



New South Wales

Trustee Companies Amendment (Reserve Liabilities) Act 1998 No 37

Act No 37, 1998

An Act to amend the *Trustee Companies Act 1964* in relation to the prudential requirements for certain trustee companies. [Assented to 15 June 1998]

The Legislature of New South Wales enacts:

1 Name of Act

This Act is the *Trustee Companies Amendment (Reserve Liabilities) Act 1998*.

2 Commencement

This Act commences on the date of assent.

3 Amendment of Trustee Companies Act 1964 No 6

The *Trustee Companies Act 1964* is amended as set out in Schedule 1.

Schedule 1 Amendments

(Section 3)

[1] Section 36A Indemnities

Omit "and Perpetual Trustees Australia Limited" from section 36A (1).

Insert instead ", Perpetual Trustees Australia Limited and such other trustee companies named in the Second Schedule as are declared by a proclamation under section 36AA to be trustee companies to which this section applies".

[2] Section 36A (4)

Insert after section 36A (3):

- (4) The Attorney General, before approving a policy of indemnity insurance or a guarantee from a bank, building society or credit union under this section, is to consult the Australian Financial Institutions Commission established by the *Australian Financial Institutions Commission Act 1992* of Queensland as to the appropriate value of the indemnity or guarantee concerned.

[3] Section 36AA

Insert after section 36A:

36AA Extension of section 36A to other trustee companies

- (1) The Governor may, by proclamation, declare a trustee company named in the Second Schedule to be a trustee company to which section 36A applies.
- (2) Any such proclamation may also amend the Second Schedule by omitting from it such of its provisions as impose (in whatever terms) any of the following requirements or restrictions on the trustee company concerned:

- (a) a requirement that the portion of the trustee company's share capital which is not capable of being called up except in the event of and for the purposes of the company being wound up be not less than a specified amount,
 - (b) a restriction on the amount of share capital that the trustee company may call up or receive,
 - (c) a restriction on the distribution, as dividends or otherwise, of the trustee company's profits before the accumulation out of those profits of a special reserve of a specified amount,
 - (d) a restriction on the distribution of a special reserve.
- (3) This section has effect despite the other provisions of this Act, and, accordingly, nothing in this Act prevents:
- (a) the making of a proclamation under this section, or
 - (b) a proclamation made under this section from having effect according to its terms.

[Minister's second reading speech made in—
Legislative Council on 6 May 1998
Legislative Assembly on 2 June 1998]