

---

*Status: This is the original version (as it was originally enacted). This item of legislation is currently only available in its original format.*

---

## SCHEDULES

### SCHEDULE 2

#### MINOR AND CONSEQUENTIAL AMENDMENTS

##### *The Settled Land Act 1882 (c. 38)*

1. In section 21 (investment or application of capital money), for paragraph (i) substitute—

“(i) In investment in securities either under the general power of investment in section 3 of the Trustee Act (Northern Ireland) 2001 or under a power to invest conferred on the trustees of the settlement by the settlement;”

2.—(1) In section 22 (regulations respecting investment, devolution and income of securities etc.), for subsection (2) substitute—

“(2) Subject to Part IV of the Trustee Act (Northern Ireland) 2001, to section 22A of this Act and to the following provisions of this section—

- (a) the investment or other application by the trustees shall be made according to the discretion of the trustees, but subject to any consent required or direction given by the settlement with respect to the investment or other application by the trustees of trust money of the settlement, and
- (b) any investment shall be in the names or under the control of the trustees.”

(2) For subsection (4) of that section substitute—

“(4) The trustees, in exercising their power to invest or apply capital money, shall—

- (a) so far as practicable, consult the tenant for life; and
- (b) so far as consistent with the general interest of the settlement, give effect to his wishes.

(4A) Any investment or other application of capital money under the direction of the court shall not during the subsistence of the beneficial interest of the tenant for life be altered without his consent.

(4B) The trustees may not under section 11 of the Trustee Act (Northern Ireland) 2001 authorise a person to exercise their functions with respect to

---

*Status: This is the original version (as it was originally enacted). This item of legislation is currently only available in its original format.*

---

the investment or application of capital money on terms that prevent them from complying with subsection (4) of this section.

(4C) A person who is authorised under section 11 of the Trustee Act (Northern Ireland) 2001 to exercise any of their functions with respect to the investment or application of capital money is not subject to subsection (4) of this section.”

(3) Nothing in this paragraph affects the operation of section 22 in relation to directions of the tenant for life given, but not acted upon by the trustees, before the commencement of this paragraph.

3. After section 22 insert—

**“22A Power to accept charge as security for part payment for land sold**

(1) Where—

(a) land subject to the settlement is sold by the trustees or the tenant for life for an estate in fee simple or a term having at least two hundred years to run, and

(b) the proceeds of sale are liable to be invested,

the trustees, or the tenant for life on behalf of the trustees, may contract that the payment of any part, not exceeding two-thirds, of the purchase money shall be secured by a mortgage of the land sold, with or without the security of any other property.

(2) If any buildings are comprised in the property secured by the mortgage, the mortgage must contain a covenant by the mortgagor to keep them insured for their full value against loss or damage due to any event.

(3) A person exercising the power under subsection (1) of this section—

(a) is not required to comply with section 5 of the Trustee Act (Northern Ireland) 2001, and

(b) is not liable for any loss incurred merely because the security is insufficient at the date of the charge.

(4) The power under subsection (1) of this section is exercisable subject to the consent of any person whose consent to a change of investment is required by the instrument, if any, creating the trust.

(5) Where the sale referred to in subsection (1) of this section is made under the order of the court, the power under that subsection applies only if and as far as the court may by order direct.”

4. Omit section 41 (protection of each trustee individually).

5. Omit section 43 (trustees' reimbursements).

---

*Status: This is the original version (as it was originally enacted). This item of legislation is currently only available in its original format.*

---

6. Renumber section 53 (tenant for life deemed to be in the position and to have the duties and liabilities of a trustee, etc.) as subsection (1) of that section and after that subsection insert—

“(1A) The following provisions apply to the tenant for life as they apply to the trustees of the settlement—

- (a) sections 11, 13 to 15 and 21 to 23 of the Trustee Act (Northern Ireland) 2001 (power to employ agents subject to certain restrictions),
- (b) section 32 of that Act (remuneration and expenses of agents etc.),
- (c) section 19 of the Trustee Act (Northern Ireland) 1958 (power to insure), and
- (d) in so far as they relate to the provisions mentioned in paragraphs (a) and (c), Part I of, and Schedule 1 to, the Trustee Act (Northern Ireland) 2001 (the duty of care).”