

## **Explanatory note**

This explanatory note relates to this Bill as introduced into Parliament.

Overview of Bill

The objects of this Bill are:

(a) to constitute a statutory corporation to hold property on behalf of the Christian Israelite Church, and

(b) to specify the functions of the statutory corporation, and

(c) to vest in the statutory corporation property held in trust for the Church, without the need to pay duty.

Outline of provisions

### **Part 1 Preliminary**

**Clause 1** sets out the name (also called the short title) of the proposed Act.

**Clause 2** provides for the commencement of the proposed Act on the date of assent to the proposed Act.

**Clause 3** defines certain words and expressions used in the proposed Act. It also states that it is the intention of Parliament that the provisions of the proposed Act relating to property, including the vesting of property in the Trust, should apply, as far as possible, to property situated outside New South Wales.

### **Part 2 Constitution and functions of Trust**

**Clause 4** provides for the Christian Israelite Church Property Trust (referred to in the proposed Act as the *Trust*) to be established as a corporation. The Trust is to have a Board of Trustees comprising every person holding office as an International Female Trustee of the Church, or an International Male Trustee of the Church, from time to time.

**Clause 5** regulates the procedure of the Trust.

**Clause 6** provides for the election of the Chair of the Board and for the Chair's functions.

**Clause 7** specifies the functions of the Trust.

**Clause 8** empowers the Trust to delegate its functions to any member of the Board or to any other person or body prescribed by the by-laws.

**Clause 9** enables the Trust to make by-laws for the control, management and administration of, and dealings with, trust property and for the conduct of proceedings of the Board.

**Clause 10** enables the Trust to hold property alone or jointly.

**Clause 11** provides for the investment of funds by the Trust and enables the Trust to invest, as one fund, money held for different purposes.

**Clause 12** enables the Trust to make advances from its trust funds and specifies how such advances may be made.

**Clause 13** enables the Trust to make arrangements with a church of another denomination concerning the use of trust property.

**Clause 14** enables the Trust to vary the terms of a trust if it has become impossible or inexpedient to carry out those terms.

**Clause 15** enables the Trust to be the executor or administrator of an estate in which the Church has a beneficial interest. The clause also enables the Trust to accept appointment as trustee of property held for the Church's benefit.

**Clause 16** authorises the Trust to act on behalf of the Church in settling the compensation payable in the event that any trust property is exchanged, dedicated or compulsorily acquired.

### **Part 3 Vesting of property in Trust**

**Clause 17** provides for the vesting in the Trust of property currently held in trust for the Church.

**Clause 18** provides for the vesting in the Trust of property given to, or receivable or recoverable by, the Church in the future.

### **Part 4 Miscellaneous**

**Clause 19** provides for the use and custody of the seal of the Trust.

**Clause 20** provides for the execution on behalf of the Trust of instruments required by law to be in writing and for the entering into of oral contracts on its behalf.

**Clause 21** requires the disclosure of pecuniary interests by members of the Board.

**Clause 22** enables the Trust to appoint an agent to execute documents on its behalf.

**Clause 23** enables the Trust to certify that it holds property in trust for the Church.

**Clause 24** provides that, if a person obtains a receipt for money paid to the Trust, the person will not be liable if the money is subsequently lost or misapplied or is not applied.

**Clause 25** removes the need for a person involved in a property dealing with the Trust to inquire whether the Trust has power to deal with the property and protects the person even if the person had notice that the Trust had no such power.

**Clause 26** entitles members of the Board and others to be indemnified out of trust property against liability for certain things done by them in good faith concerning the property.

**Clause 27** provides for the service of documents on the Trust.

**Clause 28** is a formal provision that gives effect to the savings, transitional and other provisions set out in Schedule 1.

#### **Schedule 1 Savings, transitional and other provisions**

**Schedule 1** contains savings, transitional and other provisions consequent on the enactment of the proposed Act. In particular, it provides that, when property vests in the Trust in accordance with proposed section 17, the rights, obligations and liabilities of the former trustees in relation to the property will become rights, obligations and liabilities of the Trust. It also enables the making of regulations of a savings or transitional nature.