

Electricity Retained Interest Corporations Act 2015 No 6

[2015-6]



New South Wales

Status Information

Currency of version

Current version for 1 July 2021 to date (accessed 22 December 2024 at 13:49)

Legislation on this site is usually updated within 3 working days after a change to the legislation.

Provisions in force

The provisions displayed in this version of the legislation have all commenced.

Notes—

- **Editorial note**

The Parliamentary Counsel's Office is progressively updating certain formatting styles in versions of NSW in force legislation published from 29 July 2019. For example, colons are being replaced by em-dashes. Text of the legislation is not affected.

This version has been updated.

Authorisation

This version of the legislation is compiled and maintained in a database of legislation by the Parliamentary Counsel's Office and published on the NSW legislation website, and is certified as the form of that legislation that is correct under section 45C of the [Interpretation Act 1987](#).

File last modified 1 July 2021

Electricity Retained Interest Corporations Act 2015 No 6



New South Wales

Contents

Long title	4
Part 1 Preliminary	4
1 Name of Act	4
2 Commencement	4
3 Interpretation	4
4 Retained interest	5
Part 2 The Corporations	5
5 Establishment and operation	5
6 Retained interest to be held by Corporations	6
7 Functions	6
8 Status	6
9 General Manager	7
10 Accountability and reporting	7
11 Subsidiaries	8
12 Administrative support and staff	8
Part 3 Board of Governors	8
13 Establishment of Board for a Corporation	8
14 Qualifications of Board members	9
15 Term of office	10
16 Delegation	10

17 Vacancy in office of Board member	10
18 Removal of Board member	11
19 Board meetings	11
20 Transaction of business outside meetings	11
21 Remuneration of Board members.....	12
22 Chairperson	12
Part 4 Duties of Board members and officers	13
23 Corporate governance guidelines.....	13
24 Disclosure of interests	13
25 Voting by interested Board member.....	13
26 Duty and liability of officers.....	14
27 Indemnification of officers	16
28 Payment of premiums for certain liabilities of officers.....	17
29 Arrangements for access to documents	17
30 Reliance on advice of others.....	17
31 Power to grant relief from liability	18
Part 5 Financial provisions	19
32 Establishment of Fund for each Corporation.....	19
33 Payments into Fund	19
34 Payments from Fund.....	19
35 Reporting on Fund	20
36 Investment of Fund.....	20
Part 6 Miscellaneous	20
37 Proceedings for offences	20
38 Regulations.....	20
Schedule 1 (Repealed)	20

Electricity Retained Interest Corporations Act 2015 No 6



New South Wales

An Act to provide for the effective stewardship and oversight of the retained interest of the State in electricity network assets under the *Electricity Network Assets (Authorised Transactions) Act 2015*.

Part 1 Preliminary

1 Name of Act

This Act is the *Electricity Retained Interest Corporations Act 2015*.

2 Commencement

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

3 Interpretation

(1) In this Act—

Board of a Corporation means the Board of Governors of the Corporation.

Corporation means a corporation constituted by this Act.

Fund means a Fund established by this Act for a Corporation.

General Manager of a Corporation means the General Manager of the Corporation.

officer of a Corporation means—

(a) a member of the Board of the Corporation, or

(b) the General Manager of the Corporation.

retained interest—see section 4.

Transactions Act means the *Electricity Network Assets (Authorised Transactions) Act 2015*.

Note—

The *Interpretation Act 1987* contains definitions and other provisions that affect the interpretation and application of this Act.

- (2) This Act is to be construed with and as if it formed part of the Transactions Act.
- (3) Notes included in this Act do not form part of this Act.

4 Retained interest

- (1) In this Act, **retained interest** means the interests of the State in—
 - (a) a lease of assets comprising or including network infrastructure assets (other than the interests of the State as the lessor of a transacted distribution system or transacted transmission system), or
 - (b) a public sector agency that is a lessee of such a lease or that is a partner in a partnership that is a lessee of such a lease.
- (2) For the purposes of this Act, the retained interest is considered to be made up of separate parts with the part of the retained interest that is referable to the distribution system or transmission system previously controlled and operated by a particular electricity network SOC constituting a separate part of the retained interest.

Note—

The part of the retained interest that is referable to Ausgrid's distribution system is considered to be separate from the part of the retained interest that is referable to Endeavour Energy's distribution system.

Part 2 The Corporations

5 Establishment and operation

- (1) A separate corporation is constituted by this Act for each separate part of the retained interest.
- (2) The corporate name of a Corporation is Electricity Retained Interest Corporation together with such additions to that name as the Treasurer determines by order published in the Gazette to distinguish between the corporations constituted by this Act.
- (3) All decisions relating to the operation of a Corporation are to be made by or under the authority of the Board of the Corporation.
- (4) If a Corporation has a General Manager, the General Manager is responsible for the day-to-day management of the affairs of the Corporation, subject to the policies and directions of the Board.
- (5) Any act, matter or thing done in the name of, or on behalf of, a Corporation by or under the authority of the Board or the General Manager is taken to have been done by the Corporation.

6 Retained interest to be held by Corporations

- (1) The part of the retained interest for which a Corporation is constituted is to be held by the Corporation (either directly or through one or more interposed entities) and is the part of the retained interest for which the Corporation is responsible for the purposes of this Act.
- (2) A Corporation holds the part of the retained interest for which it is responsible for and on behalf of the State.

Note—

Section 7 of the Transactions Act restricts the transfer of the retained interest.

7 Functions

- (1) A Corporation is to provide effective stewardship and oversight of the part of the retained interest for which it is responsible for the purpose of protecting the value to the State of that part of the retained interest and seeking to maximise returns to the State from that part of the retained interest.
- (2) A Corporation may do all things necessary or convenient to be done for or in connection with the exercise of its functions.
- (3) A Corporation has power to invest money in connection with the exercise of its functions, including by investing in the business of a transacted distribution system or transacted transmission system.

Note—

Investment by a Corporation is subject to Part 6 of the [Government Sector Finance Act 2018](#).

- (4) The functions of a Corporation may be exercised by the Corporation itself or by a subsidiary of the Corporation.

8 Status

- (1) A Corporation is not subject to the control or direction of the Government or a Minister on behalf of the Government in the exercise of the Corporation's functions.

Note—

A Corporation is a GSF agency for the purposes of Part 6 of the [Government Sector Finance Act 2018](#) and remains subject to that Part, including the requirements of that Part as to borrowing and investment by a GSF agency.

- (1A) Except as provided by subsection (4), subsection (1) does not operate to limit or prevent the application of the [Government Sector Finance Act 2018](#) to the Corporation (including the application of Treasurer's directions under that Act).
- (2) A Corporation is a public sector agency for the purposes of the Transactions Act and is a NSW Government agency for the purposes of any Act.

- (3) The Treasurer is not authorised by or under the Transactions Act—
 - (a) to act for or on behalf of a Corporation or a subsidiary of a Corporation, or
 - (b) to give directions to, or to a member of the Board of, a Corporation or subsidiary of a Corporation.
- (4) Division 9.1 of the *Government Sector Finance Act 2018* does not apply to or in respect of a Corporation or subsidiary of a Corporation.
- (5) A Corporation or subsidiary of a Corporation is not an agency for the purposes of the *Government Information (Public Access) Act 2009*.

9 General Manager

- (1) The Board of a Corporation may (but is not required to) appoint a General Manager of the Corporation, to be responsible for the day-to-day management of the operation of the Corporation in accordance with the general policies and specific directions of the Board.
- (2) The Board of a Corporation is to consult with the Treasurer before appointing a General Manager.
- (3) The appointment of a General Manager may be on a full-time or part-time basis.
- (4) The terms and conditions of employment of a person appointed as General Manager (including as to remuneration) are to be fixed by the Board of the Corporation (to the extent that they are not fixed by or under any other Act or law) and are to be fixed having regard to any guidelines as to those terms and conditions notified to the Board by the Treasurer.
- (5) The functions of General Manager of a Corporation (other than this power of delegation) may be delegated by the General Manager to any member of staff of the Corporation, subject to any directions of the Board.
- (6) The Board may remove the General Manager from office at any time for any or no reason and without notice.

10 Accountability and reporting

Note—

A Corporation is subject to Divisions 7.2 (Financial reporting) and 7.3 (Annual reporting information for reporting GSF agencies) of the *Government Sector Finance Act 2018*.

- (1) The Treasurer may give directions to a Corporation imposing requirements on the Corporation (**accountability and reporting requirements**) for or with respect to any one or more of the following—
 - (a) requirements for the corporate planning to be undertaken by the Corporation,

including requirements for the establishment of an annual Statement of Business Intent that is agreed between the Corporation and the Treasurer and that sets out the financial objectives and targets of the Corporation,

- (b) requirements for reporting by the Corporation to the Treasurer on the operation and performance of the Corporation,
- (c) requirements for disclosure by the Corporation to the Treasurer of matters that may have a material effect on the value of that part of the retained interest for which the Corporation is responsible or the level of financial returns derived by the Corporation from that part of the retained interest.

- (2) A Corporation must comply with any accountability and reporting requirements imposed on the Corporation under this section.
- (3) The accountability and reporting requirements to which a Corporation is subject under this section do not limit or otherwise affect any obligation of the Corporation under the *Government Sector Audit Act 1983* or the *Government Sector Finance Act 2018*.

11 Subsidiaries

A Corporation may form, participate in the formation of or acquire subsidiaries.

12 Administrative support and staff

- (1) The Treasurer must ensure that a Corporation and any subsidiary of a Corporation is provided with such administrative support, including staff and facilities, as is reasonably necessary for the Corporation, any subsidiary and the Board of the Corporation or subsidiary to exercise their functions.
- (2) A Corporation and any subsidiary of a Corporation may employ its own staff with the approval of the Treasurer. The provisions of the *Government Sector Employment Act 2013* relating to the employment of Public Service employees do not apply to staff employed by a Corporation or a subsidiary.
- (3) A reference in this Act to staff of a Corporation or subsidiary is a reference to staff provided by way of administrative support or employed under this section.

Part 3 Board of Governors

13 Establishment of Board for a Corporation

- (1) Each Corporation is to have a Board of Governors consisting of 3 members appointed by the Treasurer as either part-time or full-time members.
- (2) If the office of a member of a Board becomes vacant, the Treasurer is to appoint a person recommended by the Board to fill the vacancy. If the Board's recommendation of a person includes a recommendation as to whether the appointment be part-time

or full-time, the appointment is to give effect to that recommendation.

- (3) The Treasurer may on reasonable grounds reject a recommendation of the Board for the filling of a vacancy and if the Treasurer rejects 2 recommendations of the Board for the filling of the vacancy, the Treasurer may appoint a person of the Treasurer's own choosing to fill the vacancy.
- (4) If a Board fails to recommend a person for appointment to fill a vacancy within such reasonable time as the Treasurer may direct, the Treasurer may appoint a person of the Treasurer's own choosing to fill the vacancy.
- (5) Statutory provisions relating to the employment of Public Service employees do not apply to the appointment or office of a member of a Board.

14 Qualifications of Board members

- (1) The members of a Board are to be persons who in the opinion of the Treasurer (or of the Board when the Board recommends a person for appointment) have substantial experience or expertise, and professional credibility and significant standing, in at least one of the following fields—
 - (a) the management of investments in financial assets,
 - (b) corporate governance,
 - (c) the management or operation of regulated public utility assets (such as regulated energy transmission or distribution assets) or infrastructure assets (such as transport infrastructure assets).
- (2) A person is not eligible for appointment as a member of a Board if the person is the holder of a full-time office under a law of the State or is employed in—
 - (a) the Public Service, or
 - (b) the Teaching Service, or
 - (c) the NSW Police Force, or
 - (d) the NSW Health Service, or
 - (e) the Transport Service of New South Wales, or
 - (f) a State owned corporation, or
 - (g) any other service of the Crown (including the service of any NSW Government agency), or
 - (h) the service of any other person or body constituted by or under an Act or exercising public functions.

- (3) A person is not eligible to be a member of the Board of more than one Corporation under this Act at the same time.

15 Term of office

- (1) The Treasurer is to determine the term of office of the first members of a Board and the Board is to determine the term of office of a member appointed to fill a vacancy on the Board.
- (2) The term of office of a member of a Board is not to exceed 4 years but a member is eligible for reappointment.
- (3) A Board member's term of office is to be specified in the member's instrument of appointment.

16 Delegation

A Board may delegate the exercise of any of its functions (other than this power of delegation) to a member or committee of the Board.

17 Vacancy in office of Board member

The office of a member of a Board becomes vacant if the member—

- (a) dies, or
- (b) completes a term of office and is not reappointed, or
- (c) resigns the office by letter addressed to the Board, or
- (d) is removed from office by the Treasurer under section 18, or
- (e) is absent from 4 consecutive meetings of the Board of which reasonable notice has been given to the member personally or in the ordinary course of post, except on leave granted by the Board or unless, before the end of 4 weeks after the last of those meetings, the member is excused by the Board for having been absent from those meetings, or
- (f) becomes bankrupt, applies to take the benefit of any law for the relief of bankrupt or insolvent debtors, compounds with his or her creditors or makes an assignment of his or her remuneration for their benefit, or
- (g) becomes a mentally incapacitated person, or
- (h) is convicted in New South Wales of an offence that is punishable by imprisonment for 12 months or more or is convicted elsewhere than in New South Wales of an offence that, if committed in New South Wales, would be an offence so punishable.

18 Removal of Board member

The Treasurer may remove a member of a Board from office—

- (a) if satisfied that the performance of the Board member has been unsatisfactory for a significant period, or
- (b) on the recommendation of the Board.

19 Board meetings

- (1) The procedure for the calling of meetings of a Board and for the conduct of business at those meetings is to be as determined by the Board. The Treasurer is to call the first meeting of a Board in such manner as the Treasurer thinks fit.
- (2) The quorum for a meeting of a Board is 2 members.
- (3) The Chairperson of a Board or (in the absence of the Chairperson) a person elected by the members of a Board who are present at a meeting of the Board is to preside at a meeting of the Board.
- (4) A decision supported by a majority of the votes cast at a meeting of a Board at which a quorum is present is the decision of the Board.
- (5) A Board must cause full and accurate minutes to be kept of the proceedings of each of its meetings.

20 Transaction of business outside meetings

- (1) A Board may, if it thinks fit, transact any of its business by the circulation of papers among all the members of the Board for the time being, and a resolution in writing approved in writing by a majority of those members is taken to be a decision of the Board.
- (2) A Board may, if it thinks fit, transact any of its business at a meeting at which members (or some members) participate by telephone, closed-circuit television or other means, but only if any member who speaks on a matter before the meeting can be heard by the other members.
- (3) For the purposes of—
 - (a) the approval of a resolution under subsection (1), or
 - (b) a meeting held in accordance with subsection (2),the members have the same voting rights as they have at an ordinary meeting of the Board.
- (4) A resolution approved under subsection (1) is to be recorded in the minutes of the

meetings of the Board.

- (5) Papers may be circulated among the members for the purposes of subsection (1) by facsimile, email or other transmission of the information in the papers concerned.

21 Remuneration of Board members

- (1) A full-time or part-time member of a Board is entitled to be paid—
 - (a) remuneration in accordance with the *Statutory and Other Offices Remuneration Act 1975*, and
 - (b) such travelling and subsistence allowances as the Treasurer may from time to time determine in respect of the member in consultation with the Board.
- (2) In making a determination of the remuneration to be paid to a member of a Board, the Tribunal under the *Statutory and Other Offices Remuneration Act 1975* is to have regard to levels of remuneration paid to non-executive directors of entities that have interests in energy utility assets comparable to those of a Corporation.

22 Chairperson

- (1) A Board is to have a Chairperson.
- (2) The Treasurer is to appoint the first Chairperson of a Board from among the members of the Board.
- (3) A Board is to appoint a Chairperson of the Board from among the members of the Board to fill a vacancy in the office of Chairperson.
- (4) The Chairperson is to hold office for a term of 2 years and is eligible (if otherwise qualified) for reappointment.
- (5) A person vacates office as Chairperson of a Board if the person—
 - (a) completes a term of office as Chairperson and is not reappointed, or
 - (b) is removed from that office by the Board, or
 - (c) resigns that office by letter addressed to the Board, or
 - (d) ceases to be a member of the Board.
- (6) A Board may remove its Chairperson from office at any time for any or no reason and without notice.

Part 4 Duties of Board members and officers

23 Corporate governance guidelines

- (1) The Treasurer may determine and notify to a Board guidelines (**corporate governance guidelines**) containing recommendations designed to assist the Board to minimise risks concerning corporate governance and to optimise performance and accountability of the Board.
- (2) Without limitation, corporate governance guidelines may include recommendations as to the duties of Board members in connection with the following aspects of corporate governance, performance and accountability—
 - (a) requirements for a Board Charter and Code of Conduct,
 - (b) the need for and role of committees of the Board,
 - (c) independence and conflicts of interest of Board members,
 - (d) provision of information to Board members,
 - (e) evaluation of the performance of the Board and Board members.
- (3) The members of the Board are to have regard to any corporate governance guidelines under this section in the exercise of their functions.
- (4) This section does not limit the other requirements of this Part.

24 Disclosure of interests

- (1) If a member of a Board has a material personal interest in a matter being considered, or about to be considered, by the Board, the member must disclose the nature of the interest to a meeting of the Board as soon as practicable after the relevant facts come to the member's knowledge.

Maximum penalty—100 penalty units.

- (2) The disclosure must be recorded in the Board's minutes.

25 Voting by interested Board member

- (1) A member of a Board who has a material personal interest in a matter that is being considered by the Board is prevented from taking part in any decision of the Board on the matter.
- (2) A member of a Board who is prevented from taking part in any decision of the Board on a matter must not—
 - (a) vote on the matter, or

- (b) vote on a proposed resolution (a **related resolution**) under subsection (3) in relation to the matter (whether in relation to the member or another member of the Board), or
- (c) be present while the matter, or a related resolution, is being considered by the Board, or
- (d) otherwise take part in any decision of the Board in relation to the matter or a related resolution.

Maximum penalty—100 penalty units.

- (3) A member is not prevented from taking part in any decision of the Board on a matter if the Board has at any time passed a resolution that—
 - (a) specifies the member, the interest and the matter, and
 - (b) states that the members voting for the resolution are satisfied that the interest should not disqualify the member from taking part in any decision of the Board on the matter.
- (4) In determining whether a quorum is present at a meeting of the Board during a consideration of such a matter by the Board, only those members are regarded as present who are entitled to vote on any motion that may be moved in relation to the matter.
- (5) If the number of Board members entitled to vote on any motion that may be moved in relation to a matter is less than a quorum for a meeting of the Board, the quorum at a meeting of the Board during consideration of such a matter is reduced to the number of Board members entitled to vote on the motion.
- (6) The Treasurer may, in any case in which the Treasurer considers it appropriate to do so, by order in writing direct that a member of a Board who has a material personal interest in a matter that is being considered by the Board is not prevented from taking part in any decision of the Board on the matter, and such a direction has effect accordingly for the purposes of this section.

26 Duty and liability of officers

- (1) An officer of a Corporation must act honestly in the exercise of functions as an officer of the Corporation.

Maximum penalty—

- (a) if the contravention is committed with intent to deceive or defraud the Corporation or the State or for another fraudulent purpose—500 penalty units or imprisonment for 5 years, or

(b) in any other case—100 penalty units.

- (2) In the exercise of functions, an officer of a Corporation must exercise the degree of care and diligence that a reasonable person in a like position would exercise in the circumstances.

Maximum penalty—100 penalty units.

- (3) An officer of a Corporation, or a person who has been an officer of a Corporation, must not make improper use of information acquired because of his or her position as an officer of the Corporation—

(a) to gain, directly or indirectly, an advantage for himself or herself or for another person, or

(b) to cause detriment to the Corporation or the State.

Maximum penalty—500 penalty units or imprisonment for 5 years.

- (4) An officer of a Corporation must not make improper use of his or her position as an officer of the Corporation—

(a) to gain, directly or indirectly, an advantage for himself or herself or another person, or

(b) to cause detriment to the Corporation or the State.

Maximum penalty—500 penalty units or imprisonment for 5 years.

- (5) If a person contravenes this section, the State may recover from the person as a debt due to the Crown—

(a) if the person or another person made a profit because of the contravention—an amount equal to the profit, and

(b) if the Corporation or the State suffered loss or damage because of the contravention—an amount equal to the loss or damage.

- (6) An amount may be recovered from a person pursuant to the State's right of recovery under this section whether or not the person has been convicted of an offence in relation to the contravention.

- (7) The State's right of recovery against a person under this section is in addition to, and does not limit, the [Confiscation of Proceeds of Crime Act 1989](#).

- (8) In determining for the purposes of this section the degree of care and diligence that a reasonable person in a like position would exercise in the circumstances concerned (but without limiting the matters to which regard may be had for that purpose) regard must be had to—

- (a) the fact that the person is an officer of the Corporation, and
- (b) the application of this Act to the Corporation, and
- (c) relevant matters required or permitted to be done under this Act in relation to the Corporation,

including, for example, any relevant directions, notifications or approvals given to the Corporation or Board by the Treasurer.

(9) This section—

- (a) is in addition to, and does not limit, any rule of law relating to the duty or liability of a person because of the person's office in relation to a corporation, and
- (b) does not prevent civil proceedings being instituted for a breach of the duty or the liability.

27 Indemnification of officers

(1) A Corporation must not—

- (a) indemnify a person who is or has been an officer of the Corporation against a liability incurred as an officer, or
- (b) exempt a person who is or has been an officer of the Corporation from a liability incurred as an officer.

(2) An instrument is void so far as it provides for a Corporation to do something that subsection (1) prohibits.

(3) Subsection (1) does not prevent a Corporation from indemnifying a person against civil liability (other than a liability to the Corporation or a subsidiary of the Corporation) unless the liability arises out of conduct involving a lack of good faith.

(4) Subsection (1) does not prevent a Corporation from indemnifying a person against a liability for costs and expenses incurred by the person—

- (a) in defending a proceeding, whether civil or criminal, in which judgment is given in favour of the person or in which the person is acquitted, or
- (b) in connection with an application in relation to a proceeding in which relief is granted to the person by a court.

(5) A Corporation may give an indemnity mentioned in subsection (3) or (4) only with the prior approval of the Treasurer.

(6) In this section—

indemnify includes indemnify indirectly through one or more interposed entities.

28 Payment of premiums for certain liabilities of officers

- (1) A Corporation must not pay, or agree to pay, a premium in relation to a contract insuring a person who is or has been an officer of the Corporation against a liability incurred by the person as an officer and arising out of—
 - (a) conduct involving a wilful breach of duty in relation to the Corporation, or
 - (b) without limiting paragraph (a), a contravention of section 26 (3) or (4).
- (2) Subsection (1) does not apply to a liability for costs and expenses incurred by a person in defending proceedings, whether civil or criminal, and whatever their outcome.
- (3) An instrument is void so far as it insures a person against a liability in contravention of subsection (1).
- (4) In this section—

pay includes pay indirectly through one or more interposed entities.

29 Arrangements for access to documents

- (1) A Corporation may enter into a document access agreement with a person who is or has been an officer of the Corporation but may do so only with the written approval of the Treasurer.
- (2) A **document access agreement** is an agreement or other arrangement (whether made by deed or otherwise) that confers on the person with whom it is made a right of access to documents held by the Corporation, in any specified circumstances, in connection with any claim, investigation or other proceedings relating to the person's term of office as an officer of the Corporation.
- (3) The approval of the Treasurer under this section—
 - (a) may be given generally or may be limited to a particular case or class of cases, and
 - (b) is subject to such conditions (if any) as are specified in the approval.

30 Reliance on advice of others

- (1) Reliance by a Board member on the advice of others is, unless the contrary is proved, taken to be reasonable for the purposes of proceedings brought to determine whether the Board member has performed a duty under this Part or an equivalent general law duty, but only if—
 - (a) the advice is from a trustworthy source as provided by this section, and
 - (b) the reliance was made in good faith, and

- (c) the reliance was made after making an independent assessment of the advice, having regard to the Board member's knowledge of the Corporation concerned and the complexity of the structure and operations of the Corporation.
- (2) Advice is from a trustworthy source for the purposes of this section only if it is the advice of—
- (a) a member of the staff of the Corporation concerned whom the Board member believes on reasonable grounds to be reliable and competent in relation to the matters concerned, or
 - (b) a professional adviser or expert in relation to matters that the Board member believes on reasonable grounds to be within the person's professional or expert competence, or
 - (c) another Board member in relation to matters within the Board member's authority, or
 - (d) a committee of Board members on which the Board member did not serve in relation to matters within the committee's authority.
- (3) In this section, a reference to the advice of others is a reference to information, or professional or expert advice, given or prepared by others.

31 Power to grant relief from liability

- (1) This section applies to an officer or member of staff of a Corporation.
- (2) If, in a proceeding against a person to whom this section applies for negligence, default, breach of trust or breach of duty in the person's capacity as a person to whom this section applies, it appears to the court that—
- (a) the person is or may be liable for the negligence, default or breach, but
 - (b) the person has acted honestly and, having regard to all the circumstances of the case (including circumstances connected with the person's appointment) the person ought fairly to be excused for the negligence, default or breach,
- the court may relieve the person (in whole or part) from liability on terms that the court considers appropriate.
- (3) If a person to whom this section applies believes that a claim will or might be made against the person for negligence, default, breach of trust or breach of duty as a person to whom this section applies, the person may apply to the Supreme Court or the District Court for relief.
- (4) The court has the same power to relieve the person as it would have if a proceeding had been brought against the person in the court for the negligence, default or

breach.

- (5) If a proceeding mentioned in subsection (2) is being tried by a Judge with a jury, the Judge may withdraw the case (in whole or part) from the jury and direct that judgment be entered for the defendant on the terms (as to costs or otherwise) that the Judge considers appropriate if the Judge is satisfied, after hearing the evidence, that the defendant ought under that subsection be relieved (in whole or part) from the liability sought to be enforced against the person.

Part 5 Financial provisions

32 Establishment of Fund for each Corporation

- (1) A Fund is to be established for each Corporation in the Special Deposits Account.
- (2) A Corporation is responsible for the administration of the Fund established for the Corporation.

33 Payments into Fund

There is payable into the Fund established for a Corporation—

- (a) all financial returns (including dividend income, return of capital and any other financial distribution) derived by the Corporation or any subsidiary of the Corporation from that part of the retained interest for which the Corporation is responsible, and
- (b) the proceeds of investment of the Fund, and
- (c) such money as may be advanced by the Treasurer for payment into the Fund, and
- (d) such money as may be appropriated by Parliament for payment into the Fund, and
- (e) any money borrowed by the Corporation or a subsidiary of the Corporation.

34 Payments from Fund

There is payable from the Fund established for a Corporation—

- (a) such amounts as the Treasurer directs for payment into the Consolidated Fund, and
- (b) such amounts (if any) as the Corporation is required to pay to the Treasurer under section 5.3 (Payment of tax-equivalents to Treasurer) of the [Government Sector Finance Act 2018](#), and
- (c) such amounts as the Treasurer authorises for expenditure by the Corporation or a subsidiary of the Corporation in the exercise of the functions of the Corporation, and
- (d) such amounts as the Treasurer directs for payment of the costs of operation of the Corporation and any subsidiary of the Corporation, including remuneration, allowances, accommodation and other associated costs of the Board, General

Manager and staff of the Corporation or a subsidiary of the Corporation.

35 Reporting on Fund

- (1) A Corporation is to produce an annual report on the Fund established for the Corporation detailing the payments made to and from the Fund.
- (2) The annual report on a Fund is to include an audit of the Fund by the Auditor-General (including a report of the Auditor-General on whether the payments from the Fund have been made in accordance with this Act) and the report is to be tabled in each House of Parliament within 6 months after the end of the financial year to which it relates.

36 Investment of Fund

A Corporation may invest money in the Fund established for the Corporation in such manner as may be authorised by the Treasurer.

Note—

Investment by a Corporation is subject to Part 6 of the [Government Sector Finance Act 2018](#).

Part 6 Miscellaneous

37 Proceedings for offences

- (1) Proceedings for an offence under this Act may be instituted at any time before the end of 3 years after the alleged commission of the offence.
- (2) Proceedings for an offence under this Act are to be dealt with summarily before—
 - (a) the Local Court, or
 - (b) the Supreme Court in its summary jurisdiction.
- (3) The maximum penalty that may be imposed by the Local Court for an offence under this Act is 50 penalty units or imprisonment for 12 months, or both.

38 Regulations

The Governor may make regulations, not inconsistent with this Act, for or with respect to any matter that by this Act is required or permitted to be prescribed or that is necessary or convenient to be prescribed for carrying out or giving effect to this Act.

Schedule 1 (Repealed)