



# Limitation Amendment Act 1980

## 1980 CHAPTER 24

### *Miscellaneous amendments of Limitation Act 1939*

#### **5 Relief for trustee retaining trust property as beneficiary**

- (1) After subsection (1) of section 19 of the principal Act (limitation of actions in respect of trust property) there shall be inserted the following subsection—

“(1A) Where a trustee who is also a beneficiary under the trust receives or retains trust property or its proceeds as his share on a distribution of trust property under the trust, his liability in any action brought by virtue of paragraph (b) of the foregoing subsection to recover that property or its proceeds after the expiration of the period of limitation prescribed by this Act for bringing an action to recover trust property shall be limited to the excess over his proper share.

This subsection only applies if the trustee acted honestly and reasonably in making the distribution.”

- (2) In sections 7(1) and 20 of that Act, for the words " subsection (1)" there shall be substituted the words " subsections (1) and (1A) ".