

# Trustees Executors Limited Amendment Bill

Private Bill

## Explanatory note

### General policy statement

This bill amends the TOWER Trust Limited Act 2002 (“the principal Act”), including changing the title of the principal Act to the Trustees Executors Limited Act 2002.

The principal Act, amongst other things, authorises Trustees Executors Limited (**Trustees Executors**), previously known as TOWER Trust Limited, to transact business with its parent companies and those companies’ subsidiaries. The principal Act defines Trustees Executors’ parent companies as being TOWER Limited and Trustees Executors’ other holding companies. However, TOWER Limited has sold Trustees Executors to Sheffield Investments Incorporated (NZ) Holdings Limited (**Sheffield**), a New Zealand company incorporated under the Companies Act 1993. Accordingly, Sheffield is Trustees Executors’ current parent company.

The purpose of this bill is to rename the principal Act and to authorise Trustees Executors to transact business with Sheffield and its subsidiaries. This authority to transact business applies regardless of whether Sheffield or its subsidiaries are New Zealand companies or overseas companies. In particular, this bill—

- renames the principal Act so that it reflects Trustees Executors’ current name; and
- provides that Trustees Executors’ existing express authorisation to transact business with its parent companies, and with its parent companies’ subsidiaries, applies to Sheffield (its current parent company) and subsidiaries of Sheffield; and
- authorises the Governor-General, by Order in Council, to amend the Schedule to the principal Act by adding the name

of a body corporate that is a holding company of Trustees Executors. As Trustees Executors is authorised to transact business with any body corporate named in the Schedule, this removes the need for legislative amendment to the principal Act whenever Trustees Executors has a new parent company. The Order in Council can only be made on the recommendation of the Minister of Justice, given after consultation with the Minister of Commerce; and

- ensures that the principal Act accurately reflects Trustees Executors' current ownership structure.

### **Preamble and clause by clause analysis**

The *Preamble* describes the background to the bill, and sets out the objects of the bill.

*Clause 1* sets out the title of the bill.

*Clause 2* is the commencement clause. The bill comes into force on the day after the date on which it receives the Royal assent.

*Clause 3* repeals the title of the TOWER Trust Limited Act 2002.

*Clause 4* renames the TOWER Trust Limited Act 2002 as the Trustees Executors Limited Act 2002 to reflect Trustees Executors' current name.

*Clause 5* amends the interpretation section (section 4) of the principal Act in the following way:

- the definition of **Company** is repealed and replaced with a definition that clarifies the evolution of Trustee Executors' company name and reflects the new title of the principal Act;
- a new definition of **holding company** is inserted;
- the definition of **parent company** is repealed;
- the definition of **related company** is expanded to include an overseas company;
- a *new subsection (2)* is added that authorises the Governor-General to amend the Schedule to the principal Act by adding the name of a body corporate that is a holding company of Trustees Executors to the Schedule, amending a name listed in the Schedule, or removing a name from the Schedule. The Schedule can be amended by an Order in Council, but only on the recommendation of the Minister of Justice, given after consultation with the Minister of Commerce.

*Clause 6* adds a *new section 12(4)* which defines the term parent company. For the purposes of section 12, parent company is defined to mean a holding company of Trustees Executors.

*Clause 7* adds a *new section 14(5)* which also defines parent company. For the purposes of section 14, parent company means a holding company of Trustees Executors that is specified in the Schedule. The Schedule lists Trustees Executors' current ultimate parent company, Sheffield. The effect of this amendment is that Trustees Executors can transact business with those of its holding companies that are listed in the Schedule and the subsidiaries of those companies.

*Clause 8* repeals section 20 of the principal Act as this provision is now spent.

*Clause 9* makes 2 consequential amendments to the Trustee Companies Act 1967 to reflect the changes to Trustees Executors' name and the title of the principal Act.

*Clause 10* and the *Schedule* add a new schedule to the principal Act which sets out the names of the holding companies of Trustees Executors. Sheffield, as the current ultimate parent company of Trustees Executors, is the only company currently listed in the Schedule.

---

*Hon Marian Hobbs*

## **Trustees Executors Limited Amendment Bill**

Private Bill

### **Contents**

	Page
Preamble	1
1 Title	2
2 Commencement	2
3 Title repealed	2
4 Name of principal Act changed	3
5 Interpretation	3
6 Company must not be put into liquidation without approval of Court	4
7 Company authorised to transact business with parent company or subsidiaries	4
8 Repeal	4
9 Consequential amendment	4
10 New Schedule added	5
<b>Schedule</b>	6
<b>New Schedule added</b>	

---

### **Preamble**

- (1) The TOWER Trust Limited Act 2002 (now to be called the Trustees Executors Limited Act 2002)—
- (a) provides for a change of name, and for future changes of name, by the Trustees, Executors, and Agency Company of New Zealand (Limited), now known as Trustees Executors Limited (the **Company**); and 5
  - (b) expressly authorises the Company to transact with its parent companies, and subsidiaries of its parent companies, business in connection with any estate or trust property that the Company administers; and 10
  - (c) consolidates and amends the provisions of the Trustees, Executors, and Agency Company Act 1882 and its amendments:

- (2) Since its incorporation the Company has carried on trustee company, trust, and agency business, including as a trustee company under the Trustee Companies Act 1967:
- (3) The TOWER Trust Limited Act 2002 expressly authorises the Company to transact business with TOWER Limited (as its parent company), other holding companies of the Company, and subsidiaries of any of them: 5
- (4) TOWER Limited has sold the Company (then known as TOWER Trust Limited) to Sheffield Investments Incorporated (NZ) Holdings Limited, which is the Company's current parent company: 10
- (5) TOWER Trust Limited has changed its name to Trustees Executors Limited, the Company's current name:
- (6) The Company wishes to— 15
- (a) amend the title of the TOWER Trust Limited Act 2002 to reflect the Company's current name; and
- (b) be able to transact business with its current and future parent companies and with those parent companies' subsidiaries; and
- (c) ensure that the principal Act reflects the Company's current ownership structure: 20
- (7) The objects of this Act cannot be achieved without legislation.

**The Parliament of New Zealand therefore enacts as follows:**

- 1 Title** 25
- (1) This Act is the Trustees Executors Limited Amendment Act **2006**.
- (2) In this Act, the Act that was previously called the TOWER Trust Limited Act 2002 is called "the principal Act".
- 2 Commencement** 30
- This Act comes into force on the day after the date on which it receives the Royal assent.
- 3 Title repealed**
- The Title of the principal Act is repealed.

#### 4 Name of principal Act changed

- (1) After the commencement of this Act, the principal Act is called the Trustees Executors Limited Act 2002.
- (2) Section 1 of the principal Act is consequentially amended by omitting the words “TOWER Trust”, and substituting the words “Trustees Executors”. 5

#### 5 Interpretation

- (1) Section 4 of the principal Act is amended by repealing the definition of **Company**, and substituting the following definition: 10  
“**Company** means the company that,—  
“(a) before the commencement of this Act was called the Trustees, Executors, and Agency Company of New Zealand (Limited); and  
“(b) on and after the commencement of this Act until 1 August 2003 was called TOWER Trust Limited; and 15  
“(c) from 1 August 2003 is called Trustees Executors Limited (unless its name is changed under the Companies Act 1993)”.
- (2) Section 4 of the principal Act is amended by inserting, after the definition of **fiduciary rights, obligations, and liabilities**, the following definition: 20  
“**holding company** has the same meaning as in section 5 of the Companies Act 1993 and, for the avoidance of doubt, includes a body corporate that is incorporated outside New Zealand”. 25
- (3) Section 4 of the principal Act is amended by repealing the definition of **parent company**.
- (4) The definition of **related company** in section 4 of the principal Act is amended by adding the following words “; but, for the purposes of this Act, the term **company** in that section includes a body corporate that is incorporated outside New Zealand”. 30
- (5) The definition of **subsidiary** in section 4 of the principal Act is amended by adding the following words “and, for the avoidance of doubt, includes a body corporate that is incorporated outside New Zealand”. 35
- (6) Section 4 of the principal Act is amended by adding, as subsection (2), the following subsection:

- “(2) The Governor-General may, by Order in Council made on the recommendation of the Minister of Justice given after consultation with the Minister of Commerce, amend the Schedule to—
- “(a) add the name of a body corporate that is a holding company of the Company: 5
- “(b) amend a reference to a body corporate named in the Schedule in order to reflect a change in that body corporate’s name, provided that that body corporate continues to be a holding company of the Company: 10
- “(c) omit the name of a body corporate that ceases to be a holding company of the Company.”
- 6 Company must not be put into liquidation without approval of Court**
- Section 12 of the principal Act is amended by adding the following subsection: 15
- “(4) In this section, **parent company** means a holding company of the Company.”
- 7 Company authorised to transact business with parent company or subsidiaries** 20
- Section 14 of the principal Act is amended by adding the following subsection:
- “(5) In this section, **parent company** means a holding company of the Company specified in the Schedule.”
- 8 Repeal** 25
- Section 20 of the principal Act is repealed.
- 9 Consequential amendment**
- (1) Section 2 of the Trustee Companies Act 1967 is amended by omitting from the definition of **Trustee company** the words “TOWER Trust Limited”, and substituting the words “Trustees Executors Limited”. 30
- (2) Section 2 of the Trustee Companies Act 1967 is amended by omitting from the definition of **Trustee company Act** the words “TOWER Trust Limited Act 2002”, and substituting the words “Trustees Executors Limited Act 2002”. 35

**10 New Schedule added**

The principal Act is amended by adding the Schedule set out in the Schedule to this Act.

---



s 10

**Schedule  
New Schedule added**

s 4(2)

**Schedule  
Authorised parent companies of Company**  
Sheffield Investments Incorporated (NZ) Holdings Limited

5