

## SCHEDULES

### SCHEDULE 1

#### APPLICATION OF DUTY OF CARE

##### *Agents, nominees and custodians*

- 3.—(1) The duty of care applies to a trustee—
- (a) when entering into arrangements under which a person is authorised under section 11 to exercise functions as an agent;
  - (b) when entering into arrangements under which a person is appointed under section 16 to act as a nominee;
  - (c) when entering into arrangements under which a person is appointed under section 17 or 18 to act as a custodian;
  - (d) when entering into arrangements under which, under any other power, however conferred, a person is authorised to exercise functions as an agent or is appointed to act as a nominee or custodian;
  - (e) when carrying out his duties under section 22 (review of agent, nominee or custodian, etc.).
- (2) For the purposes of sub-paragraph (1), entering into arrangements under which a person is authorised to exercise functions or is appointed to act as a nominee or custodian includes, in particular—
- (a) selecting the person who is to act,
  - (b) determining any terms on which he is to act, and
  - (c) if the person is being authorised to exercise asset management functions, the preparation of a policy statement under section 15.