

C A P . X X I X .

An Act respecting Trusts.

[Assented to 31st October, 1879.]

HER MAJESTY, by and with the advice and consent of the Legislature of Quebec, enacts as follows :

Certain persons may convey property to Trustees.

1. All persons capable of disposing freely of their property, may convey property moveable or immoveable to Trustees by gift or by will, for the benefit of any person or persons in whose favor they can validly make gifts or legacies.

Seizin and powers of Trustees.

2. Trustees, for the purposes of their trust, are seized as depositories and administrators for the benefit of the donees or legatees of the property moveable or immoveable conveyed to them in trust, and may claim possession of it, even against the donees or legatees for whose benefit the trust was created. This seizin lasts for the time stipulated for the duration of the trust ; and while it lasts, the Trustees, in their capacity as such, may sue and be sued and take all judicial proceedings for the affairs of the trust.

Duration of seizin.

Replacement of Trustees by the deed of Trust.

3. The donor or testator creating the trust, may provide for the replacing of Trustees as long as the trust lasts in case of refusal to accept, of death, or other cause of vacancy, and indicate the mode to be followed. When it is impossible to replace them under the terms of the document creating the trust, or when the replacement is not provided for, any judge of the Superior Court may appoint replacing Trustees, after notice to the benefited parties.

Replacement by S. C. in certain cases.

Removal of Trustees.

4. Trustees dissipating or wasting the property of the trust, or refusing or neglecting to carry out the provisions of the document creating the trust, or infringing their duties, may be removed by the Superior Court.

Powers of Trustee, do not pass to his heirs.

5. The powers of a Trustee do not pass by mere operation of law to his heirs or other successors ; but they are bound to render an account of his administration.

When there are several Trustees.

6. When there are several Trustees, the majority may act, unless it be otherwise provided in the document creating the trust.

Remuneration of

7. Trustees act gratuitously, unless it be otherwise provided in the document creating the trust ; all expenses

incurred by Trustees in the fulfilment of their duties, are borne by the trust. Trustees.

8. Trustees are obliged to execute the trust which they have accepted, unless they be authorized by a judge of the Superior Court to renounce ; and they are liable for damages resulting from their neglect to execute it, when not so authorized. Trustees, obliged to execute Trust.

9. Trustees are not personally liable to third parties with whom they contract in their capacity. Trustees, not personally liable.

10. The trustees administer the property vested in them, invest moneys which are not payable to the benefited parties, and carry out the trust and alter, vary and transpose investments, in accordance with the provisions and terms of the document creating the trust. In the absence of directions, the trustees make investment, without the intervention of the benefited parties, in Dominion or Provincial stock or debentures, or in municipal stock or debentures, or in public securities of the United Kingdom or of the United States of America, or in real estate in this province, or on first privilege or hypothec upon real estate in this province, valued on the municipal valuation roll at double the amount of the investment ; and they also have power, without the intervention of the benefited parties, to dispose of the property held in trust, and from time to time, to alter, vary and transpose the investments. General powers of Trustees.

11. Trustees are bound to exercise, in administering the trust, reasonable skill and the care of prudent administrators ; but they are not liable for depreciation or loss in investments made according to the provisions of the document creating the trust, or of this act, or for loss on deposits made in chartered banks, or savings banks, unless there has been bad faith on their part in making such investments or deposits. How they are to administer the Trust.

12. At the termination of the trust, the trustees must render an account, and deliver over all moneys and securities in their hands, to the parties entitled thereto under the provisions of the document creating the trust, or entitled thereto by law. They must also execute all transfers, conveyances, or other deeds necessary to vest the property held for the trust in the parties entitled thereto. Trustees to render an account.
Execution of contracts.

13. Trustees are jointly and severally bound to render one and the same account, unless the donor or testator Accounts to be rendered by several Trustees.

who created the trust, has divided their functions and each has kept within the scope assigned to him. They are also jointly and severally responsible for the property vested in them, in their joint capacity, and for the payment of any balance in hand, or for any waste or for any loss arising from wrongful investments; saving where they are authorized to act separately, in which case those having acted separately within the scope assigned to them, are alone liable for such separate administration.

Trustees,
liable to
coercive im-
prisonment.

14. Trustees are liable to coercive imprisonment for whatever is due by reason of their administration, to those to whom they are accountable, subject to the provisions contained in the code of civil procedure.

Act in force.

15. This act shall have force and effect from the day of its sanction.

C A P . X X X .

An Act defining the Investments to be made by Administrators.

[Assented to 31st October, 1879.]

HER MAJESTY, by and with the advice and consent of the Legislature of Quebec, enacts as follows:

Investments
by adminis-
trators and
Trustees.

1. Administrators, as defined by section one of the act 33 Vict., chap. 19, and including trustees to be exempt from liability by reason of the investments made by them, saving always the case of fraud in making the same, must invest moneys held by them as such, in dominion or provincial permanent stock or debentures, or in public securities of the United Kingdom or of the United States of America, or in real estate in this province, or on first privilege or hypothec upon real estate in this province valued in the municipal valuation roll at double the amount of the investment, except in the case of executors when they are authorized otherwise by the will, in the case of institutes and curators to a substitution when they are likewise otherwise authorized by the document creating the substitution, and in the case of trustees when they also are otherwise authorized by the document creating the trust.

Indemnity
-when invest-
ments are

2. When therefore investments are made otherwise than as above provided, or than as ordered by the will