



Trusts (Scotland) Act 1921

1921 CHAPTER 58 11 and 12 Geo 5

30 Trustee not to be chargeable with breach of trust for lending money on security of any property on certain conditions.

- (1) Any trustee lending money on the security of any property 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 such property at the time when the loan was made, provided that it shall appear to the court that in making such loan the trustee was acting upon a report as to the value of the property made by a person whom the trustee reasonably believed to be an able practical valuator instructed and employed independently of any owner of the property, whether such valuator carried on business in the locality where the property is situated or elsewhere, and that the amount of the loan by itself or in combination with any other loan or loans upon the property ranking prior to or *pari passu* with the loan in question does not exceed two equal third parts of the value of the property as stated in such report, and this section shall apply to a loan upon any property on which the trustees can lawfully lend.
- (2) This section shall apply to transfers of existing securities as well as to new securities, and in its application to a partial transfer of an existing security the expression “the amount of the loan” shall include the amount of any other loan or loans upon the property ranking prior to or *pari passu* with the loan in question.

Modifications etc. (not altering text)

C1 S. 30 saved by [Trustee Investments Act 1961 \(c. 62\), s. 6\(7\)](#)

Changes to legislation:

There are currently no known outstanding effects for the Trusts (Scotland) Act 1921, Section 30.