

LAND AGENTS AMENDMENT BILL

EXPLANATORY NOTE

THIS Bill amends the Land Agents Act 1953.

Clause 1 relates to the Short Title, and provides that the provisions of the Bill are to come into force on 1 April 1962.

Clause 2 increases from £2,000 to £10,000 the amount of the fidelity bond to be given by licensed land agents.

Clause 3 provides that the trust accounts of land agents are to be audited at the times and in the manner prescribed by regulations.

Clause 4 authorises the making of regulations providing for the audit of land agents' trust accounts.

Hon. Mr Hanan

LAND AGENTS AMENDMENT

ANALYSIS

Title	
1. Short Title and commencement	3. Land agents' trust accounts to be audited
2. Amount of fidelity bond	4. Regulations as to audit of land agents' trust accounts

A BILL INTITULED

An Act to amend the Land Agents Act 1953

BE IT ENACTED by the General Assembly of New Zealand in Parliament assembled, and by the authority of the same,
5 as follows:

1. **Short Title and commencement**—(1) This Act may be cited as the Land Agents Amendment Act 1961, and shall be read together with and deemed part of the Land Agents Act 1953* (hereinafter referred to as the principal Act).
10 (2) This Act shall come into force on the first day of April, nineteen hundred and sixty-two.

2. **Amount of fidelity bond**—(1) Section 5 of the principal Act is hereby amended by omitting from subsection (1) and also from subsection (3) the words “two thousand pounds”,
15 and substituting in each case the words “ten thousand pounds”.
(2) The Schedule to the principal Act is hereby amended by omitting the words “two thousand pounds (£2,000)”, and substituting the words “ten thousand pounds (£10,000)”.

*1957 Reprint, Vol. 7, p. 171
Amendment: 1959, No. 71

3. Land agents' trust accounts to be audited—(1) The principal Act is hereby further amended by inserting, after section 20, the following section:

“20A. (1) Every general or particular trust account of a land agent shall be audited at the times and in the manner prescribed by regulations under this Act. 5

“(2) Every land agent commits an offence who fails to appoint an auditor within the time prescribed, or who fails to comply with the provisions of any regulations relating to the audit of land agents' trust accounts.” 10

(2) Section 24 of the principal Act is hereby amended by inserting in paragraph (a) of subsection (1), after the words “section twenty”, the words “or section twenty A”.

4. Regulations as to audit of land agents' trust accounts—

(1) Section 31 of the principal Act is hereby amended by repealing paragraph (d) of subsection (2), and substituting the following paragraphs: 15

“(d) Providing for an audit from time to time of the trust accounts of all land agents, and the manner in which and the persons or class of persons by whom that audit shall be conducted, and for a report of the result of the audit: 20

“(dd) Requiring land agents to give such notice of the appointment of an auditor as may be prescribed:

“(ddd) Authorising the Minister of Justice to direct an audit of a land agent's trust accounts at any time:” 25

(2) Section 31 of the principal Act is hereby further amended by inserting in subsection (2), after paragraph (i), the following paragraph:

“(ii) Authorising the Secretary for Justice, following the report of any auditor or where the Minister of Justice has directed any audit, to apply to a Magistrate's Court for the suspension of the licence of a land agent any of whose trust accounts is or was the subject of the audit, and empowering the Court, in its discretion, to make an order suspending the licence for such period as it thinks fit:” 30
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