 July 2009.

[3] Clauses 4–8

Omit the clauses and renumber clause 3A (as inserted by item [2]) as clause 4.

[4] Schedules 1 and 2

Omit the Schedules.