



Trusts (Scotland) Act 1921

1921 CHAPTER 58 11 and 12 Geo 5

[^{F1}4A Exercise of power of investment: duties of trustee

- (1) Before exercising the power of investment under section 4(1)(ea) of this Act, a trustee shall have regard to—
 - (a) the suitability to the trust of the proposed investment, and
 - (b) the need for diversification of investments of the trust, in so far as is appropriate to the circumstances of the trust.
- (2) Before exercising that power of investment, a trustee shall (except where subsection (4) applies) obtain and consider proper advice about the way in which the power should be exercised.
- (3) When reviewing the investments of the trust, a trustee shall (except where subsection (4) applies) obtain and consider proper advice about whether the investments should be varied.
- (4) If a trustee reasonably concludes that in all the circumstances it is unnecessary or inappropriate to obtain such advice, the trustee need not obtain it.
- (5) In this section, “ proper advice ” means the advice of a person who is reasonably believed by the trustee to be qualified by the person's ability and practical experience of financial and other matters relating to the proposed investment.]

Textual Amendments

- F1** S. 4A-4C inserted (1.1.2006) by [Charities and Trustee Investment \(Scotland\) Act 2005 \(asp 10\)](#), ss. {94}, 107(2); [S.S.I. 2005/644](#), [art. 2\(1\)](#), Sch.

Changes to legislation:

There are currently no known outstanding effects for the Trusts (Scotland) Act 1921, Section 4A.