

T A S M A N I A .



1865.

ANNO VICESIMO-NONO

VICTORIÆ REGINÆ,

No. 14.

AN ACT to give to Trustees, Mortgagees, and others certain Powers now commonly inserted in Settlements, Mortgages, and Wills.

[29 September, 1865.]

WHEREAS it is expedient that certain powers and provisions which it is now usual to insert in Settlements, Mortgages, Wills, and other Instruments should be made incident to the Estates of the persons interested, so as to dispense with the necessity of inserting the same in terms in every such Instrument: Be it therefore enacted by His Excellency the Governor of *Tasmania*, by and with the advice and consent of the Legislative Council and House of Assembly, in Parliament assembled, as follows:—

PREAMBLE.

PART I.

Powers of Trustees for Sale, &c., and Trustees of renewable Leaseholds.

1 Where any Will, Deed, or other Instrument of Settlement expressly declares that Trustees or other persons therein named or indicated shall have a Power of Sale, either generally, or in any particular event, over any hereditaments named or referred to in or from time to time subject to the uses or trusts of such Will, Deed, or other Instrument, it shall be lawful for such Trustees or other persons, whether such hereditaments be vested in them or not, to exercise such Power of Sale by selling such

Trustees empowered to sell may sell in Lots, and either by Auction or private Contract.

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hereditaments, either together or in lots, and either by Auction or private Contract, and either at one time or at several times, and (in case the power expressly authorises an exchange) to exchange any hereditaments which for the time being are subject to the uses or trusts aforesaid for any other hereditaments in *Tasmania*, and upon such exchange to give or receive any money for equality of exchange.

Sale may be made under special conditions, and Trustees may buy in, &c.

2 It shall be lawful for the persons making any such sale or exchange to insert any such special or other stipulations, either as to title or evidence of title, or otherwise, in any conditions of sale, or contract for sale or exchange, as they think fit, and also to buy in the hereditaments or any part thereof at any Sale by Auction, and to rescind or vary any Contract for sale or exchange, and to re-sell the hereditaments which are so bought in, or as to which the Contract is so rescinded, without being responsible for any loss which may be occasioned thereby; and no purchaser under any such sale shall be bound to inquire whether the persons making the same may or may not have in contemplation any particular re-investment of the purchase money in the purchase of any other hereditaments or otherwise.

Trustees exercising power of sale, &c. empowered to convey.

3 For the purpose of completing any such sale or exchange as aforesaid, the persons empowered to sell or exchange as aforesaid shall have full power to convey or otherwise dispose of the hereditaments in question, either by way of revocation and appointment of the use, or otherwise, as may be necessary.

Moneys arising from sales, &c. to be laid out in other lands;

4 The money so received upon any such sale or for equality of exchange as aforesaid shall be laid out in the manner indicated in that behalf in the Will, Deed, or Instrument containing the Power of Sale or Exchange, or if no such indication be therein contained as to all or any part of such money, then the same shall with all convenient speed be laid out in the purchase of other hereditaments in fee simple in possession to be situate in *Tasmania*, or of lands of a leasehold tenure which, in the opinion of the persons making the purchase, are convenient to be held therewith or with any other hereditaments for the time being, subject to the subsisting uses or trusts of the same Will, Deed, or other Instrument of Settlement in which the Power of Sale or Exchange was contained; and all such hereditaments so to be purchased or taken in exchange as aforesaid as are freeholds of inheritance shall be settled and assured to the uses, upon and for the trusts, intents, and purposes, and with, under, and subject to the powers, provisoes, and declarations, to which the hereditaments sold or given in exchange were or would have been subject, or as near thereto as the deaths of parties and other intervening accidents will admit of, but not so as to increase or multiply charges; and all such hereditaments so to be purchased or taken in exchange as aforesaid as are of leasehold tenure shall be settled and assured upon and for such trusts, intents, and purposes, and with, under, and subject to such powers, provisoes, and declarations, as shall as nearly as may be correspond with and be similar to the aforesaid uses, trusts, intents, and purposes, powers, provisoes, and declarations, but not so as to increase or multiply charges, and so that if any of the hereditaments so to be purchased are held by lease for years the same shall not vest absolutely in any tenant in tail by purchase who shall not attain the age of Twenty-one years; and any such purchase as aforesaid may be made subject to any special conditions as to title or otherwise: Provided that no leasehold tenement shall be purchased under the powers hereinbefore contained which is held for a less period than Sixty years.

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5 Provided nevertheless, that it shall be lawful for the persons exercising any such power as aforesaid, if they think fit, to apply any money to be received upon any sale or for equality of exchange as aforesaid, or any part thereof, in lieu of purchasing lands therewith, in or towards paying off or discharging any Mortgage or other charge or incumbrance which shall or may affect all or any of the hereditaments which shall then be subject to the same uses or trusts as those to which the hereditaments sold or given in exchange were or was subject.

or in payment of Incumbrances.

6 No money arising from any such sale or exchange of lands or hereditaments in *Tasmania* shall be laid out in the purchase of lands or hereditaments situate elsewhere than in *Tasmania*, and no lands situate in *Tasmania* shall, under any such power as aforesaid, be exchanged for any lands or hereditaments situate elsewhere than in *Tasmania*.

Money arising from sales, &c. not to be laid out, nor lands exchanged, elsewhere than in *Tasmania*.

7 It shall be lawful for any Trustees of any leaseholds for lives or years which are renewable from time to time, either under any covenant or contract, if they in their discretion think fit, and it shall be the duty of such Trustees, if thereunto required by any person having any beneficial interest, present or future or contingent, in such leaseholds, to use their best endeavours to obtain from time to time a renewed lease of the same hereditaments on reasonable terms, and for that purpose it shall be lawful for any such Trustees from time to time to make or concur in making such surrender of the lease for the time being subsisting, and to do all such other acts as is requisite in that behalf; but this Section is not to apply to any case where by the terms of the Settlement or Will the person in possession for his life or other limited interest is entitled to enjoy the same without any obligation to renew the lease or to contribute to the expense of renewing the same.

Trustees of renewable leaseholds may renew.

8 In case any money is required for the purpose of paying for equality of exchange as aforesaid, or for renewal of any lease as aforesaid, it shall be lawful for the persons effecting such exchange or renewal to pay the same out of any money which may then be in their hands in trust for the persons beneficially interested in the lands to be taken in exchange, or comprised in the renewed lease, whether arising by any of the ways and means hereinbefore mentioned or otherwise, and notwithstanding the provisions for the application of money arising from sales or exchanges hereinbefore contained; and if they shall not have in their hands as aforesaid sufficient money for the purposes aforesaid, it shall be lawful for such persons to raise the money required by Mortgage of the hereditaments to be received in exchange or contained in the renewed lease (as the case may be), or of any other hereditaments for the time being subject to the subsisting uses or trusts to which the hereditaments taken in exchange or comprised in the renewed lease (as the case may be) shall be subject, and for the purpose of effecting such Mortgage such persons shall have the same powers of conveying or otherwise assuring as are herein contained with reference to a conveyance on sale; and no Mortgagee advancing money upon such Mortgage purporting to be made under this power shall be bound to see that such money is wanted, or that no more is raised than is wanted for the purposes aforesaid.

Money for equality of exchange and for renewal of leases may be raised by Mortgage, &c.

9 No such Sale or Exchange as aforesaid, and no purchase of hereditaments out of money received on any such Sale or Exchange as aforesaid, shall be made without the consent of the person appointed to consent by the Will, Deed, or other Instrument, or if no such person

No sale, &c. to be made without consent of tenant for life, &c.

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be appointed, then of the person entitled in possession to the receipt of the rents and profits of such hereditaments, if there be such a person under no disability ; but this Clause shall not be taken to require the consent of any person where it appears from the Will, Deed, or other Instrument to have been intended that such Sale, Exchange, or Purchase should be made by the person or persons making the same without the consent of any other person.

PART 2.*Powers of Mortgagees.*

Powers incident
to Mortgages.

10 Where any principal money is secured or charged by Deed on any hereditaments of any tenure, or on any interest therein, the person to whom such money is for the time being payable, his Executors, Administrators, and Assigns, shall, at any time after the expiration of One year from the time when such principal money has become payable, according to the terms of the Deed, or after any interest on such principal money has been in arrear for Six months, or after any omission to pay any premium on any insurance which by the terms of the Deed ought to be paid by the person entitled to the property subject to the charge, have the following powers, to the same extent (but no more) as if they had been in terms conferred by the person creating the charge ; namely,

- 1st. A power to sell or concur with any other person in selling the whole or any part of the property by public auction or private contract, subject to any reasonable conditions he may think fit to make, and to rescind or vary contracts for sale, or buy in and re-sell the property, from time to time, in like manner :
- 2nd. A power to insure and keep insured from loss or damage by fire the whole or any part of the property (whether affixed to the freehold or not) which is in its nature insurable, and to add the premiums paid for any such Insurance to the principal money secured at the same rate of interest :
- 3rd. A power to appoint or obtain the appointment of a Receiver of the rents and profits of the whole or any part of the property in manner hereinafter mentioned.

Receipts for
purchase money
sufficient dis-
charges.

11 Receipts for purchase money given by the person or persons exercising the Power of Sale hereby conferred shall be sufficient discharges to the purchasers, who shall not be bound to see to the application of such purchase money.

Notice to be given
before sale ; but
purchaser relieved
from inquiry as to
circumstances of
sale.

12 No such sale as aforesaid shall be made until after Six months' notice in writing given to the person or one of the persons entitled to the property subject to the charge, or affixed on some conspicuous part of such property ; but when a sale has been effected in professed exercise of the powers hereby conferred, the Title of the Purchaser shall not be liable to be impeached on the ground that no case had arisen to authorise the exercise of such power, or that no such notice as aforesaid had been given ; but any person damnified by any such unauthorised exercise of such power shall have his remedy in damages against the person selling.

Application of
purchase-money.

13 The money arising by any sale effected as aforesaid shall be applied by the person receiving the same as follows ; first, in payment

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of all the expenses incident to the Sale or incurred in any attempted Sale ; secondly, in discharge of all interest and costs then due in respect of the charge in consequence whereof the Sale was made ; and, thirdly, in discharge of all the principal moneys then due in respect of such charge ; and the residue of such money shall be paid to the person entitled to the property subject to the charge, his heirs, executors, administrators, or assigns, as the case may be.

14 The person exercising the Power of Sale hereby conferred shall have power by Deed to convey or assign to and vest in the purchaser the property sold, for all the estate and interest therein, which the person who created the charge had power to dispose of. Conveyance to the purchaser.

15 At any time after the Power of Sale hereby conferred has become exercisable, the person entitled to exercise the same shall be entitled to demand and recover, from the person entitled to the property subject to the charge, all the Deeds and Documents in his possession or power relating to the same property, or to the Title thereto, which he would have been entitled to demand and recover if the same property had been conveyed, appointed, surrendered or assigned to and were then vested in him for all the estate and interest which the person creating the charge had power to dispose of, and where the legal estate is outstanding in a Trustee the person entitled to a charge created by a person equitably entitled, or any purchaser from such person, shall be entitled to call for a conveyance of the legal estate to the same extent as the person creating the charge could have called for such a conveyance if the charge had not been made. Owner of charge may call for Title Deeds and Conveyance of legal estate.

16 Any person entitled to appoint or obtain the appointment of a Receiver as aforesaid may from time to time, if any person or persons has or have been named in the Deed of Charge for that purpose, appoint such person or any one of such persons to be Receiver, or if no person be so named, then may, by writing delivered to the person or any one of the persons entitled to the property, subject to the charge, or affixed on some conspicuous part of the property, require such last-mentioned person or persons to appoint a fit and proper person as Receiver, and if no such appointment be made within Ten days after such Requisition, then may in writing appoint any person he may think fit. Appointment of Receiver.

17 Every Receiver appointed as aforesaid shall be deemed to be the agent of the person entitled to the property subject to the charge, who shall be solely responsible for his acts or defaults, unless otherwise provided for in the charge. Receiver deemed to be the Agent of the Mortgagor.

18 Every Receiver appointed as aforesaid shall have power to demand and recover and give effectual receipts for all the rents, issues, and profits of the property of which he is appointed Receiver by action, suit, distress, or otherwise, in the name either of the person entitled to the property subject to the charge, or of the person entitled to the money secured by the charge, to the full extent of the estate or interest which the person who created the charge had power to dispose of. Powers of Receiver.

19 Every Receiver appointed as aforesaid may be removed by the like authority or on the like Requisition as before provided with respect to the original appointment of a Receiver, and new Receivers may be appointed from time to time. Receiver may be removed.

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Receiver to receive a Commission not exceeding Five per cent.

20 Every Receiver appointed as aforesaid shall be entitled to retain out of any money received by him, in lieu of all costs, charges, and expenses whatsoever, such a commission, not exceeding Five *per centum* on the gross amount of all money received, as is specified in his appointment, and if no amount is so specified, then Five Pounds *per centum* on such gross amount.

Receiver to insure, if required.

21 Every Receiver appointed as aforesaid shall, if so directed in writing by the person entitled to the money secured by the charge, insure and keep insured from loss or damage by fire, out of the money received by him, the whole or any part of the property included in the charge (whether affixed to the freehold or not) which is in its nature insurable.

Application of moneys received by him.

22 Every Receiver appointed as aforesaid shall pay and apply all the money received by him in the first place in discharge of all rates and assessments whatsoever, and in payment of his commission as aforesaid, and of the premiums on the Insurances, if any, and in the next place in payment of all the interest accruing due in respect of any principal money then charged on the property over which he is Receiver, or on any part thereof, and, subject as aforesaid, shall pay all the residue of such money to the person for the time being entitled to the property subject to the charge, his executors, administrators, or assigns.

This part to relate to charges by way of Mortgage only.

23 The powers and provisions contained in this part of this Act relate only to Mortgages or charges made to secure money advanced or to be advanced by way of loan, or to secure an existing or future debt.

PART 3.*Provisions as to Investment of Trust Funds, Appointment and Powers of Trustees and Executors, &c.*

On what securities Trust Funds may be invested.

24 Trustees having Trust Money in their hands which it is their duty to invest at interest shall be at liberty, at their discretion, to invest the same in any Debentures issued or to be issued by the Government of *Tasmania*, or in any Debentures issued or to be issued under any law now or hereafter to be passed the interest upon which is or may be guaranteed by the Government of *Tasmania*; and such Trustees shall also be at liberty, at their discretion, to call in any Trust Funds invested in any other Securities than as aforesaid, and to invest the same on any such Debentures as aforesaid, and also from time to time, at their discretion, to vary any such investments as aforesaid for others of the same nature: Provided always, that no such original investment as aforesaid, and no such change of investment as aforesaid, shall be made where there is a person under no disability entitled in possession to receive the income of the Trust Fund for his life, or for a term of years determinable with his life, or for any greater estate, without the consent in writing of such person.

Trustees may apply income of property of infants, &c. for their maintenance.

25 In all cases where any property is held by Trustees in trust for an infant, either absolutely, or contingently on his attaining the age of Twenty-one years, or on the occurrence of any event previously to his attaining that age, it shall be lawful for such Trustees, at their sole discretion, to pay to the Guardians (if any) of such Infant, or otherwise to apply for or towards the maintenance or education of such Infant, the whole or any part of the income to which such Infant may be entitled in respect

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of such property, whether there be any other fund applicable to the same purpose, or any other person bound by law to provide for such maintenance or education, or not; and such Trustees shall accumulate all the residue of such income by way of compound interest, by investing the same and the resulting income thereof from time to time in proper Securities, for the benefit of the person who ultimately becomes entitled to the property from which such accumulations shall have arisen: Provided always, that it shall be lawful for such Trustees at any time, if it appears to them expedient, to apply the whole or any part of such accumulations as if the same were part of the income arising in the then current year.

26 Whenever any Trustee, either original or substituted, and whether appointed by the Supreme Court or otherwise, dies, or desires to be discharged from or refuses or becomes unfit or incapable to act in the Trusts or Powers in him reposed, before the same are fully discharged and performed, it shall be lawful for the person or persons nominated for that purpose by the Deed, Will, or other Instrument creating the Trust (if any), or if there is no such person, or no such person able and willing to act, then for the surviving or continuing Trustees or Trustee for the time being, or the acting Executors or Executor or Administrators or Administrator of the last surviving and continuing Trustee, or for the last retiring Trustee, by writing, to appoint any other person or persons to be a Trustee or Trustees in the place of the Trustee or Trustees so dying, or desiring to be discharged, or refusing or becoming unfit or incapable to act as aforesaid; and so often as any new Trustee or Trustees are so appointed as aforesaid all the Trust property (if any) which for the time being is vested in the surviving or continuing Trustees or Trustee, or in the heirs, executors, or administrators of any Trustee, shall with all convenient speed be conveyed, assigned, and transferred so that the same may be legally and effectually vested in such new Trustee or Trustees, either solely, or jointly with the surviving or continuing Trustees or Trustee, as the case may require; and every new Trustee or Trustees to be appointed as aforesaid, as well before as after such Conveyance or Assignment as aforesaid, and also every Trustee appointed by the Supreme Court either before or after the passing of this Act, shall have the same powers, authorities, and discretions, and shall in all respects act, as if he had been originally nominated a Trustee by the Deed, Will, or other Instrument creating the Trust.

Provisions for appointment of new Trustees on death, &c.

27 The power of appointing new Trustees hereinbefore contained may be exercised in cases where a Trustee nominated in a Will dies in the lifetime of the Testator.

Appointment of new Trustees in cases herein named.

28 The Receipts in writing of any Trustees or Trustee for any money payable to them or him by reason or in the exercise of any Trusts or Powers reposed or vested in them or him shall be sufficient discharges for the money therein expressed to be received, and shall effectually exonerate the persons paying such money from seeing to the application thereof, or from being answerable for any loss or misapplication thereof.

Trustees' receipts to be discharges.

29 It shall be lawful for any Executors to pay any debts or claims upon any evidence they think sufficient, and to accept any Composition, or any Security, Real or Personal, for any debts due to the deceased, and to allow any time for payment of any such debts as they think fit,

Executors may compound, &c.

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and also to compromise, compound, or submit to Arbitration all debts, accounts, claims, and things whatsoever relating to the Estate of the deceased, and for any of the purposes aforesaid to enter into, give, and execute such Agreements, Instruments of Composition, Releases, and other things as they think expedient, without being responsible for any loss to be occasioned thereby.

PART 4.

General Provisions.

Tenants for life, &c. may execute powers, notwithstanding incumbrances.

30 For the purposes of this Act, a person shall be deemed to be entitled to the possession or to the receipt of the Rents and Income of Land or Personal Property, although his Estate may be charged or incumbered either by himself or by any former owner, or otherwise howsoever to any extent; but the estates or interests of the parties entitled to any such charge or incumbrance shall not be affected by the acts of the person entitled to the possession or to the receipt of the Rents and Income as aforesaid, unless they concur therein.

Powers, &c. hereby given may be negatived by express declaration.

31 None of the powers or incidents hereby conferred or annexed to particular offices, estates, or circumstances shall take effect or be exercisable if it is declared in the Deed, Will, or other Instrument creating such offices, estates, or circumstances that they shall not take effect; and where there is no such declaration, then if any variations or limitations of any of the powers or incidents hereby conferred or annexed are contained in such Deed, Will, or other Instrument, such powers or incidents shall be exercisable or shall take effect only subject to such variations or limitations.

No persons other than those entitled under the Settlement, &c. to be affected.

32 Nothing in this Act contained shall be deemed to empower any Trustees or other persons to deal with or affect the estates or rights of any persons soever, except to the extent to which they might have dealt with or affected the estates or rights of such persons if the Deed, Will, or other Instrument under which such Trustees or other persons are empowered to act had contained express powers for such Trustees or other persons so to deal with or affect such estates or rights.

Act only to extend to persons entitled, &c. under Instruments executed after commencement of Act.

33 The provisions contained in this Act shall, except as hereinbefore otherwise provided, extend only to persons entitled or acting under a Deed, Will, Codicil, or other Instrument executed after the passing of this Act, or under a Will or Codicil confirmed or revived by a Codicil executed after that date.

Repeal of 21 Vict. No. 43.

34 The Act of the Parliament of *Tasmania* of the 21st *Victoria*, No. 43, is hereby repealed: Provided that such repeal shall not affect the advancement, loan, or investment of any Trust Moneys or Funds duly made in pursuance of the provisions of the said Act.