

- (b) the existence of that industry appears to be really prejudiced ; and
- (c) the industry is equipped, organized and administered in accordance with modern, technical and economic methods ; and
- (d) the goods produced by the industry are offered for sale without any undue or unfair discrimination between the purchasers having regard to trade customs and usages.

(3) Where the petitioner produces evidence to the satisfaction of the Governor in Council as required by subsection (2) of this section, the Governor in Council may hold an enquiry under section 3 hereof.

11. The Governor in Council may make such Regulations Regulations. as are deemed necessary for carrying out the provisions of this Law.

30th September, 1955.

J. W. SYKES,
Acting Colonial Secretary.

No. 46 OF 1955.

A LAW TO MAKE PROVISION FOR THE LAW RELATING TO
TRUSTEES.

J. FLETCHER-COOKE, [1st October, 1955.]
Officer Administering the Government.

BE it enacted by His Excellency the Officer Administering the Government and Commander-in-Chief of the Colony of Cyprus as follows:—

1. This Law may be cited as the Trustee Law, 1955.

Short title.

PART I.—PRELIMINARY.

Application
of Law.

2.—(1) This Law, except where otherwise expressly provided, applies to trusts including, so far as this Law applies thereto, executorships and administratorships constituted or created either before or after the commencement of this Law.

(2) The powers conferred by this Law on trustees are in addition to the powers conferred by the instrument, if any, creating the trust, but those powers, unless otherwise stated, apply if and so far only as a contrary intention is not expressed in the instrument, if any, creating the trust, and have effect subject to the terms of that instrument.

(3) This Law does not affect the legality or validity of anything done before the commencement of this Law, except as otherwise expressly provided.

Interpreta-
tion.

3. In this Law, unless the context otherwise requires :—

“ authorized investments ” means investments authorized by the instrument, if any, creating the trust for the investment of money subject to the trust, or by this Law ;

“ contingent right ” as applied to immovable property, includes a contingent or executory interest, a possibility coupled with an interest, whether the object of the gift or limitation of the interest or possibility is or is not ascertained, also a right of entry, whether immediate or future and whether vested or contingent ;

“ Court ” means a District Court of competent jurisdiction of the District in which the trust property is situate ;

“ immovable property ” includes—

(a) land ;

(b) buildings and other erections, structures or fixtures affixed to any land or to any building or other erection or structure ;

(c) trees, vines and any other thing whatsoever planted or growing upon any land and any produce thereof before severance ;

(d) springs, wells, water and water rights whether held together with, or independently of, any land ;

(e) privileges, liberties, easements and any other rights and advantages whatsoever appertaining or reputed to appertain to any land or to any building or other erection or structure ;

(f) an undivided share in any property hereinbefore set out.

“ instrument ” includes a Law ;

“mentally disordered person” means any person found by due course of law to be of unsound mind and incapable of managing his affairs ;

“minor” means a person who has not attained the age of eighteen years of age ;

“movable property” means any property of every description which is not immovable property ;

“pay” and “payment” as applied in relation to stocks and securities and in connection with the expression “into Court”, include the deposit or transfer of the same in or into Court ;

“person of unsound mind” means any person, not a minor who, not having been found to be a mentally disordered person, is incapable from infirmity of mind of managing his own affairs ;

“personal representative” means the executor, original or by representation, or administrator for the time being of a deceased person ;

“possession” includes receipt of rents and profits or the right to receive the same, if any ; “income” includes rents and profits ; and “possessed” applies to receipt of income of and to any vested interest less than a life interest in possession or in expectancy in any immovable property ;

“property” includes movable and immovable property, and any interest in any property, movable or immovable, and any debt, and any thing in action, and any other right or interest, whether in possession or not ;

“rights” includes interests ;

“sale” includes an exchange ;

“securities” includes stocks, funds and shares ; and “securities payable to bearer” includes securities transferable by delivery or by delivery and endorsement ;

“stock” includes fully paid up shares and, so far as relates to vesting orders made by the Court under this Law, includes any fund, annuity, or security transferable in books kept by any corporation, company, association, or society, or by instrument of transfer, either alone or accompanied by other formalities, and any share or interest therein ;

“transfer”, in relation to any property as applied to any person, includes the execution by that person of every instrument or document required by any Law to effect and complete the title in the property concerned ;

“trust” does not include the duties of chargee, but with this exception the expressions “trust” and “trustee” extend to implied and constructive trusts, and to cases where the trustee has a beneficial interest in the trust property, and to the duties incidental to the office of a personal representative, and “trustee”, where the context admits, includes a personal representative, and “new trustee” includes an additional trustee;

Cap. 127.

“trust corporation” means an Official Trustee appointed under the Official Trustees Law, or a corporation appointed by the Court in any particular case to be a trustee, or registered as a trust company under the Companies Laws, 1951 and 1954.

7 of 1951.
35 of 1954.

“trust for sale”, in relation to immovable property, means an immediate binding trust for sale, whether or not exercisable at the request or with the consent of any person, and with or without power at discretion to postpone the sale; “trustees for sale” means the persons (including a personal representative) holding immovable property on trust for sale.

PART II.—INVESTMENTS.

Authorized
investments.

4. A trustee may invest any trust funds in his hands, whether at the time in a state of investment or not, in manner following—

- (a) in any securities in which trustees in England are for the time being authorized by the law of England to invest trust funds;
- (b) in any securities the interest on which is guaranteed by Government;
- (c) in any debentures, bonds, stocks or securities issued under the authority of any Law or in respect of any loan raised by Government;
- (d) in any debentures, bonds, stocks or securities of any public body or local authority in the Colony the revenues whereof are under the control of the Government;
- (e) on the security of a charge on immovable property, unless expressly prohibited by the instrument creating the trust:

Provided that such property shall be situate within the limits of a municipal corporation and the sum to be invested is not more than two-thirds of the value of such property;

For the purposes of this paragraph "value" has the same meaning as in section 2 of the Immovable Property (Tenure, Registration and Valuation) Law, Cap. 231.
8 of 1953
4 of 1954.

and may also from time to time vary any such investment as aforesaid.

5. Every power conferred by section 4 shall be exercised according to the discretion of the trustee, but subject to any consent or direction, with respect to the investment of the trust funds, required by the instrument, if any, creating the trust or by any Law. Discretion of trustees.

6. A trustee shall not be liable for breach of trust by reason only of his continuing to hold an investment which has ceased to be an investment authorized by the trust instrument or by this Law. Power to retain investment which has ceased to be authorized.

7.—(1) A trustee may, unless expressly prohibited by the instrument creating the trust, retain or invest in securities payable to bearer which, if not so payable, would have been authorized investments. Investment in bearer securities.

(2) Securities payable to bearer retained or taken as an investment by a trustee shall, until sold, be deposited by him for safe custody and collection of income with a banker or banking company.

(3) A direction that investments shall be retained or made in the name of a trustee shall not, for the purposes of this section, be deemed to be such an express prohibition as aforesaid.

(4) A trustee shall not be responsible for any loss incurred by reason of such deposit, and any sum payable in respect of such deposit and collection shall be paid out of the income of the trust property.

8.—(1) A trustee lending money on the security of any property on which he can properly lend shall not be chargeable with breach of trust by reason only of the proportion borne by the amount of the loan to the value of the property at the time when the loan was made, if it appears to the Court— Loans and investments by trustees not chargeable as breaches of trust.

(a) that in making the loan the trustee was acting upon a report as to the value of the property made by a person whom he reasonably believed to be an able practical surveyor or an able practical valuer instructed and employed independently of any owner of the property, whether such surveyor or valuer carried on business in the locality where the property is situate or elsewhere; and