

*These notes refer to the Trustee Act (Northern Ireland)  
2001 (c.14) which received Royal Assent on 20 July 2001*

# Trustee Act (Northern Ireland) 2001

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## **EXPLANATORY NOTES**

### **OVERVIEW**

13. The Act has 46 sections and 4 Schedules. It is divided into 7 Parts:
- Part I (sections 1-2) introduces a new safeguard for beneficiaries in the form of a statutory duty of care which will apply to trustees in the exercise of various powers. The circumstances in which the duty will apply are listed in Schedule 1.
  - Part II (sections 3-7) sets out the new general power of investment conferred on trustees, giving them the same powers of investment as an absolute owner, with the exception of land transactions. There are certain obligations and restrictions designed to protect beneficiaries
  - Part III (sections 8-10) introduces new powers to acquire land.
  - Part IV (sections 11-27) contains a range of measures. Firstly, sections 11-15 deal with employment of agents. Secondly, sections 16-20 describe powers to appoint nominees and custodians. Then sections 21-23 provide for the review of and liability for agents, nominees and custodians. Lastly, in this part of the Act, sections 24-27 contain supplementary provisions.
  - Part V (sections 28-33) aims to create a better regime for the payment of professional trustees and the reimbursement of trustees' expenses.
  - Part VI (sections 34-36) reforms the law on the appointment and retirement of trustees at the direction of the beneficiaries.
  - Part VII (sections 37-46) deals with miscellaneous and supplementary issues, including power to insure trust property and special cases such as personal representatives, pension schemes, unit trusts, common investment schemes for charities and the Crown.