2005

THE LEGISLATIVE ASSEMBLY FOR THE AUSTRALIAN CAPITAL TERRITORY

(As presented)

(Attorney-General)

Civil Law (Property) Bill 2005

Contents

Page

Chapter	1 Preliminary	
1	Name of Act	2
2	Commencement	
3	Dictionary	
4	Notes	
5	Application of Act	
Chapter	2 Conveyancing	
Part 2.1	Conveyancing—preliminary	

Part 2.1	Conveyancing—preliminary	
200	What is a <i>settlement</i> ?	4

J2005-44

Part 2.2 General rules about property

Division 2	2.2.1 Rules of law on certain points	
201	Instruments required to be in writing	5
202	Creation of interests in land by word of mouth	6
203	Exceptions to s 201 and s 202	6
204	Proceedings do not lie on certain unwritten agreements	7
205	Assignment of debts and things in action	8
206	Merger	8
207	Equitable waste	9
Division 2	2.2.2 Property generally	
208	Person may assure property to self or to self and others	9
209	Power for corporations to hold property as joint tenants	9
210	Interpretation of conveyance etc of property to 2 or more people together	10
211	Tenants in common of equitable estate acquiring legal estate	10
212	People taking who are not parties	11
213	Presumption of survivorship	11
214	Provisions about supplemental instruments	11
Division 2	2.2.3 Ending life interests	
215	Meaning of life interest for div 2.2.3	12
216	Wrongful holding over of life interest etc	12
217	Vesting of interests on end of life interest—evidence of death	12
218	Vesting orders made in error	14
Part 2.3	General rules about deeds and documents of corporations	
Division 2	2.3.1 Deeds and their effect	
219	Signature and attestation of deeds	15
220	Receipt in deed sufficient	15
221	Receipt in deed or endorsed evidence for subsequent purchaser	16

222How powers of appointment are to be exercised1616

contents 2

Civil Law (Property) Bill 2005

			Contents
			Page
Division 2.3.2 Operation of deeds			
223	Limita	tions may be made by direct conveyance without uses	16
224	In con	veyance use of word grant unnecessary	16
225	Rights	of entry etc	17
226	Certai	n conveyance etc void	17
Division	2.3.3	Documents of corporations	
227	Execu	tion of documents by or on behalf of corporations	17
Division	2.3.4	Powers of appointment	
228	Applic	ation—div 2.3.4	19
229	Appoir	ntments to be valid despite exclusion of object	19
Part 2.4		Sales and other transactions	
Division	2.4.1	Dispositions on trust for sale or with power of sale	
230	Meani	ng of <i>purchaser</i> for div 2.4.1	20
231	Conse	ents to execution of trust for sale etc	20
232	Purcha	aser not to be concerned with trusts of proceeds of sale	21
233	Settler	ments of personal property invested in land	21
234	Power	s given to trustees for sale	22
235	Applic	ation of income of land under trust for sale	22
236	Partitio	on of land under trust for sale	22
237	Power power	s of Supreme Court if trustees for sale decline to exercise s	24
Division	2.4.2	Voidable dispositions	
238	Meani	ng of <i>purchaser</i> for div 2.4.2	24
239	Volunt	ary dispositions to defraud creditors voidable	24
240	Volunt	ary dispositions of land—how far voidable against purchasers	s 25
241	Acquis	sitions of reversions at under value	25
Part 2.5	6	Partition	
242	Definit	tions—pt 2.5	26
243	Court	may order partition of land held in co-ownership	26
244	Power	of Supreme Court to order sale instead of partition	26
245	Author	rity for interested person to bid	28

contents 3

		Page
246	Parties to partition proceedings	28
247	Several sales in same partition proceeding	28
Part 2.6	Apportionment	
248	Definitions—pt 2.6	30
249	Application of pt 2.6 to dividends of companies	30
250	Income apportionable in relation to time	30
251	Time when apportioned part is payable	31
252	Recovery of apportioned parts	31
253	Exceptions and application	32
Part 2.7	Children and children's property	
254	Receipts by certain children	33
255	Management of land during childhood	33
256	Power to appoint trustees of child's property	34
257	Powers and duties of guardian	36
Part 2.8	Rights-of-way	
258	No right-of-way by user against Territory etc	37
Chapter	3 Mortgages	
Part 3.1	Powers in relation to mortgages	
300	Application—pt 3.1	38
301	Powers incidental to mortgages	38
302	Receipt for purchase money sufficient discharge	39
303	Notice of sale	39
304	Purported exercise of power of sale	40
305	Application of purchase money by mortgagee	40
306	Property that may be transferred to purchaser	40
307	Mortgagee may call for documents relating to property	41
308	Appointment of receiver	41

307	moligagee may can for documents relating to property
308	Appointment of receiver
309	Receiver taken to be agent of mortgagor

contents 4

Civil Law (Property) Bill 2005

Authorised by the ACT Parliamentary Counsel—also accessible at www.legislation.act.gov.au

42

Contents

		Page
310	Powers of receiver	42
311	Ending appointment of receiver etc	42
312	Commission to receiver	42
313	Receiver to insure if required	43
314	Application of amounts received by receiver	43
Part 3.2	Mortgages—other provisions	
315	Effect of repayment on ejectment by mortgagee	44
316	Section 315 not to apply in certain cases	45
317	Redemption if mortgagee absent or unknown	45
Chapter	4 Leases	
Part 4.1	Leases—general provisions	
Division 4	.1.1 Lessee's and lessor's obligations	
400	Lessee's obligations attach to reversion	47
401	Lessor's obligations to run with reversion	48
402	Lessee to give notice of ejectment to lessor	49
Division 4	.1.2 Renewal of headlease without surrender of sublease	
403	Renewal of headlease	49
404	Rights on renewal	50
Part 4.2	Leases to and for children and for absent lessors	
405	Leases for children	51
406	Costs of lease authorisation application for child	51
407	Renewal of leases by children	52
408	Renewal of leases for people not amenable to process	52
409	Preconditions for grant or renewal of lease to be satisfied	53
410	Application of amounts paid for lease renewal under pt 4.2	53
411	Validity of surrenders and leases under pt 4.2	53
412	Costs of applications under pt 4.2	54

contents 5

Page	
------	--

Part 4.3	Breach of insurance provisions	
413	Application—pt 4.3	55
414	Relief against forfeiture for failure to insure	55
415	Record of relief granted	55
416	Limit on relief	56
417	Noncomplying insurance	56
418	Protection of purchaser of leasehold against forfeiture	57
Part 4.4	Restriction of effect of licence or waiver by	
	lessor	
419	Application—pt 4.4	58
420	Effect of licence given to lessee	58
421	Operation of partial licences	59
422	Apportionment of conditions of entry on severance	60
423	Waiver of benefit of lease provision	60
Part 4.5	Forfeiture of leases	
424	Definitions—pt 4.5	61
425	Application—pt 4.5	61
426	Restrictions on re-entry or forfeiture	61
427	Notices under s 426 (1)	63
428	Protection of sublessees	63
Part 4.6	Leases invalidly granted under powers	
429	Pt 4.6 does not bind the Territory	64
430	Leases taken to be granted in intended exercise of power	64
431	Certain invalid leases taken to be agreements to lease	64
432	Certain leases validated	65
433	Acceptance of rent taken to be confirmation of lease	66
434	Lessee bound to accept confirmation	66
435	Pt 4.6 does not affect certain other rights	67
Part 4.7	Recovery of leased premises	
436	Application—pt 4.7	68

contents 6

Civil Law (Property) Bill 2005

	C	ontents
		Page
437	Who is an <i>agent</i> for pt 4.7?	68
438	Recovery of possession	69
Chapter	5 Miscellaneous	
Part 5.1	Debts charged on property of deceased persor	ı
500	Charges on property of deceased person to be paid primarily out of property charged	70
Part 5.2	Stipulations in contracts	
501	Stipulations not of the essence of contracts	72
Part 5.3	Miscellaneous—other provisions	
502	Approved forms	73
503	Regulation-making power	73
Part 5.4	Transitional	
504	References to repealed Act	74
505	Transitional regulations	74
506	Expiry of pt 5.4	75
Part 5.5	Repeals and consequential amendments	
507	Legislation repealed	76
508	Legislation amended—sch 1	76
Schedul	le 1 Consequential amendments	77
Part 1.1	Administration and Probate Act 1929	77
Part 1.2	Civil Law (Wrongs) Act 2002	78
Part 1.3	Confiscation of Criminal Assets Act 2003	78
Part 1.4	Court Procedures Act 2004	78
Part 1.5	Law Reform (Miscellaneous Provisions) Act 1955	79

contents 7

Contents

		Page
Part 1.6	Legislation Act 2001	79
Part 1.7	Trustee Act 1925	80
Dictionary		82

contents 8

Civil Law (Property) Bill 2005

2005

THE LEGISLATIVE ASSEMBLY FOR THE AUSTRALIAN CAPITAL TERRITORY

(As presented)

(Attorney-General)

Civil Law (Property) Bill 2005

A Bill for

An Act to amend, simplify and consolidate provisions about the law of property, and for other purposes

The Legislative Assembly for the Australian Capital Territory enacts as follows:

J2005-44

Chapter 1 Preliminary

Section 1

Chapter 1 Preliminary

2	1	Name	of Act
3		This A	ct is the Civil Law (Property) Act 2005.
4	2	Comm	nencement
5 6		This A notice.	ct commences on a day fixed by the Minister by written
7 8		Note 1	The naming and commencement provisions automatically commence on the notification day (see Legislation Act, s 75 (1)).
9 10 11		Note 2	A single day or time may be fixed, or different days or times may be fixed, for the commencement of different provisions (see Legislation Act, s $77(1)$).
12 13 14		Note 3	If a provision has not commenced within 6 months beginning on the notification day, it automatically commences on the first day after that period (see Legislation Act, s 79).
15	3	Dictio	nary
15 16	3		nary at the end of this Act is part of this Act.
	3		-
16 17 18	3	The dic	ctionary at the end of this Act is part of this Act. The dictionary at the end of this Act defines certain terms used in this Act, and includes references (<i>signpost definitions</i>) to other terms

Civil Law (Property) Bill 2005

Section 4

1	4		Notes
2			A note included in this Act is explanatory and is not part of this Act.
3 4			<i>Note</i> See the Legislation Act, s 127 (1), (4) and (5) for the legal status of notes.
5	5		Application of Act
6 7 8		(1)	This Act does not apply in relation to leasehold land (including leases of leasehold land) under the <i>Land Titles Act 1925</i> so far as there is an inconsistency with that Act.
9 10 11		(2)	If a provision of this Act is stated to apply to land under the <i>Land Titles Act 1925</i> , the provision is not taken (unless the contrary intention appears) to apply exclusively to land of that kind.
12		(3)	This Act is subject to the following legislation:
13			(a) the Consumer Credit Act 1995;
14			(b) the Consumer Credit (Australian Capital Territory) Code;
15 16			(c) the Consumer Credit (Australian Capital Territory) Regulations;
17			(d) a law prescribed by regulation.

page 3

Chapter 2ConveyancingPart 2.1Conveyancing—preliminary

Section 200

Chapter 2 Conveyancing

² Part 2.1 Conveyancing—preliminary

3	200		What is a <i>settlement</i> ?
4 5		(1)	A <i>settlement</i> is an instrument, or a number of instruments, under which land is—
6			(a) held by people in limited ownership by succession; or
7			(b) held in trust for people as limited owners by succession; or
8			(c) held in trust for a child in possession; or
9			(d) held in limited ownership by a trust for a child in possession.
10 11			Example of settlement will
12 13 14			<i>Note</i> An example is part of the Act, is not exhaustive and may extend, but does not limit, the meaning of the provision in which it appears (see Legislation Act, s 126 and s 132).
15 16 17 18		(2)	If a child is beneficially entitled to land, and because of an intestacy or otherwise there is no instrument under which the interest of the child arises or is acquired, a <i>settlement</i> is taken to have been made by the intestate or the person whose interest the child has acquired.
19 20 21 22		(3)	An interest not disposed of by a settlement, and remaining in or reverting to the settlor (or someone deriving title through the settlor), is an interest included in the settlement and coming to the settlor (or other person) under the settlement.

Section 201

1 Part 2.2 General rules about property

2 Division 2.2.1 Rules of law on certain points

3	201	Instruments required to be in writing
4 5	(1)	An interest in land cannot be created or disposed of by a person except—
6 7		(a) by writing signed by the person or by the person's agent properly authorised in writing; or
8		(b) by the person's will; or
9		(c) by operation of law.
10 11		<i>Note 1</i> The Legislation Act, dict, pt 1 defines <i>interest</i> , in relation to land and other property, and <i>land</i> .
12 13		<i>Note 2</i> See also the Legislation Act, s 168 (References to person with interest in land include personal representative etc).
14 15	(2)	A declaration of trust by a person in relation to an interest in land must be—
16		(a) in writing signed by the person; or
17		(b) made by the person's will.
18 19	(3)	A disposition by a person of an equitable interest or trust existing at the time of the disposition must be—
20 21		(a) in writing signed by the person or by the person's agent properly authorised in writing; or
22		(b) made by the person's will.

page 5

	Chapt Part 2 Division	.2 on 2.2	Conveyancing General rules about property .1 Rules of law on certain points
	00010		
1		(4)	This section—
2 3			(a) does not affect the creation or operation of a resulting, implied or constructive trust; and
4 5			(b) is subject to section 202 (Creation of interests in land by word of mouth).
6	202		Creation of interests in land by word of mouth
7		(1)	This section applies to an interest in land if the interest is—
8			(a) created by word of mouth; and
9 10			(b) not put into writing signed by the person creating it or by the person's agent properly authorised in writing.
11 12		(2)	The interest is an interest at will only, whether or not consideration is given for it.
13	203		Exceptions to s 201 and s 202
14 15		(1)	Section 201 (Instruments required to be in writing) and section 202 (Creation of interests in land by word of mouth) do not—
16 17 18			(a) affect the creation by word of mouth of a lease that is at the highest rent reasonably obtainable without taking a fine and that takes effect in possession—
19 20			(i) for a term not longer than 3 years without a right for the lessee to extend the term; or
21 22 23 24 25			(ii) for a term not longer than 3 years with a right for the lessee to extend the term, at the best rent reasonably obtainable without taking a fine, for a further period, but so that the period of the lease and the period of the extension do not total longer than 3 years; or

1			(b) invalidate a disposition by will; or
2			(c) affect an interest validly created before 26 June 1986; or
3			(d) affect the law about part performance.
4 5 6 7 8			<i>Note</i> A 'fine' is an amount paid by a tenant to a landlord for the grant, transfer or renewal of a lease. It is not an amount reasonably demanded to cover the landlord's expenses, rather an extortionate amount demanded by a landlord without reasonable cause (see Butterworths, Australian Legal Dictionary, p 477).
9		(2)	In this section:
10 11			<i>possession</i> —to remove any doubt, <i>possession</i> of land does not include receipt of income from the land.
12	204		Proceedings do not lie on certain unwritten agreements
12 13 14 15 16 17	204	(1)	Proceedings do not lie on certain unwritten agreements A proceeding does not lie against a person on a contract for the sale or other disposition of land unless the agreement on which the proceeding is brought, or a memorandum or note of the agreement, is in writing signed by the person or by the person's agent properly authorised in writing.
13 14 15 16	204	(1)	A proceeding does not lie against a person on a contract for the sale or other disposition of land unless the agreement on which the proceeding is brought, or a memorandum or note of the agreement, is in writing signed by the person or by the person's agent properly
13 14 15 16 17	204		A proceeding does not lie against a person on a contract for the sale or other disposition of land unless the agreement on which the proceeding is brought, or a memorandum or note of the agreement, is in writing signed by the person or by the person's agent properly authorised in writing.
13 14 15 16 17 18	204		A proceeding does not lie against a person on a contract for the sale or other disposition of land unless the agreement on which the proceeding is brought, or a memorandum or note of the agreement, is in writing signed by the person or by the person's agent properly authorised in writing. This section—
13 14 15 16 17 18 19	204		A proceeding does not lie against a person on a contract for the sale or other disposition of land unless the agreement on which the proceeding is brought, or a memorandum or note of the agreement, is in writing signed by the person or by the person's agent properly authorised in writing. This section— (a) applies to contracts whenever they were made; and

page 7

Chapter 2
Part 2.2Conveyancing
General rules about property
Rules of law on certain pointsSection 205

1	205		Assignment of debts and things in action
2 3 4 5 6 7 8		(1)	An absolute assignment, in writing signed by the assignor, of a debt or thing in action (other than an assignment expressed to be by charge only) is effective at law to transfer the right to the debt or thing in action if written notice of the assignment is given to the debtor, trustee, or other person, (the <i>liable person</i>) from whom the assignor would have been entitled to receive or claim the debt or thing in action.
9 10 11 12			<i>Note</i> A <i>thing in action</i> (also called a <i>chose in action</i>) is an intangible personal property right recognised and protected by the law. Examples include debts, money held at a bank, shares, rights under a trust, copyright, and the right to sue for breach of contract.
13		(2)	The transfer takes effect on the day the notice is given.
14 15 16		(3)	Without limiting subsection (1), the assignee may recover or otherwise enforce the debt or thing in action without involving the assignor.
17 18 19		(4)	However, the transfer is subject to all equities that would have been entitled to priority over the right of the assignee apart from this section.
20 21 22		(5)	If the liable person has notice that the assignment is disputed, or of any conflicting claims to the debt or thing in action, the liable person may—
23 24			(a) call on anyone claiming the debt or thing in action to interplead; or
25			(b) pay any amount in dispute into court.
26	206		Merger
27 28 29			An estate in land is merged in another estate by operation of law only if the beneficial interest in the estate is merged or extinguished in equity.

Civil Law (Property) Bill 2005

207	Equitable waste
	An estate for life without impeachment of waste does not give the tenant for life a legal right to commit equitable waste, unless ar intention to give the tenant for life that right expressly appears in the instrument creating the estate.
Divisio	on 2.2.2 Property generally
208	Person may assure property to self or to self and others
	A person may assure property to—
	(a) himself or herself; or
	(b) himself or herself and anyone else.
209	Power for corporations to hold property as joint tenants
(1) A corporation may acquire and hold property in joint tenancy in the same way as if it were an individual.
(2) Without limiting subsection (1), if a corporation and an individual become entitled to property under circumstances or an instrument that would have created a joint tenancy if the corporation were an individual, the corporation and individual are entitled to the property as joint tenants.
(3) However, the acquisition and holding of property by a corporation in joint tenancy is subject to the conditions and restrictions tha apply to the acquisition and holding of property by a corporation in severalty.
(4) If a corporation that is a joint tenant of property is dissolved, th property devolves on the other joint tenant.

page 9

Chapter 2
Part 2.2Conveyancing
General rules about property
Property generallySection 210

1 2	210		Interpretation of conveyance etc of property to 2 or more people together
3 4 5 6		(1)	A disposition of the beneficial interest in property (whether or not with the legal estate) to or for 2 or more people together beneficially is taken to be made to or for them as tenants in common, and not as joint tenants.
7		(2)	However, this section does not apply—
8 9			(a) to people who, under the instrument, are executors, administrators, trustees or mortgagees; or
10 11			(b) if the instrument expressly provides that they are to take as joint tenants.
12 13		(3)	This section applies to the interpretation of an instrument commencing after 8 May 1958.
14 15	211		Tenants in common of equitable estate acquiring legal estate
	211	(1)	estate
15	211	(1)	estate
15 16 17	211	(1)	estateThis section applies if—(a) 2 or more people are beneficially entitled as tenants in common
15 16 17 18 19 20	211	(1)	 estate This section applies if— (a) 2 or more people are beneficially entitled as tenants in common to an equitable estate in property; and (b) they are or become entitled in their own right (whether as joint tenants or tenants in common) to the legal estate in the

	000
People taking who are not parties	

- (1) A person may take an immediate or other interest in land or other property, or the benefit of a condition, right of entry, covenant or agreement over or in relation to land or other property, even though the person is not a party to the assurance or other instrument.
- (2) The person may sue, and is entitled to all rights and remedies, in relation to the land or other property as if the person had been a party to the assurance or other instrument.

213 Presumption of survivorship

- (1) If 2 people die at the same time or in an order that is uncertain, the deaths are, for purposes affecting title to land, taken to have happened in order of seniority, and the younger is taken to have survived the elder.
- (2) If more than 2 people die at the same time or in an order that is 14 uncertain, the deaths are, for purposes affecting title to land, taken to 15 have happened in order of seniority, and the youngest is taken to 16 have survived the eldest. 17
- (3) This section is subject to the Administration and Probate Act 1929, 18 part 3B (Simultaneous deaths). 19

214 Provisions about supplemental instruments 20

- (1) An instrument (the *supplemental instrument*) expressed to be supplemental to a previous instrument is, as far as practicable, to be read, and has effect, as if the supplemental instrument contained a full recital of the previous instrument.
- (2) This section does not operate to give a right to production of the 25 previous instrument. 26

Civil Law (Property) Bill 2005

page 11

9

10

11

12

13

21

22

23

24

1

2

3 4

5

6

7

8

212

Chapter 2	Conveyancing
Part 2.2	General rules about property
Division 2.2.3	Ending life interests
Section 215	

(3) A purchaser may accept the same evidence that the previous instrument does not affect the title as the purchaser could have accepted if it had only been mentioned in the supplemental instrument.

5 Division 2.2.3 Ending life interests

- 6 **215** Meaning of *life interest* for div 2.2.3
- 7 In this division:

1

2

3

4

life interest means an interest in property ending on the death of 1 or
more people.

10 **216** Wrongful holding over of life interest etc

- (1) This section applies if a person entitled to a life interest in property holds over or continues in possession of the property, the interest in the property, or the rents, profits or income of the property, after the end of the life interest without the express consent of the person next entitled to the property, or to the rents, profits or income of the property, on the ending of the life interest.
- 17 (2) The holder of the life interest is liable in damages, to account for the 18 rents, profits or income of the property, or both, to the person 19 entitled to the property, or to the rents, profits or income, after the 20 end of the life interest.
- 21217Vesting of interests on end of life interest—evidence of22death
- (1) If a reversion, remainder or other interest in property is to vest in
 possession on the death of 1 or more people and the person entitled
 to the interest believes that the interest has become vested in
 possession because of the death of the relevant person, the person
 entitled to the interest (the *applicant*) may—

page 12

Civil Law (Property) Bill 2005

 to the satisfaction of the court that the relevant person is still alive, the court may order that the person is, for the proceeding, taken to have died and make appropriate orders on that basis. (4) If judgment is given against the applicant and the applicant later begins another proceeding in a court in which the applicant claims that the relevant person has died, the court in which the other proceeding is begun may order that the proceeding be stayed— (a) for a stated time; or (b) until a further order of the court; or (c) permanently. (5) In this section: <i>relevant person</i>, in relation to the vesting in possession of a reversion, remainder or other interest in property, means the person on whose death the interest vests in possession or, if the vesting of the interest in possession happens on the deaths of 2 or more people, 			
 (2) If the court is satisfied that the relevant person has died, the court may make appropriate orders in relation to the property in which the interest is held. (3) Without limiting subsection (2), if evidence is given to the court that the relevant person has remained outside Australia, or has been absent from the place in Australia where the person might have been expected to be found, for 7 years or longer, then, unless it is proved to the satisfaction of the court that the relevant person is still alive, the court may order that the person is, for the proceeding, taken to have died and make appropriate orders on that basis. (4) If judgment is given against the applicant and the applicant later begins another proceeding in a court in which the other proceeding is begun may order that the proceeding be stayed— (a) for a stated time; or (b) until a further order of the court; or (c) permanently. (5) In this section: <i>relevant person</i>, in relation to the vesting in possession of a reversion, remainder or other interest in property, means the person on whose death the interest vests in possession or, if the vesting of the interest in possession happens on the deaths of 2 or more people, 			
 may make appropriate orders in relation to the property in which the interest is held. (3) Without limiting subsection (2), if evidence is given to the court that the relevant person has remained outside Australia, or has been absent from the place in Australia where the person might have been expected to be found, for 7 years or longer, then, unless it is proved to the satisfaction of the court that the relevant person is still alive, the court may order that the person is, for the proceeding, taken to have died and make appropriate orders on that basis. (4) If judgment is given against the applicant and the applicant later begins another proceeding in a court in which the applicant claims that the relevant person has died, the court in which the other proceeding is begun may order that the proceeding be stayed— (a) for a stated time; or (b) until a further order of the court; or (c) permanently. (5) In this section: <i>relevant person</i>, in relation to the vesting in possession of a reversion, remainder or other interest in property, means the person on whose death the interest vests in possession or, if the vesting of the interest in possession happens on the deaths of 2 or more people, 	3		(b) give the court evidence of the death of the relevant person.
 the relevant person has remained outside Australia, or has been absent from the place in Australia where the person might have been expected to be found, for 7 years or longer, then, unless it is proved to the satisfaction of the court that the relevant person is still alive, the court may order that the person is, for the proceeding, taken to have died and make appropriate orders on that basis. (4) If judgment is given against the applicant and the applicant later begins another proceeding in a court in which the applicant claims that the relevant person has died, the court in which the other proceeding is begun may order that the proceeding be stayed— (a) for a stated time; or (b) until a further order of the court; or (c) permanently. (5) In this section: <i>relevant person</i>, in relation to the vesting in possession of a reversion, remainder or other interest in property, means the person on whose death the interest vests in possession or, if the vesting of the interest in possession happens on the deaths of 2 or more people, 	5	(2)	may make appropriate orders in relation to the property in which the
 begins another proceeding in a court in which the applicant claims that the relevant person has died, the court in which the other proceeding is begun may order that the proceeding be stayed— (a) for a stated time; or (b) until a further order of the court; or (c) permanently. (5) In this section: <i>relevant person</i>, in relation to the vesting in possession of a reversion, remainder or other interest in property, means the person on whose death the interest vests in possession or, if the vesting of the interest in possession happens on the deaths of 2 or more people, 	8	(3)	the relevant person has remained outside Australia, or has been absent from the place in Australia where the person might have been expected to be found, for 7 years or longer, then, unless it is proved to the satisfaction of the court that the relevant person is still alive, the court may order that the person is, for the proceeding, taken to
 (b) until a further order of the court; or (c) permanently. (f) In this section: <i>relevant person</i>, in relation to the vesting in possession of a reversion, remainder or other interest in property, means the person on whose death the interest vests in possession or, if the vesting of the interest in possession happens on the deaths of 2 or more people, 	14 15 16 17	(4)	begins another proceeding in a court in which the applicant claims that the relevant person has died, the court in which the other
 (c) permanently. (5) In this section: <i>relevant person</i>, in relation to the vesting in possession of a reversion, remainder or other interest in property, means the person on whose death the interest vests in possession or, if the vesting of the interest in possession happens on the deaths of 2 or more people, 	18		(a) for a stated time; or
 (5) In this section: <i>relevant person</i>, in relation to the vesting in possession of a reversion, remainder or other interest in property, means the person on whose death the interest vests in possession or, if the vesting of the interest in possession happens on the deaths of 2 or more people, 	19		(b) until a further order of the court; or
<i>relevant person</i> , in relation to the vesting in possession of a reversion, remainder or other interest in property, means the person on whose death the interest vests in possession or, if the vesting of the interest in possession happens on the deaths of 2 or more people,	20		(c) permanently.
reversion, remainder or other interest in property, means the person on whose death the interest vests in possession or, if the vesting of the interest in possession happens on the deaths of 2 or more people,	21	(5)	In this section:
	22 23 24 25 26		reversion, remainder or other interest in property, means the person on whose death the interest vests in possession or, if the vesting of the interest in possession happens on the deaths of 2 or more people,

Chapter 2
Part 2.2Conveyancing
General rules about property
Ending life interestsDivision 2.2.3Section 218

1	218		Vesting orders made in error
2		(1)	This section applies if—
3 4 5 6			 (a) a person with a life interest in property (the <i>interest-holder</i>) has been evicted from the property or deprived of the interest because of an order made by a court on the basis that the life interest has ended; and
7 8 9			(b) in a later court proceeding the court is satisfied that the life interest has not ended, or had not ended when the order was made.
10 11		(2)	The court hearing the later proceeding may give the interest-holder appropriate relief.

page 14

Part 2.3 General rules about deeds and documents of corporations

Division 2.3.1 Deeds and their effect

4	219		Signature and attestation of deeds
5		(1)	A deed (whether or not it affects property) must be—
6			(a) signed and sealed; and
7 8			(b) attested by at least 1 witness who is not a party to the deed, using any form of words.
9		(2)	Indenting is not necessary.
10 11 12		(3)	An instrument executed after 1 July 1920 that is signed and attested in accordance with this section is taken to be sealed if the instrument is expressed to be an indenture or deed or to be sealed.
13 14 15		(4)	A deed executed and attested in accordance with this section may be proved in the same way that a deed not required by law to be attested may be proved.
16		(5)	This section does not affect—
17			(a) the execution of a deed by a corporation; or
18			(b) a deed executed before 1 November 1951.
19	220		Receipt in deed sufficient
20 21 22			A receipt for consideration in the body of a deed is a discharge for the consideration to the person giving it, even though a receipt is not endorsed on the deed.

Civil Law (Property) Bill 2005

page 15

Chapter 2 Part 2.3 Division 2.3.	Conveyancing General rules about deeds and documents of corporations 2 Operation of deeds
Section 221	
221	Receipt in deed or endorsed evidence for subsequent purchaser
	A receipt for consideration in the body of a deed (or endorsed on it) is, for a subsequent purchaser without notice that all or part of the consideration has not been given, evidence of the giving of all the consideration.
222	How powers of appointment are to be exercised
(1)	This section applies if a power of appointment by an instrument other than a will is exercised by—
	(a) a deed executed and attested in accordance with this Act or the Corporations Act; or
	(b) an instrument under the <i>Land Titles Act 1925</i> executed and attested in accordance with that Act.
(2)	The deed or instrument is, in relation to the execution and attestation, a valid exercise of the power, even though the instrument that creates the power requires an additional or another form of execution or attestation.
Division	2.3.2 Operation of deeds
223	Limitations may be made by direct conveyance without uses
	A limitation that may be made by use operating under this Act may be made by direct conveyance without the intervention of uses.
224	In conveyance use of word grant unnecessary
(1)	In a conveyance it is not necessary to use the word 'grant' to convey land.
(2)	Any words that indicate an intention to convey the land are sufficient.
page 16	Civil Law (Property) Bill 2005

Rig	hts of entry etc
The	following interests in property may be conveyed by deed:
(a)	a right of entry;
(b)	a contingent remainder;

- (c) a contingent, executory, or future estate, right or interest;
 - (d) a possibility coupled with an interest.

7 226 Certain conveyance etc void

225

1

2

3

4

5

6

18

19

20

21

22

23

24

- 8 (1) This section applies to a conveyance of, or an agreement to convey,
 9 a present right of entry to land, other than a conveyance or
 10 agreement to convey to the person in possession of the land (A).
- 11 (2) The conveyance or agreement to convey is void as against A or 12 anyone claiming through A unless the person conveying or agreeing 13 to convey (**B**), or the person through whom B claims, has been in 14 possession of the land within 1 year from the date of the conveyance 15 or agreement.

Division 2.3.3 Documents of corporations

17 227 Execution of documents by or on behalf of corporations

- (1) For an honest purchaser, a document is taken to have been properly executed by a corporation aggregate if the seal of the corporation is fixed to the document and the fixing of the seal is attested by—
 - (a) the secretary or another officer of the corporation or a deputy of the secretary or other officer; and
 - (b) a member of the board of directors, council or other governing body of the corporation.

Civil Law (Property) Bill 2005

page 17

Chapter 2	Conveyancing
Part 2.3	General rules about deeds and documents of corporations
Division 2.3.3	Documents of corporations
Section 227	

1 2 3 4 5	(2)	If a document has attached to it a seal purporting to be the seal of a corporation aggregate and the fixing of the seal has been attested by people purporting to hold the positions mentioned in subsection (1), an honest purchaser may assume the document has been executed in accordance with subsection (1).
6 7 8 9	(3)	The board of directors, council or other governing body of a corporation aggregate may, by resolution or other means, appoint an agent to execute documents for the corporation, including registration copies of documents to which the corporation is a party.
10 11 12	(4)	If a person is authorised under a power of attorney or a statutory or other power to assure property for a corporation, the person may make the assurance by—
13 14 15		(a) signing it in his or her name in the presence of at least 1 attesting witness and stating in the assurance the power the person has to sign it for the corporation; and
16 17 18		(b) if the assurance is a deed—further executing the assurance in accordance with section 219 (Signature and attestation of deeds).
19 20 21 22 23	(5)	If a corporation aggregate is authorised under a power of attorney or a statutory or other power to assure property for someone else, an officer or employee of the corporation appointed for the purpose by the board of directors, council or other governing body of the corporation may assure the property for the other person.
24 25 26 27	(6)	If an assurance is made by an officer or employee who purports to be appointed under subsection (5), the assurance is taken, in relation to an honest purchaser, to have been made by a properly appointed officer or employee.
28 29	(7)	This section applies to deeds and other documents executed after 8 May 1958.

(8) This section does not limit the ways in which a company may execute a document (including a deed), and any method of execution authorised by law or by practice, or by the law, charter, constitution or other instrument establishing the corporation or regulating the affairs of the corporation, is (in addition to the methods authorised by this section) as effective as if this section had not been enacted.

Note The Corporations Act, s 127 provides how a company may execute documents (including deeds), and s 128 provides that a person is entitled to make certain assumptions in s 129 in relation to dealings with a company.

12 **Division 2.3.4 Powers of appointment**

 13
 228
 Application—div 2.3.4

1

2

3

4

5

6

7

8

9

10 11

14

15

This division applies to appointments made after 26 June 1986 under powers created before, on or after that day.

16 **229** Appointments to be valid despite exclusion of object

- (1) An appointment made under a power to appoint property among
 2 or more objects is not invalid only because 1 or more objects of
 the power is not to take a share in the property.
- 20 (2) This section does not affect a provision of the instrument creating 21 the power that declares a share in the property from which an object 22 of the power is not to be excluded.

Civil Law (Property) Bill 2005

page 19

Chapter 2ConveyancingPart 2.4Sales and other transactionsDivision 2.4.1Dispositions on trust for sale or with power of saleSection 230

Part 2.4 Sales and other transactions

Division 2.4.1 Dispositions on trust for sale or with power of sale

- 4 230 Meaning of *purchaser* for div 2.4.1
 - In this division:

5

9

10

11

12

13

14

21

22

23

24

25

26

purchaser means a person who acquires an interest in or charge on
property for money or money's worth.

8 231 Consents to execution of trust for sale etc

- (1) If the consent of 3 or more people is required by a disposition for the execution of a trust for sale of property, or the exercise of a power of sale of property under a trust, then, for a purchaser, the consent of any 2 of those people to the execution of the trust or the exercise of the power or to the exercise of any statutory or other powers vested in the trustees is enough.
- (2) If a person whose consent is required by a disposition for the execution of a trust for sale of property, or the exercise of a power of sale of property under a trust, is a person with a legal disability, the person's consent is, for a purchaser, taken not to be required.
- (3) However, for the disposition mentioned in subsection (2), the
 trustees must get the consent of—
 - (a) if the person is a child—the parent or testamentary or other guardian of the child; or
 - (b) if the person is a person with a mental disability—the manager of the person's property under the *Guardianship and Management of Property Act 1991*; or
 - (c) if there is no parent, guardian or manager—the Supreme Court.

page 20

Civil Law (Property) Bill 2005

Section 232

232 Purchaser not to be concerned with trusts of proceeds of 1 sale 2 (1) A purchaser of property from trustees for sale, or from trustees 3 4 having a power of sale, need not be concerned with the trusts affecting the proceeds of sale or the income of the property until 5 sale, whether or not the trusts are declared by the same instrument 6 that created the trust for sale or the power of sale. 7 (2) Despite anything to the contrary in the instrument (if any) creating a 8 trust for sale of property, or a power of sale of property, or in the 9 settlement of the proceeds of sale of property, proceeds of sale or 10 other capital money may only be paid or applied by the direction of 11 at least 2 trustees, unless the trust has only 1 trustee and— 12 (a) the trustee is a trust corporation; or 13 (b) the trustee was appointed as the sole trustee by the instrument 14 creating the trust. 15 (3) However, subsection (2) does not affect the right of a sole personal 16 representative to give valid receipts for, or direct the application of, 17 proceeds of sale or other capital money. 18 (4) Also, subsection (2) does not make it necessary to have more than 19 1 trustee unless capital money arises on a transaction. 20 233 Settlements of personal property invested in land 21 (1) If a settlement contains a power to invest money in the purchase of 22 land and land is purchased in the exercise of that power-23 (a) the land is held by the trustees on trust for sale; and 24 (b) the net rents and profits from the land must, after paying the 25 costs of repairs properly payable out of income, insurance and 26 other outgoings, be paid or applied in the same way as the 27 income of investments made from the sale price of the land 28 would have been payable or applicable if the land had been 29 Civil Law (Property) Bill 2005 page 21

Chapter 2	Conveyancing
Part 2.4	Sales and other transactions
Division 2.4.1	Dispositions on trust for sale or with power of sale
Section 234	

1 2			sold and the proceeds invested other than in the purchase of land.
3		(2)	This section applies unless the settlement provides to the contrary.
4 5		(3)	This section applies only to settlements commencing after 1 December 1957.
6	234		Powers given to trustees for sale
7 8 9		(1)	If property under a disposition on trust for sale includes land, the trustees may take possession of, hold and manage the land until it is sold.
10		(2)	This section applies unless the disposition provides to the contrary.
11	235		Application of income of land under trust for sale
12 13 14 15 16 17		(1)	The net rents and profits of land under a disposition on trust for sale must, after paying the costs of repairs properly payable out of income, insurance, and other outgoings, be paid or applied in the same way as the income of investments made from the sale price of the land would have been payable or applicable if the land had been sold and the proceeds invested other than in the purchase of land.
18 19 20		(2)	This section applies subject to any contrary intention in the disposition or in a settlement of proceeds of sale under the disposition.
21	236		Partition of land under trust for sale
22 23 24 25 26 27 28		(1)	If the net proceeds of sale of land under a disposition on trust for sale have, under the trusts affecting the sale, become absolutely vested in possession in 2 or more people as joint tenants or tenants in common, the trustees for sale may, with the agreement of the people (if any) who are adults and not annuitants and who have interests in possession in the net rents and profits of the land until it is sold—

page 22

Civil Law (Property) Bill 2005

1		(a) partition the land remaining unsold or any part of it; and
2 3		(b) provide (by mortgage or otherwise) for the payment of equality money.
4 5 6 7	(2)	On a partition being arranged under subsection (1), the trustees for sale must give effect to the partition by conveying the land partitioned in severalty (subject or not to any mortgage created to raise equality money) to the people entitled to it under the partition.
8 9 10	(3)	A purchaser of land partitioned under subsection (1) need not be concerned to inquire whether any agreement to the partition required by the subsection had been given.
11 12 13 14	(4)	If a share in the net proceeds belongs to a person who has a physical, mental, psychological or intellectual condition relevant to the <i>Guardianship and Management of Property Act 1991</i> , section 8, the trustees for sale are protected if they obtain the agreement of—
15		(a) the manager of the person's property under that Act; or
16		(b) if there is no manager—the Supreme Court.
17 18	(5)	If a share in the net proceeds is affected by an encumbrance, the trustees for sale may either—
19		(a) give effect to the encumbrance; or
20 21		(b) provide for the discharge of the encumbrance out of the property allotted in relation to the share.
22 23 24 25 26	(6)	If a share in the net proceeds is vested absolutely in a child, or in a person who cannot be found or identified, or about whom it is uncertain whether the person is living or dead, the trustees for sale may act for the child or person and keep land or other property that is the person's share.

page 23

Chapter 2ConveyancingPart 2.4Sales and other transactionsDivision 2.4.2Voidable dispositionsSection 237

1237Powers of Supreme Court if trustees for sale decline to2exercise powers

- (1) If trustees for sale decline to sell or exercise any of the powers given by section 234 (Powers given to trustees for sale) or section 236 (Partition of land under trust for sale), or any agreement cannot be obtained, an interested person may apply to the Supreme Court for—
 - (a) a vesting or other order to give effect to the proposed transaction; or
- (b) an order directing the trustees for sale to exercise any of their
 powers.
 - (2) The court may make any order it considers appropriate.

Division 2.4.2 Voidable dispositions

14 **238** Meaning of *purchaser* for div 2.4.2

In this division:

3 4

5

6

7

8

9

12

15

20

21

22

23

24

purchaser means a purchaser for valuable consideration, and
 includes a lessee, mortgagee or other person who, for valuable
 consideration, acquires an interest in property.

239 Voluntary dispositions to defraud creditors voidable

- (1) A disposition of property made with intent to defraud creditors is voidable by a person prejudiced by the disposition.
- (2) However, this section does not apply to an interest in property disposed of to an honest purchaser who did not have, at the time of the disposition, notice of the intent to defraud creditors.
- (3) This section applies to a disposition of property made before or after
 the commencement of this section.

page 24

Civil Law (Property) Bill 2005

 $\label{eq:accessible} \mbox{Authorised by the ACT Parliamentary Counsel-also accessible at www.legislation.act.gov.au$

240		Voluntary dispositions of land—how far voidable against purchasers
	(1)	A voluntary disposition of land made with intent to defraud a subsequent purchaser is voidable by that purchaser.
	(2)	For this section, if the document by which a voluntary disposition of land is made is registered before a subsequent purchase of the land, the voluntary disposition is not taken to have been made with intent to defraud a subsequent purchaser—
		(a) only because the disposition was not made for valuable consideration; or
		(b) only because of the subsequent purchase.
	(3)	This section applies to a disposition of land made before or after the commencement of this section.
241		Acquisitions of reversions at under value
	(1)	An acquisition of a reversionary interest in property honestly made for money or moneys worth must not be set aside only because it was made for less than full value.
	(2)	This section does not affect the jurisdiction of a court to set aside or change unconscionable bargains.
	(3)	In this section:
		<i>reversionary interest</i> includes an expectancy or possibility.

1 2

3

4

5

6 7

8

9

10

11

12 13

14

15 16

17

18 19

20

21

Civil Law (Property) Bill 2005

Chapter 2	Conveyancing
Part 2.5	Partition

Section 242

1 Part 2.5 Partition

2	242	Definitions—pt 2.5
3		In this part:
4 5		<i>interested person</i> , in relation to property, means a person with an interest in the property.
6 7		<i>proceeding for partition of property</i> includes a proceeding for sale of the property and distribution of the proceeds.
8	243	Court may order partition of land held in co-ownership
9 10 11		If 2 or more people hold an interest in land as joint tenants or tenants in common, the Supreme Court may, on an application made by 1 or more of those people (the <i>applicants</i>)—
12 13		(a) order a partition of the interest in the land held by the applicants; and
14 15		(b) make any further orders, and give any consequential directions, it considers appropriate.
16	244	Power of Supreme Court to order sale instead of partition
17 18	((1) In a proceeding for partition of property, instead of ordering partition—
19 20 21 22		 (a) the Supreme Court may, on the application of an interested person, order the sale of the property if the court considers that sale (and a distribution of the proceeds) would be more beneficial than partition because of—
23		(i) the nature of the property; or
24		(ii) the number of interested people; or

page 26

Civil Law (Property) Bill 2005

Section	244
OCCUON	477

1		(iii) the absence or disability of an interested person; or
2		(iv) any other circumstances; and
3 4 5 6		(b) the court must (unless it sees good reason not to), on the application of interested people with a collective interest in the property of at least a half share in the property, order the sale of the property; and
7 8 9		(c) the court may, on the application of an interested person, order the sale of the property unless other interested people agree to buy the share of the applying person.
10 11 12	(2)	The power of the Supreme Court to order the sale of property includes the power to order the sale of a part of the property and the partition of the rest of the property.
13	(3)	If the Supreme Court orders the sale of property, it may—
14		(a) appoint trustees to receive and apply proceeds of the sale; or
15 16		(b) give any consequential directions it considers appropriate, including, for example, directions about—
17 18		(i) the valuation of an interested person's share in the property; and
19 20		(ii) the application, investment and distribution of proceeds of sale.
21 22 23		<i>Note</i> An example is part of the Act, is not exhaustive and may extend, but does not limit, the meaning of the provision in which it appears (see Legislation Act, s 126 and s 132).
24 25 26	(4)	In a proceeding for partition of property, it is sufficient to claim sale and distribution of the proceeds and it is not necessary to claim a partition.

page 27

Chapter 2	Conveyancing
Part 2.5	Partition

Section 245

1	245		Authority for interested person to bid
2 3 4 5		(1)	The Supreme Court may allow an interested person in relation to property to bid at the sale of the property under this part on the conditions that the court considers appropriate, including, for example, conditions about—
6			(a) nonpayment of deposit; or
7 8			(b) setting off or accounting for the purchase money or any part instead of paying it; or
9			(c) anything else.
10 11 12			<i>Note</i> An example is part of the Act, is not exhaustive and may extend, but does not limit, the meaning of the provision in which it appears (see Legislation Act, s 126 and s 132).
13		(2)	This section does not limit section 244 (3).
14	246		Parties to partition proceedings
15 16 17		(1)	A person who, apart from this part, might have brought a proceeding for partition of property may bring the proceeding against any interested person without serving any other interested person.
18		(2)	A defendant in a proceeding cannot object for want of parties.
19	247		Several sales in same partition proceeding
20		(1)	This section applies if, in a proceeding for partition of property—
21			(a) 2 or more sales are made; and
22 23			(b) a person (the <i>excluded person</i>) is excluded from participation in the proceeds of any of the sales (the <i>excluded sale</i>).
24 25 26 27		(2)	If the excluded person establishes the person's claim to take part in the proceeds of another of the sales, the shares of the other people interested in the proceeds of that sale must be reduced to the extent that their share of the proceeds of the excluded sale were increased

page 28

Civil Law (Property) Bill 2005

		Conveyancing Chapter 2 Partition Part 2.5
-		Section 247
1 2		by the exclusion of the excluded person from the proceeds of that sale.
3 4 5 6	(3)	The amount mentioned in subsection (2) must be put towards payment to the excluded person of the share of the proceeds of the excluded sale that the person would have been entitled to if the person had not been excluded.

page 29

Chapter 2	Conveyancing
Part 2.6	Apportionment

1 Part 2.6 Apportionment

2	248	Definitions—pt 2.6		
3		In this part:		
4		annuity includes salary and pension.		
5		<i>dividend</i> includes—		
6		(a) a payment called a dividend or bonus; and		
7 8 9 10		(b) a payment otherwise made out of the revenue of a company that is divisible between members of the company, whether or not a payment of that kind is usually made or declared at fixed times;		
11		but does not include a return of capital.		
12		<i>rent</i> includes—		
13		(a) a payment under a rent charge or for rent service; and		
14		(b) a periodical payment in the nature of rent, or instead of rent.		
15	249	Application of pt 2.6 to dividends of companies		
16 17 18 19		For this part, the divisible revenue mentioned in section 248, definition of <i>dividend</i> , paragraph (b) is taken to have accrued by equal daily increments during the period in relation to which the payment out of revenue is declared or expressed to be made.		
20	250	Income apportionable in relation to time		
21 22 23 24 25		All rents, annuities dividends and other periodical payments in the nature of income (whether reserved or made payable by an instrument or otherwise) are, like interest on an amount lent, taken to accrue from day-to-day, and must be apportioned in relation to time accordingly.		

page 30

Civil Law (Property) Bill 2005

Section	251

1	251		Time when apportioned part is payable		
2 3			An apportioned part of a payment mentioned in section 250 is payable or recoverable—		
4 5 6			(a) if the payment is a continuing payment—when the entire portion of which the apportioned part forms part becomes payable; or		
7 8 9			(b) if the payment is terminated by re-entry, death or otherwise— when the next entire portion of the payment would have become payable if it had not been terminated.		
10	252		Recovery of apportioned parts		
11		(1)	In this section:		
12 13 14			<i>lessor</i> means the person who, if the rent for any land had not been apportionable, would have been entitled to the entire or continuing rent for the land.		
15			person includes—		
16 17			(a) the person's personal representatives, successors and assigns; and		
18 19			(b) the personal representatives, successors and assigns of a person whose interest ended on that person's death.		
20 21 22 23		(2)	The person entitled to an apportioned part of a payment mentioned in section 250 (Income apportionable in relation to time) may recover the part, when payable, in the same way as the person could recover the entire payment if entitled to it.		
24 25 26 27		(3)	However, an apportioned part of a payment of rent for land is not by itself recoverable from the person liable to pay the rent, but may be recovered from that person by the lessor together with the remaining part of the payment.		

page 31

Chapter 2	Conveyancing
Part 2.6	Apportionment

1 2		(4)	If the lessor does so, the person entitled to the apportioned part may then recover it from the lessor.
3	253		Exceptions and application
4 5		(1)	This part does not make apportionable an annual amount payable under a policy of assurance.
6 7		(2)	This part does not apply to any case in which it is expressly stipulated that apportionment is not to take place.

page 32

Civil Law (Property) Bill 2005

Part 2.7 Children and children's property

2	254		Receipts by certain children
3 4 5 6			A child in a domestic partnership has power to give valid receipts for all income (including statutory accumulations of income made during childhood) to which the child may be entitled as if the child were an adult.
7	255		Management of land during childhood
8		(1)	This section applies if—
9			(a) a beneficial interest in land is held in trust for a child; and
10			(b) the trustees of the beneficial interest are—
11 12			(i) if the settlement that created the interest appointed trustees of the interest—the trustees appointed; or
13 14 15 16 17 18			 (ii) if the settlement that created the interest did not appoint trustees of the interest but there are trustees of the settlement—the trustees of the settlement, unless the settlement or an order of the Supreme Court that appointed the trustees of the settlement or their predecessors in office provides otherwise; or
19 20 21			(iii) in any other case—people appointed as trustees of the beneficial interest by the Supreme Court on the application of a litigation guardian of the child.
22			<i>Note</i> Settlement is defined in s 200.
23 24		(2)	The trustees of the interest may take possession of, hold and manage the land for the child.
25 26		(3)	This section does not apply so far as a contrary intention appears from the settlement that created the beneficial interest of the child.

Civil Law (Property) Bill 2005

page 33

Chapter 2
Part 2.7Conveyancing
Children and children's property

Section 256

1	256		Power to appoint trustees of child's property
2		(1)	This section applies if—
3 4 5 6			 (a) a child is absolutely entitled under the will, or on the intestacy, of a person (the <i>deceased person</i>) to a devise or legacy, or to the residue of the estate of the deceased person, or to a share in the deceased person's estate; and
7 8 9			(b) the devise, legacy, residue or share is not, under a will of the deceased person, devised or bequeathed to trustees for the child.
10 11 12			<i>Note</i> A <i>devise</i> is a disposal of real property by a will. To <i>bequeath</i> property is to dispose of personal property (ie property other than real property) by a will.
13 14 15		(2)	The personal representatives of the deceased person may, by registered deed, appoint a trust corporation or 2 or more individuals (not more than 4), or both, to be—
16 17			(a) trustees of the devise, legacy, residue or share for the child; and
18 19 20			(b) trustees for section 255 (Management of land during childhood) of any land devised or any land that is, or forms part of, the residue or share.
21 22 23 24 25		(3)	If a trust corporation, or a trust corporation and 1 or more individuals, are the personal representatives of the deceased person, the personal representatives may, by registered deed, appoint the trust corporation either alone or with 1 or 2 individuals to be the trustees for the child.
26		(4)	The personal representatives of the deceased person may—
27 28			(a) appoint 1 or more of themselves to be trustees under subsection (2); or

1 2		(b) appoint 1 or 2 of themselves who are individuals to be trustees under subsection (3).
3	(5)	On the appointment—
4 5 6		(a) the <i>Trustee Act 1925</i> , section 9 (Vesting on appointment and retirement) applies to the vesting in the trustees of the devise, legacy, residue or share; and
7 8 9		(b) the personal representatives, in that capacity, are discharged from further liability in relation to the devise, legacy, residue or share; and
10 11 12 13		(c) the rights of the child in relation to the devise, legacy, residue or share are restricted to the property that, under this section and the <i>Trustee Act 1925</i> , section 9, is vested in the trustees for the child and do not extend to any other property; and
14 15 16		(d) the devise, legacy, residue or share may be kept in its existing form or converted into money and the money invested in accordance with the <i>Trustee Act 1925</i> .
17 18 19	(6)	If land held under the <i>Land Titles Act 1925</i> is affected by a registered deed mentioned in this section, the registrar-general must, as the registrar-general considers appropriate—
20		(a) make an entry in the register of the vesting of the land; or
21		(b) enter or withdraw caveats.
22 23	(7)	However, the registrar-general is not required to comply with subsection (6) unless the person the land is to be vested in—
24		(a) asks, in writing, that the entry be made; and
25 26		(b) gives any evidence supporting the request that the registrar-general reasonably requires; and
27 28		(c) gives any notice of the request that the registrar-general reasonably requires to be given.

Civil Law (Property) Bill 2005

page 35

1		(8)	In thi	In this section:			
2 3			0	tered deed means a deed registered under the Registration of ls Act 1957.			
4			trust	corporation does not include the public trustee.			
5	257		Pow	Powers and duties of guardian			
6		(1)	A gu	ardian of a child—			
7 8 9 10				may take into the guardian's custody, and may manage, the child's real and personal property (other than property held by a trustee under a trust) until the guardian stops being the guardian of the child; and			
11 12			· ·	holds any of the child's real and personal property that comes into the guardian's custody as trustee for the child; and			
13 14 15				may bring a proceeding necessary to give effect to all or any of the guardian's powers under this section, including the guardian's powers as trustee for the child; and			
16 17 18				is responsible for accounting to the child, when the child becomes an adult, for the guardian's custody and management of the property.			
19		(2)	Subs	ection (1) does not apply in relation to—			
20 21 22 23 24				the chief executive responsible for administering the <i>Children</i> and Young People Act 1999, chapter 2 (General objects, principles and parental responsibility) when the chief executive has parental responsibility for the long-term care, welfare and development of a child because of that Act; or			
25			(b)	a testamentary guardian of a child.			

Part 2.8 Rights-of-way

6

- 2 258 No right-of-way by user against Territory etc
 3 A right-of-way cannot be created only by continuous use against—
 4 (a) the Territory; or
 5 (b) the Commonwealth; or
 - (c) a person holding land for a public purpose.

Civil Law (Property) Bill 2005

page 37

Chapter 3MortgagesPart 3.1Powers in relation to mortgages

Section 300

7

8

9

10

17

18

19

20

21

22

23

1 Chapter 3 Mortgages

2	Note to ch 3
3 4	In this chapter, a reference to a mortgage includes a reference to a charge on property for securing money or moneys worth (see dict, def <i>mortgage</i>).

5 Part 3.1 Powers in relation to mortgages

6 300 Application—pt 3.1

- This part applies to mortgages made to secure an amount advanced or to be advanced as a loan, or to secure an existing or future debt.
 The part applies to mortgages made to secure an existing or future debt.
 - (2) The powers given under this part are subject to anything provided in the mortgage.
- 11 (3) The powers given under this part have the same effect as express 12 powers to the same effect in the mortgage would have had and no 13 more.

14 301 Powers incidental to mortgages

- (1) If a mortgage is made in writing, the mortgagee has, because of this
 Act, the following powers:
 - (a) a power to sell or agree with someone else to sell all or any part of the mortgaged property;
 - (b) a power to appoint or have appointed, in accordance with this part, a receiver of the income of all or any part of the property;
 - (c) a power to insure from loss or damage all or any part of the property and to add the premiums paid for the insurance to the principal secured at the same rate of interest.

			Section 302
1 2		(2)	The power of sale under subsection (1) includes the following powers:
3 4 5			 (a) a power to sell the property by public auction or private contract on any reasonable conditions the mortgagee considers appropriate;
6			(b) a power to rescind or vary contracts for sale;
7 8			(c) a power to buy in and resell the property with all the powers of sale given by this section.
9 10		(3)	A mortgagee must not exercise the power given by subsection (1) (a) or (b) until—
11 12			(a) 1 year after the day the principal becomes payable under the mortgage; or
13 14			(b) interest on the principal has been in arrears for longer than 6 months.
15 16 17		(4)	A mortgagee may exercise the power given by subsection (1) (c) only if the mortgagor has failed to pay a premium for insurance that the mortgagor is by the mortgage obliged to pay.
18	302		Receipt for purchase money sufficient discharge
19 20 21		(1)	A receipt for purchase money given by a mortgagee exercising the power of sale given under this part is sufficient discharge to the purchaser.
22 23		(2)	The purchaser need not be concerned with the application of the purchase money.
24	303		Notice of sale
25 26 27			A sale of property may be made under this part only if the person, or 1 of the people, entitled to the property has been given 6 months written notice.

page 39

Chapter 3MortgagesPart 3.1Powers in relation to mortgages

Section 304

1	304		Purported exercise of power of sale
2 3		(1)	If a sale is purportedly made under this part, the purchaser's title must not be questioned on the ground that—
4			(a) no circumstances had arisen to permit the sale; or
5			(b) the notice required by section 303 had not been given.
6 7		(2)	If a person suffers loss because of an unauthorised sale under this part, the person may recover damages from the mortgagee.
8	305		Application of purchase money by mortgagee
9 10		(1)	The amount received from a sale under this part must be applied by the mortgagee as follows:
11 12			(a) first, in payment of the expenses incidental to the sale or incurred in any attempted sale;
13 14			(b) second, in discharge of the interest and costs then owing in relation to the mortgage because of which the sale was made;
15 16			(c) third, in discharge of the principal then owing under the mortgage;
17 18			(d) finally, in payment of the balance to or on behalf of the person entitled to the property mortgaged.
19 20 21		(2)	To remove any doubt, this section is subject to the <i>Rates Act 2004</i> , section 22 (Charge of rates on land) and the <i>Land Tax Act 2004</i> , section 20 (Charge of land tax on rateable land).
22	306		Property that may be transferred to purchaser
23 24 25			A mortgagee exercising a power of sale over property under this part may transfer to the purchaser, in writing, all the interest in the property that the mortgagor could dispose of.

page 40

Civil Law (Property) Bill 2005

1	307		Mortgagee may call for documents relating to property
2 3 4 5 6 7			At any time after the power of sale under this part has become exercisable, the mortgagee may demand and recover from anyone (other than a person having an interest in the mortgaged property that has priority to the mortgage) every document relating to the property that a purchaser under the power of sale would have been entitled to demand and recover from the person.
8	308		Appointment of receiver
9 10 11		(1)	A mortgagee entitled to appoint a receiver, or have a receiver appointed, under this part may appoint the receiver, or have the receiver appointed, in accordance with this section.
12 13		(2)	If the mortgage document nominates the person to be appointed receiver, the mortgagee may appoint that person to be the receiver.
14 15 16 17 18		(3)	If the mortgage document does not nominate the person to be appointed receiver, the mortgagee may, by written notice given to the person entitled to the mortgaged property, require the person to appoint an appropriate person to be the receiver not later than 10 days after the day the notice is given.
19 20		(4)	A notice under subsection (3) may be given to the person entitled to the mortgaged property—
21 22			(a) by giving the notice to the person entitled to the property, or, if2 or more people are entitled to the property, to any of them; or
23 24			(b) by attaching the notice to a conspicuous part of the mortgaged property.
25 26 27 28 29 30		(5)	If a notice under subsection (3) is given to the person entitled to mortgaged property in accordance with subsection (4) and the person fails to appoint an appropriate person to be the receiver not later than 10 days after the day the notice is given, the mortgagee may appoint a person the mortgagee considers appropriate to be the receiver.

page 41

Chapter 3MortgagesPart 3.1Powers in relation to mortgages

Section 309

7

8

9

10

11

12

13

15

16

17

18

19

309 Receiver taken to be agent of mortgagor

- A receiver appointed under this part is taken to be the agent of the mortgagor and the mortgagor is solely responsible for the receiver's acts or omissions, unless the document creating the mortgage provides otherwise.
- 6 310 Powers of receiver
 - (1) A person appointed as receiver under this part may demand and recover all the income of which the person is appointed receiver, by proceeding or otherwise, in the name of either the mortgagor or the mortgagee to the full extent of the interest that the mortgagor could dispose of.
 - (2) The person may give valid receipts for the income of which the person is appointed receiver.

14 **311** Ending appointment of receiver etc

- (1) The power under this part to appoint a receiver includes power to end the appointment and appoint someone else.
- (2) The power to end the appointment of a receiver and appoint a new receiver is exercisable in the same way, and under the same conditions, as the power to make the first appointment.
- (3) The Legislation Act, part 19.3 (which deals with appointments) does
 not apply to the appointment of a receiver.

22 **312** Commission to receiver

(1) A receiver appointed under this part is not entitled to the payment of
 costs, charges or expenses but is instead entitled to a commission on
 the money received.

1 2 3 4		(2)	The commission to which the receiver is entitled is the amount, not more than 8% of the gross amount of all money received, stated in the receiver's appointment or, if no amount is stated in the appointment, 4% of the gross amount.
5	313		Receiver to insure if required
6 7 8 9		(1)	The mortgagee may, in writing, direct a receiver appointed under this part to insure and keep insured from loss or damage all or a stated part of the property included in the mortgage (whether or not a fixture) so far as it is insurable.
10		(2)	The receiver must comply with the direction.
11	314		Application of amounts received by receiver
12 13			Amounts received by a receiver appointed under this part must be applied as follows:
14 15 16			 (a) first, in discharge of all taxes, rates and assessments, in payment of the receiver's commission, and in payment of insurance premiums;
17 18			(b) second, in discharge of the interest then owing under the mortgage because of which the receiver was appointed;
19 20			(c) third, in discharge of the principal then owing under the mortgage;
21 22			(d) finally, in payment of the balance to or on behalf of the person entitled to the property mortgaged.

Chapter 3MortgagesPart 3.2Mortgages—other provisions

Section 315

1 Part 3.2 Mortgages—other provisions

2	315		Effect of repayment on ejectment by mortgagee
3 4 5		(1)	This section applies if a proceeding for ejectment is brought by a mortgagee for possession of mortgaged property and no proceeding is pending for—
6			(a) foreclosure of the mortgagor's equity of redemption; or
7			(b) redemption of the mortgaged property.
8 9 10		(2)	If the mortgagor appears as a defendant in the proceeding and pays the outstanding amount to the mortgagee or into court, the amount paid is taken to be full satisfaction and discharge of the mortgage.
11 12		(3)	On the payment of the outstanding amount in accordance with this section—
13 14			(a) each mortgagor or defendant in the proceeding is discharged from liability for the amount; and
15 16			(b) the court must order the mortgagee, at the mortgagor's cost, to—
17 18 19 20			 (i) give the mortgagor a discharge of the mortgage under the Land Titles Act 1925, section 101 or transfer the interest of the mortgagee in the mortgaged property to the mortgagor; and
21 22 23			(ii) give all documents of title to the mortgaged property that are in the possession or control of the mortgagee to the mortgagor.
24		(4)	This section does not affect a subsequent mortgage or encumbrance.

	(5)	In this section:
!		outstanding amount, for a mortgage, means the total of—
		(a) the amount of the principal of the mortgage that has not been repaid; and
i		(b) the interest payable under the mortgage; and
i		(c) the reasonable costs and expenses of the mortgagee in the proceeding for ejectment.
316	6	Section 315 not to apply in certain cases
1		Section 315 does not apply to a proceeding for ejectment if—
		 (a) before the outstanding amount is paid under section 315 (2) of that section, the mortgagee asserts in writing given to the mortgagor—
		(i) that the mortgagor does not have a right of redemption; or
;		(ii) that the mortgaged property is chargeable with a principal different from that stated in the mortgage or admitted to by the mortgagor; or
		(b) there is a dispute between defendants in the proceeding about the right of redemption.
317	7	Redemption if mortgagee absent or unknown
)	(1)	This section applies if—
!		(a) a person entitled to receive payment of all or part of a debt secured by a mortgage—
ł		(i) cannot be found; or
		(ii) is unknown; or
i		(b) it is uncertain who is entitled to receive all or part of the debt secured by a mortgage.

Civil Law (Property) Bill 2005

page 45

Chapter 3	Mortgages
Part 3.2	Mortgages—other provisions
	00

1 2	(2)	On application by the person entitled to redeem the mortgaged property, the Supreme Court may, by order, direct that—
3 4		(a) the amount of the debt secured by the mortgage, or part of it, be worked out in the way the court directs; and
5		(b) the amount worked out be paid into court.
6 7 8	(3)	A certificate of the registrar of the Supreme Court that a payment into court was ordered to be made under subsection (2) (b) and has been made may be registered with the registrar-general.
9 10	(4)	On registration, the amount paid is a discharge of the mortgage debt, or part of it, to the extent of the amount paid.
11 12 13 14	(5)	However, an amount that is eventually shown by the person entitled to the mortgage debt, or a part of it, to have been in fact owing in addition to the amount paid into court continues to be a debt owing on the mortgage.
15 16 17	(6)	On application by the person entitled to an amount paid into court under subsection (2) (b), the Supreme Court may order the amount be paid to the person.
18 19 20 21 22	(7)	However, an amount must not be paid under subsection (6) until the registrar of the Supreme Court is satisfied that the mortgage document and all documents of title that were given by the mortgagor to the mortgagee for the mortgage have been given to the person who paid the amount into court.
23 24 25 26 27	(8)	If the amount of principal and interest owing under a mortgage is paid into court under this section and is afterwards paid under an order of the Supreme Court to the person mentioned in the order, the order operates as a discharge of mortgage of any land subject to the mortgage.
28 29	(9)	An order mentioned in subsection (8) takes effect as a discharge of mortgage only when it has been registered by the registrar-general.

page 46

Civil Law (Property) Bill 2005

LeasesChapter 4Leases—general provisionsPart 4.1Lessee's and lessor's obligationsDivision 4.1.1

Section 400

1 Chapter 4 Leases

2 Part 4.1 Leases—general provisions

3 Division 4.1.1 Lessee's and lessor's obligations

4

5

6

7

8

9

10

11

400 Lessee's obligations attach to reversion

- (1) The rent provided for by a lease, the benefit of every provision of the lease relating to the subject matter of the lease that is to be complied with by the lessee, and every condition of re-entry and other condition of the lease, is attached to, and goes with, the reversionary estate in the land (and in any part of the land) immediately expectant on the term granted by the lease, despite any severance of the reversionary estate.
- (2) Any rent, provision or condition mentioned in subsection (1) may be
 recovered, received, enforced or taken advantage of by the person
 from time to time entitled (the *entitled person*), subject to the term
 granted by the lease, to the income of all or a part of the land leased.
- (3) The entitled person may recover, receive, enforce or take advantage
 of the rent, provision or condition even though the person becomes
 entitled to the reversionary interest after the condition of re-entry or
 forfeiture has become enforceable.
- (4) This section does not make enforceable by a person a condition of
 re-entry or forfeiture, or any other condition, that had been waived
 or released before the person became entitled to enforce the
 condition.

Civil Law (Property) Bill 2005

page 47

	Chapter 4 Part 4.1 Division 4.1	Leases Leases—general provisions .1 Lessee's and lessor's obligations
	Section 401	
1	(5)	This section applies to—
2		(a) a lease granted on or after 26 June 1986; and
3 4		(b) a lease granted before 26 June 1986, but only in relation to rent accruing due on or after that day and to the benefit of a
5 6		condition of re-entry or forfeiture for a breach of a provision of the lease committed on or after that day.
7	401	Lessor's obligations to run with reversion
8 9	(1)	If land is leased, the obligation imposed on the lessor by a provision of the lease relating to the subject matter of the lease—
10 11 12 13		(a) is, so far as the lessor had power to bind the reversionary estate expectant on the term granted by the lease, attached to, and goes with, the reversionary estate in the land (and in every part of the land); and
14 15		(b) may be enforced or taken advantage of by the person in whom the term is from time to time vested; and
16 17 18		(c) may, so far as the lessor had power to bind the person from time to time entitled to the reversionary estate, be enforced, and taken advantage of, against a person so entitled.
19	(2)	This section applies to—
20		(a) a lease granted on or after 26 June 1986; and
21 22		(b) a breach committed on or after 26 June 1986 of a provision in a lease granted before that day.

page 48

1	402	Lessee to give notice of ejectment to lessor
2 3	(1)	This section applies to a lessee of premises against whom a proceeding for ejectment is begun.
4 5 6	(2)	The lessee must give notice of the proceeding to the lessor or the lessor's agent immediately after being served with the originating process for the proceeding.
7 8	(3)	A lessee who contravenes subsection (2) is liable to the lessor for any damage suffered by the lessor because of the failure.
9	(4)	This section does not—
10		(a) apply to a lessee who holds the premises leased under—
11 12		(i) a residential tenancy agreement under the <i>Residential</i> <i>Tenancies Act 1997</i> ; or
13 14		(ii) a lease under the Leases (Commercial and Retail) Act 2001; or
15		(b) bind the Territory.
16 17	(5)	Subsection (4) (b) has effect despite the Legislation Act, section 121 (Binding effect of Acts).
18 19	Divisio	n 4.1.2 Renewal of headlease without surrender of sublease
20	403	Renewal of headlease
21 22	(1)	This section applies to a lease from which subleases have been derived.
23 24 25 26	(2)	If a lease is surrendered for renewal and a new lease is granted by the head lessor without a surrender of 1 or more of the subleases, the new lease is as valid for all purposes as if the subleases had been surrendered for renewal at or before the grant of the new lease.

page 49

Chapter 4LeasesPart 4.1Leases—general provisionsDivision 4.1.2Renewal of headlease without surrender of subleaseSection 404

1	404	Rights on renewal
2 3		When a new lease is granted on the surrender of a lease (the <i>original lease</i>)—
4 5		 (a) a person in whom an estate for the life of the lessee, or for a fixed term, is vested by the new lease—
6 7		(i) is entitled to the rents payable under a sublease derived from the original lease; and
8 9 10		(ii) is entitled to have the obligations and duties imposed on the sublessee by a sublease derived from the original lease properly performed; and
11 12 13 14		(iii) is entitled to the same remedies for the recovery of the rents, or for a breach of the obligations or duties, as if the original lease had not been surrendered but had remained in force; and
15 16 17		(b) a sublessee under a sublease derived from the original lease continues to hold the lands sublet as if the original lease had not been surrendered but had remained in force; and
18 19 20 21 22 23 24 25 26		(c) the head lessor is entitled to the same remedies by way of entry on the lands sublet by a sublease derived from the original lease, for rents payable under the new lease or for breaches of the obligations and duties imposed by the new lease (so far as the rents, obligations and duties are not greater than the rents payable under, or the obligations and duties imposed by, the original lease), as the head lessor would have if the original lease had not been surrendered but had remained in force or if each sublease derived from the original lease had been
27		surrendered and regranted under the new lease.

Part 4.2 Leases to and for children and for absent lessors

3	405		Leases for children
4		(1)	This section applies if—
5			(a) a child is entitled to a lease of premises; and
6 7			(b) the child, or someone for the child, applies to the Supreme Court for an order under this section.
8		(2)	The Supreme Court may, by order, direct a nominated person to-
9			(a) surrender the lease; and
10 11			(b) accept instead a lease of the premises to be held by the nominated person for the child's benefit.
12		(3)	A lease mentioned in subsection (2) (b) must be held—
13 14			(a) on the same terms as the surrendered lease would have been held except so far as the Supreme Court orders otherwise; and
15 16			(b) for the same purposes as the surrendered lease would have been held; and
17 18 19			(c) subject to the same trusts, charges, encumbrances, dispositions and arrangements as the surrendered lease would have been held.
20	406		Costs of lease authorisation application for child
21 22 23		(1)	If an order is made under section 405 (2) in relation to a lease for a child, the costs of the order must be paid from the child's property as the Supreme Court orders.

Civil Law (Property) Bill 2005

page 51

Chapter 4 Part 4.2		Leases Leases to and for children and for absent lessors
Secti	on 407	
	(2)	The costs of an order mentioned in subsection (1) include—
		(a) the costs of the application for the order; and
		(b) the costs of surrendering the lease the child was entitled to; an
		(c) the costs of obtaining the substitute lease including any fir premium or other amount paid for the lease.
407		Renewal of leases by children
	(1)	This section applies if—
		(a) a child could, under a lease or other agreement or arrangement be compelled to renew a lease if the child were not a child; an
		(b) 1 of the following people applies to the Supreme Court for trenewal:
		(i) the child;
		(ii) someone for the child;
		(iii) a person entitled to the renewal of the lease.
	(2)	The Supreme Court may, by order, direct a nominated person renew the lease for the child and, if necessary for the renewal of t lease, accept the surrender of an existing lease.
	(3)	A renewal of a lease under an order under subsection (2) mu except so far as the Supreme Court orders otherwise, be accordance with the right of renewal.
408		Renewal of leases for people not amenable to process
	(1)	This section applies if—
		 (a) a person who is outside the ACT, and not amenable to the process of the Supreme Court, could be compelled to renew lease if the person were in the ACT and amenable to the process of the court; and

page 52

Civil Law (Property) Bill 2005

 $\label{eq:accessible} Authorised \ by \ the \ ACT \ Parliamentary \ Counsel-also \ accessible \ at \ www.legislation.act.gov.au$

Section 4	409
-----------	-----

1 2			(b) the person (or any of the people) entitled to the renewal of the lease applies to the Supreme Court for the renewal.
3 4 5		(2)	The Supreme Court may direct a nominated person to renew the lease and, if necessary for the renewal of the lease, accept the surrender of an existing lease.
6	409		Preconditions for grant or renewal of lease to be satisfied
7		(1)	A lease must not be granted or renewed under this part until—
8 9			(a) any fine or other amount required to be paid for the grant or renewal of the lease has been paid; and
10 11			(b) anything required to be done before the lease is granted or renewed has been done.
12 13		(2)	A lease or a renewal of a lease to be granted under this part must be properly executed by the lessee.
14 15	410		Application of amounts paid for lease renewal under pt 4.2
16 17 18 19 20			An amount paid for the renewal of a lease under section 407 (Renewal of leases by children) or section 408 (Renewal of leases for people not amenable to process) must, after deducting the costs and expenses payable for the renewal, be applied as the Supreme Court directs.
21	411		Validity of surrenders and leases under pt 4.2
22 23 24 25			A lease or other disposition, or a surrender of a lease, granted, made or accepted under this part is as valid as if the person by or for whom it was granted, made or accepted had been an adult without a disability who had personally granted, made or accepted it.

page 53

Chapter 4	Leases
Part 4.2	Leases to and for children and for absent lessors

1 412 Costs of applications under pt 4.2

The Supreme Court may order that the costs and expenses of, or resulting from, an application under this part be raised from the premises or leasehold interest in relation to which the application is made in a way the court considers appropriate.

page 54

Part 4.3 Breach of insurance provisions

2	413		Application—pt 4.3
3			This part applies to—
4 5			(a) a lease for a fixed term, whether or not the lease may be terminated before the end of the fixed term; and
6			(b) a lease for the life of the lessee.
7	414		Relief against forfeiture for failure to insure
8 9 10 11		(1)	The Supreme Court may, on application by a lessee under a lease, grant the lessee relief against forfeiture of the lease for breach of a provision of the lease requiring the lessee to insure the leased property against loss or damage if—
12 13			(a) no loss or damage to which the insurance would have applied has happened; and
14 15			(b) insurance of the kind required by the lease is in effect at the time of the application.
16		(2)	The Supreme Court may grant the relief on conditions.
17	415		Record of relief granted
18 19 20			If the Supreme Court grants relief under section 414 in relation to a lease, the court may order that a record of the relief having been granted be endorsed on the lease or be made in some other way.

Chapter 4LeasesPart 4.3Breach of insurance provisions

Section 416

1	416		Limit on relief
2 3			The Supreme Court must not grant relief to a person under this part in relation to a lease if—
4 5			(a) the court has already granted relief to the person under the part in relation to the same provision of the lease; or
6 7			(b) a forfeiture of the lease under the same provision has already been waived for the person other than in a court proceeding.
8	417		Noncomplying insurance
9		(1)	In this section:
10 11 12 13			<i>complying insurance</i> , in relation to a lease or mortgage of a lease, means insurance against loss of or damage to any of the leased property required by the insurance provisions of the lease or mortgage.
14 15 16 17			<i>insurance provisions</i> , of a lease or mortgage of a lease, means provisions of the lease or mortgage requiring the lessee or mortgagor to insure any of the leased property against loss or damage.
18 19 20 21 22			<i>noncomplying insurance</i> , in relation to a lease or mortgage of a lease, means insurance against loss of or damage to any of the leased property that was obtained by the lessee or mortgagor to cover his or her interest in the property and that does not comply with the insurance provisions of the lease or mortgage.
23 24 25 26		(2)	The person entitled to the benefit of insurance provisions of a lease or mortgage of a lease has the same rights in relation to noncomplying insurance of any of the leased property as the person would have in relation to complying insurance of the property.

 $[\]label{eq:action} \mbox{Authorised by the ACT Parliamentary Counsel-also accessible at www.legislation.act.gov.au$

1	418	Protection of purchaser of leasehold against forfeiture
2	(1)	This section applies in relation to a lease containing a provision (the
3		<i>insurance provision</i>) requiring the lessee to insure any of the leased
4		property against loss or damage.
5	(2)	An honest purchaser of the leasehold interest under the lease is not
6		liable to forfeiture, for damages or in any other way for a breach of
7		the insurance provision that happened before completion of the
8		purchase if—
9		(a) the purchaser was given the written receipt of the person
10		entitled to receive the rent for the last payment of rent owing
11		before completion of the purchase; and
12		(b) there was, at the time of completion of the purchase, insurance
13		that complied with the insurance provision.
14	(3)	
15		lessee for breach of the insurance provision.

page 57

Part 4.4 Restriction of effect of licence or waiver by lessor

3	419		Application—pt 4.4
4		(1)	This part applies to—
5 6			(a) a lease for a fixed term, whether or not the lease may be terminated before the end of the fixed term; and
7			(b) a lease for the life of the lessee.
8		(2)	This part does not—
9 10			(a) apply to a residential tenancy agreement under the <i>Residential Tenancies Act 1997</i> ; or
11			(b) bind the Territory.
12 13		(3)	Subsection (2) (b) has effect despite the Legislation Act, section 121 (Binding effect of Acts).
14	420		Effect of licence given to lessee
15 16 17		(1)	If a lessee is given licence to do an act that contravenes a provision of the lease, the licence, unless otherwise expressed, extends only to—
18			(a) the permission actually given; or
19			(b) the particular breach of the provision; or
20			(c) anything else specifically authorised to be done by the licence.
21 22 23		(2)	The licence does not prevent a proceeding for a later breach of a provision of the lease unless the licence specifically authorises the breach.

page 58

Civil Law (Property) Bill 2005

1		(3)	Despite the licence—
2 3 4 5			(a) all rights under the provisions of the lease remain in force and are available against a subsequent breach of the provisions not specifically authorised or waived by the licence in the same way as if the licence had not been given; and
6 7 8			(b) the provision of the lease in relation to which the licence was given remains in force as if the licence had not been given, except in relation to the particular thing authorised to be done.
9	421		Operation of partial licences
10 11 12		(1)	This section applies if a licence gives a power of re-entry on a lessee assigning, subletting or doing another specified act without licence and licence is given—
13 14			(a) to 1 of 2 or more lessees to assign or sublet the lessee's share or interest or to do another act prohibited without licence; or
15 16 17			(b) to a lessee, or 1 of 2 or more lessees, to assign or sublet part only of the property, or to do an act prohibited without licence in relation to part only of the property.
18 19 20 21 22 23		(2)	The licence does not extinguish the right of entry for a breach of a provision of the lease by co-lessees of the other shares or interests in the property, or by the lessee or lessees of the rest of the property, in relation to those shares or interests or the rest of the property, but the right of entry remains in force in relation to the shares, interests or property not subject to the licence.

page 59

Section 421

Chapter 4	Leases
Part 4.4	Restriction of effect of licence or waiver by lessor

1	422		Apportionment of conditions of entry on severance
2 3		(1)	This section applies if the reversion of a lease is severed and the rent or other reservations under the lease are apportioned among the
4			reversionary interests.
5 6		(2)	The assignee of a part of the reversion is, in relation to the apportioned rent or other reservation allotted to the assignee,
7			entitled to the benefit of all the powers of re-entry for nonpayment
8			of the rent or failure to render the other reservation in the same way
9 10			as if the powers of re-entry had been given to the assignee as incident to the assignee's part of the reversion in relation to the rent
11			or other reservation allotted to the assignee.
12	423		Waiver of benefit of lease provision
13			If a lessor waives the benefit of a provision of the lease in a
14			particular instance, the waiver is not taken—
15			(a) to extend to an instance, or a breach of a provision of the lease,
16			other than that to which the waiver specially relates; or
17			(b) to operate as a general waiver of the benefit of the provision.

page 60

1 Part 4.5 Forfeiture of leases

2	424		Definitions—pt 4.5
3			In this part:
4			<i>lease</i> includes—
5			(a) a sublease; and
6 7			(b) an agreement for a lease if the person to be the lessee is entitled to have the lease granted.
8			lessee includes a sublessee.
9			<i>lessor</i> includes a sublessor.
10 11			<i>sublease</i> includes an agreement for a sublease if the person to be the sublessee is entitled to have the sublease granted.
12	425		Application—pt 4.5
13 14		(1)	This part applies to a lease despite any provision of the lease to the contrary.
15 16		(2)	However, this part does not apply to a residential tenancy agreement under the <i>Residential Tenancies Act 1997</i> .
17	426		Restrictions on re-entry or forfeiture
18 19 20		(1)	A right of re-entry or forfeiture under a lease for breach of a provision of the lease is not enforceable by proceeding or otherwise unless—
21			(a) the lessor gives the lessee a notice—
22			(i) specifying the breach; and
23 24			(ii) requiring the lessee to pay compensation for the breach; and

Civil Law (Property) Bill 2005

page 61

Chapter 4	Leases		
Part 4.5	Forfeiture of leases		

-		
1 2		(iii) if the breach can be remedied—requiring the lessee to remedy the breach; and
3 4		(b) the lessee fails within a reasonable time after being given the notice—
5		(i) to pay reasonable compensation for the breach; and
6		(ii) if the breach can be remedied—to remedy the breach.
7		<i>Note</i> If a form is approved under s 502 for a notice, the form must be used.
8 9 10 11	(2)	If the lessor under a lease seeks to enforce, by proceeding or otherwise, a right of re-entry or forfeiture under the lease for breach of a provision of the lease, the lessee may apply to the Supreme Court for relief.
12 13	(3)	If the lessee applies to the Supreme Court for relief, the court may grant or refuse relief.
14 15 16	(4)	If the Supreme Court grants relief, it may grant relief on the conditions it considers appropriate, including the granting of an injunction to restrain similar breaches of the lease in the future.
17	(5)	This section does not apply in relation to—
18		(a) a lease granted by the Territory or the Commonwealth; or
19		(b) a lease for a term of 1 year or less; or
20 21		(c) a provision of a lease for forfeiture on the bankruptcy of the lessee; or
22		(d) the taking of the lessee's interest in execution; or
23		(e) re-entry or forfeiture for nonpayment of rent.
24 25 26	(6)	For this section, the term of a lease limited to continue only while the lessee does not breach the lease is taken to be the term for which the lease could continue apart from a breach.

page 62

Civil Law (Property) Bill 2005

1	427		Notices under s 426 (1)
2		(1)	A notice under section 426 (1) must be in writing.
3 4		(2)	If the lessee is not in the ACT, the notice may be given to the lessee by serving it personally on the lessee's lawyer or agent in the ACT.
5 6		(3)	Subsection (2) does not limit any other territory law that allows service of the notice in another way.
7	428		Protection of sublessees
8 9 10 11 12		(1)	If the lessor under a lease seeks to enforce, by proceeding or otherwise, a right of re-entry or forfeiture under the lease for breach of a provision of the lease, a person (the <i>interested person</i>) claiming an interest in all or part of the leased property as sublessee may apply to the Supreme Court for relief.
13 14		(2)	If the interested person applies to the Supreme Court for relief, the court may grant or refuse relief.
15 16 17 18 19		(3)	Without limiting subsection (2), the Supreme Court may stay a proceeding brought by the lessor to enforce the right of re-entry or forfeiture under the lease and vest all or a part of the leased property in the interested person as sublessee, or in any other capacity, for a term not longer than the term of the lease.
20 21		(4)	If the Supreme Court grants relief, it may grant relief on the conditions it considers appropriate.
22 23 24		(5)	For this section, the term of a lease limited to continue only while the lessee does not breach the lease is taken to be the term for which the lease could continue apart from a breach.

page 63

Chapter 4LeasesPart 4.6Leases invalidly granted under powers

Section 429

Part 4.6 Leases invalidly granted under powers

3	429		Pt 4.6 does not bind the Territory
4		(1)	This part does not bind the Territory.
5 6		(2)	This section has effect despite the Legislation Act, section 121 (Binding effect of Acts).
7	430		Leases taken to be granted in intended exercise of power
8			If—
9 10			(a) a valid power of leasing is vested in or may be exercised by a person granting a lease; and
11 12 13			(b) the lease cannot have effect, or continue to have effect, according to its terms independently of the power (because of the ending of the estate or interest of the person or otherwise);
14 15			the lease is, for this part, taken to be granted in the intended exercise of the power, even though the power is not mentioned in the lease.
16	431		Certain invalid leases taken to be agreements to lease
17		(1)	This section applies if—
18 19			(a) in the intended exercise of a power to lease property, a lease is granted that is invalid against—
20 21 22			(i) the person entitled to the reversionary interest in the property at the end of the interest of the person granting the lease; or
23 24			(ii) anyone else who, subject to a lease validly granted under the power, would have an interest in the property; and

page 64

Civil Law (Property) Bill 2005

	-				
1 2			(b) the lease is invalid for failure to comply with the terms of the power; and		
3			(c) the lease is honestly granted; and		
4 5			(d) the lessee or a person claiming under the lessee has entered into possession of the property.		
6 7 8		(2)	An invalid lease mentioned in subsection (1) is taken in equity to be a contract for the grant, at the request of the lessee, of a valid lease—		
9 10			(a) under the same power as the invalid lease was granted under; and		
11 12			(b) in the same terms as the invalid lease apart from any changes necessary to comply with the terms of the power.		
13 14 15		(3)	Anyone who would have been bound by the invalid lease if it had been validly granted is bound in equity by the contract mentioned in subsection (2).		
16 17 18 19		(4)	However, no-one is entitled under the contract mentioned in subsection (2) to obtain a variation of the lease if the other people bound by the contract are willing to confirm the lease without variation.		
20		(5)	In this section:		
21 22		<i>possession</i> —to remove any doubt, <i>possession</i> of land does not include receipt of income from the land.			
23	432		Certain leases validated		
24		(1)	This section applies if—		
25 26 27			(a) a lease granted in the intended exercise of a power of leasing is invalid because, when the lease was granted, the person granting the lease could not lawfully grant it; and		
28			(b) the person was at least 18 years old at that time; and		
			Civil Law (Property) Bill 2005 page 65		

Chapter 4	Leases
Part 4.6	Leases invalidly granted under powers

1 2			(c) the person can, at a later time, lawfully grant the lease or a similar lease under the power.	
3 4		(2)	If this section applies, the lease is taken to have been granted by the person under the power at the later time.	
5		(3)	This part applies to the lease.	
6	433		Acceptance of rent taken to be confirmation of lease	
7 8 9 10		(1)	This section applies if, on or before acceptance of rent under an invalid lease, a written receipt, memorandum or note confirming the lease is signed by the person accepting the rent or by someone authorised by that person.	
11 12		(2)	The acceptance of the rent is, as against the person accepting the rent, taken to be a confirmation of the lease.	
13	434		Lessee bound to accept confirmation	
14		(1)	This section applies if—	
15 16			(a) a person (the <i>first person</i>) is in possession of land under an invalid lease; and	
17 18 19			(b) someone else (the <i>other person</i>) is entitled, subject to the interest of the first person in the land, to possession of the land or to receipt of its rents and profits; and	
20			(c) the other person can confirm the lease without variation.	
21 22 23 24		(2)	The first person (or a person deriving title to the lease under or from the first person), or anyone else who would have been bound by the lease if it had been valid, must, if asked by the other person, accept confirmation of the lease by the other person.	
25 26 27		(3)	The confirmation may be made by a written memorandum or note signed by the other person and the person accepting the confirmation.	

page 66

Civil Law (Property) Bill 2005

1 2		(4)	On the confirmation of the lease, the lease is taken to have been valid from the time it was granted.	
3	435		Pt 4.6 does not affect certain other rights	
4			This part does not affect the rights of anyone in relation to a breach	
5			of a provision of an invalid lease.	
6			Example	
7			rights of a person named as lessor of an invalid lease to re-entry or forfeiture for	
8			breach of a provision of the lease	
9			<i>Note</i> An example is part of the Act, is not exhaustive and may extend, but	
10			does not limit, the meaning of the provision in which it appears (see	
11			Legislation Act, s 126 and s 132).	

Civil Law (Property) Bill 2005

page 67

Chapter 4LeasesPart 4.7Recovery of leased premises

Section 436

Part 4.7 Recovery of leased premises

2	436		Application—pt 4.7	
3		(1)	This part does not—	
4			(a) apply to—	
5 6			(i) a residential tenancy agreement under the <i>Residential</i> <i>Tenancies Act 1997</i> ; or	
7 8			(ii) a lease under the Leases (Commercial and Retail) Act 2001; or	
9			(b) bind the Territory.	
10 11		(2)	Subsection (1) (b) has effect despite the Legislation Act, section 121 (Binding effect of Acts).	
12	437		Who is an <i>agent</i> for pt 4.7?	
13			In this part:	
14			agent means—	
15 16			 (a) a person usually employed by a lessor in leasing premises or collecting rents; or 	
17 18			(b) a person authorised in writing by the lessor of premises to act in relation to the premises.	

page 68

438		Recovery of possession
400	(1)	
	(1)	This section applies—
		(a) if—
		(i) the term of a lease has ended; or
		(ii) a lease has been terminated by a notice to quit or demand for possession; and
		(b) the lessee, or a person claiming under the lessee who is occupying the leased premises or a part of the premises, fails t
		quit and give possession of the premises or a part of the premises to the lessor.
	(2)	The lessor or the lessor's agent may apply to the Supreme Court of Magistrates Court for an order for recovery of possession of the premises.
	(3)	If the court is satisfied that the term of the lease has ended or the the lease has been terminated, it may make an order for recovery of possession of the premises by the lessor and may—
		 (a) issue a warrant authorising a police officer or someone else t enter (with any reasonable and necessary force) into the premises and give possession to the lessor or the lessor's agen or
		(b) postpone the issue of a warrant mentioned in paragraph (a), of suspend the execution of the warrant, for a time it consider appropriate.
	(4)	In this section:
		<i>possession</i> —to remove any doubt, <i>possession</i> of land does no include receipt of income from the land.

Civil Law (Property) Bill 2005

page 69

Chapter 5 Miscellaneous Part 5.1 Debts charged on property of deceased person

Section 500

Chapter 5 Miscellaneous 1

Part 5.1 Debts charged on property of 2 deceased person

3

4

5

6

7

8

9

10

11

12

13

19

20

21

22

23

24

500 Charges on property of deceased person to be paid primarily out of property charged

(1) This section applies if a person dies possessing or being entitled to, or, under a general power of appointment, disposes of by will-

- (a) property that at the time of the person's death is charged with the payment of an amount, whether by legal mortgage, equitable charge or in some other way (including a lien for unpaid purchase money); or
- (b) land for which an amount is owing at the time of the person's death under a contract of purchase.
- (2) Unless the deceased person has by will indicated a contrary 14 intention, the property charged or land for which purchase money is 15 owing is, as between the different people claiming through the 16 deceased person, primarily liable for the payment of the charge or 17 purchase money and-18
 - (a) each part of property that is subject to a charge must bear a proportionate part of the charge on the whole of the property; and
 - each part of a parcel of land for which purchase money is (b) owing must bear a proportionate part of the amount owing for the whole parcel.

1	(3)	A contrary intention is not taken to be indicated—
2		(a) by a general direction in the deceased person's will for the
3		payment of debts, or all debts, of the person out of-
4		(i) the person's personal estate; or
5		(ii) the person's residuary real and personal estate; or
6		(iii) the person's residuary real estate; or
7		(b) by a charge in the deceased person's will of debts, or all debts,
8		of the person on any estate mentioned in paragraph (a).
9	(4)	However, a contrary intention is taken to be indicated by words in
10		the deceased person's will expressly or by necessary implication
11		indicating an intention that a general direction in the will of the kind
12		mentioned in subsection (3) (a), or a charge in the will of the kind
13		mentioned in subsection (3) (b), is to apply to a charge on property
14		mentioned in subsection (1) (a) or an amount of unpaid purchase many manifold in subsection (1) (b)
15		money mentioned in subsection (1) (b).
16	(5)	This section does not affect the right of a person entitled to a charge
17		on property mentioned in subsection (1) (a), or to unpaid purchase
18		money mentioned in subsection (1) (b), to obtain payment of the
19		charge or purchase money out of other assets of the deceased person
20		or in some other way.

Civil Law (Property) Bill 2005

Chapter 5MiscellaneousPart 5.2Stipulations in contracts

Section 501

1 Part 5.2 Stipulations in contracts

2 **501** Stipulations not of the essence of contracts

Stipulations in a contract, about time or anything else, that, in accordance with the rules of equity, are taken not to be, or not to have been, of the essence of the contract must be interpreted and have effect at law in accordance with those rules.

page 72

Civil Law (Property) Bill 2005

Part 5.3 Miscellaneous—other provisions

2	502		Approved forms	
3		(1)	The Minister may, in writing, approve forms for this Act.	
4 5		(2)	If the Minister approves a form for a particular purpose, the approved form must be used for that purpose.	
6			<i>Note</i> For other provisions about forms, see the Legislation Act, s 255.	
7		(3)	An approved form is a notifiable instrument.	
8			<i>Note</i> A notifiable instrument must be notified under the Legislation Act.	
9	503		Regulation-making power	
10			The Executive may make regulations for this Act.	
11 12			<i>Note</i> A regulation must be notified, and presented to the Legislative Assembly, under the Legislation Act.	

Civil Law (Property) Bill 2005

Chapter 5	Miscellaneous
Part 5.4	Transitional

1 Part 5.4 Transitional

2	504		References to repealed Act
3 4 5 6		(1)	In any Act, instrument made under an Act or document, a reference to a repealed Act (or a provision of a repealed Act) is, in relation to anything to which this Act applies, a reference to this Act (or the corresponding provision of this Act).
7 8 9			<i>Note</i> A reference to an Act includes a reference to the statutory instruments made or in force under the Act, including any regulation (see Legislation Act, s 104).
10		(2)	In this section:
11			<i>repealed Act</i> means—
12			(a) the <i>Conveyancing Act 1919</i> ; or
13			(b) the Conveyancing and Law of Property Act 1898; or
14			(c) the Forfeiture and Validation of Leases Act 1905; or
15			(d) the Landlord and Tenant Act 1899; or
16			(e) the Law Reform (Miscellaneous Provisions) Act 1955.
17	505		Transitional regulations
18 19		(1)	A regulation may prescribe transitional matters necessary or convenient to be prescribed because of the enactment of this Act.
20 21 22 23		(2)	A regulation may modify this part (including its operation in relation to another territory law) to make provision in relation to anything that, in the Executive's opinion, is not, or is not adequately or appropriately, dealt with in this part.
24 25		(3)	A regulation under subsection (2) has effect despite anything elsewhere in this Act or another territory law.

page 74

Civil Law (Property) Bill 2005

Miscellaneous	Chapter 5
Transitional	Part 5.4

1 506 Expiry of pt 5.4

2 This part expires 2 years after the day it commences.

Civil Law (Property) Bill 2005

page 75

Chapter 5MiscellaneousPart 5.5Repeals and consequential amendments

Section 507

Part 5.5 Repeals and consequential amendments

3	507		Legislation repealed
4		(1)	The following legislation is repealed:
5			Conveyancing Act 1919 A1919-6
6			Conveyancing and Law of Property Act 1898 A1898-17
7			• Forfeiture and Validation of Leases Act 1905 A1905-8
8			• Forfeiture of Leases Act 1901—Form 1 AF2002-18
9			• Landlord and Tenant Act 1899 A1899-18
10			• Law Reform (Miscellaneous Provisions) Act 1955 A1955-3.
11		(2)	The following laws are declared to be laws to which the Legislation
12			Act, section 88 (Repeal does not end effect of transitional laws etc)
13			applies:
14			(a) the <i>Conveyancing Act 1919</i> , division 6.2 (Covenants for title);
15			(b) the Landlord and Tenant Act 1899, section 3 (Short forms),
16			section 4 (Deed to include buildings etc), schedule 1 and
17			schedule 2;
18			(c) the Law Reform (Miscellaneous Provisions) Act 1955, part 14
19			(Abolition of maintenance, champerty and a form of barratry).
20	508		Legislation amended—sch 1
21			This Act amends the legislation mentioned in schedule 1.

Schedule 1 Consequential amendments

2 (see s 508)

6

8

9

10

11

12

13

14

20

21

22

23

Part 1.1 Administration and Probate Act 1929

- 5 [1.1] Section 49P
 - substitute

7 49P Simultaneous deaths—devolution of property generally

- (1) This section applies if—
 - (a) a person who has died (the *beneficiary*) would, if the person had not died, have been entitled, under a will or on an intestacy, to an interest in the estate of someone else who has died (the *benefactor*); and
 - (b) the beneficiary and the benefactor died at the same time or in an order that is uncertain.
- (2) The property of the benefactor devolves as if the benefactor had
 survived the beneficiary and had died immediately after the
 beneficiary.

1849QSimultaneous deaths—devolution of jointly owned19property

- (1) This section applies to property—
 - (a) that was owned jointly and exclusively by 2 or more people who died at the same time or in an order that is uncertain; and
 - (b) that was not held by them as trustees.
- 24 (2) The property devolves as if the joint owners had, at the time of their 25 deaths, held the property as tenants in common in equal shares.

Civil Law (Property) Bill 2005

page 77

Schedule 1
Part 1.2Consequential amendments
Civil Law (Wrongs) Act 2002Amendment [1.2]

Part 1.2 Civil Law (Wrongs) Act 2002

champerty and being a common barrator, see the Law Reform
champerty and being a common barrator, see the Law Reform (Miscellaneous Provisions) Act 1955 (rep), s 68 and the Civil Law
(1 ropeny) net 2000, 5 501 (2).
Confiscation of Criminal Assets Act 2003
Section 115 (1) (b)
substitute
 (b) the <i>Trustee Act 1925</i> or the <i>Civil Law (Property) Act 2005</i>, division 2.4.1 (Dispositions on trust for sale or with power of sale).
Court Procedures Act 2004
New division 10.9 heading
insert
10.9 Writs of habeas corpus
New section 143
insert
Expiry of div 10.9

page 78

Civil Law (Property) Bill 2005

1 (2	2)	In this section:
------	----	------------------

2

existing rules expiry day—see section 100 (3).

Part 1.5 Law Reform (Miscellaneous Provisions) Act 1955

[1.6]	Section 61 heading
	substitute
61	Treason trials
[1.7]	Section 61 (as amended)
	relocate to Crimes Act 1900 as section 280A
[1.8]	Section 62
	relocate to Court Procedures Act 2004, division 10.9 as section 142

12 Part 1.6 Legislation Act 2001

[1.9]		Sectio	on 121 (1)
		substit	ute
	(1)		et binds everyone, including people who are not Australian s and all governments.
		Note	See the Self-Government Act, s 27 which provides that, except as provided by the regulations under that Act, an ACT enactment does not bind the Crown in right of the Commonwealth. See also s 120.
[1.10]		of Pro	dule 1, part 1.1, items about <i>Conveyancing and Law</i> operty Act 1898, Landlord and Tenant Act 1899 and iture and Validation of Leases Act 1905
		omit	

Civil Law (Property) Bill 2005

page 79

Schedule 1	Consequential amendments
Part 1.7	Trustee Act 1925
Amendment [1.11]	

1	[1.11]	Schedule 1, part 1.1
2		renumber items when Act next republished under Legislation Act
3	[1.12]	Schedule 1, part 1.2, item about Conveyancing Act 1919
4		omit
5	[1.13]	Schedule 1, part 1.2
6		renumber items when Act next republished under Legislation Act
7	Part 1.	7 Trustee Act 1925
8	[1.14]	New section 7A
9		insert
10	7 A	Children not to be appointed trustees
11	(1)	The appointment of a child as trustee is void.
12 13	(2)	This section does not affect the power to appoint a new trustee to fill the vacancy.
14	[1.15]	Section 36 (4)
15		omit
16	[1.16]	Section 36 (6) (b)
17		omit
18		subsection (7)
19		substitute
20		subsection (6)
21	[1.17]	Section 36 (5) to (11) (as amended)
22		renumber as section 36 (4) to (10)

page 80

Civil Law (Property) Bill 2005

Consequential amendments Trustee Act 1925 **Schedule 1 Part 1.7**

Amendment [1.18]

1	[1.18]	Section 43 (9)
2		omit everything from
3		, and so that if
4		to
5		arising
6	[1.19]	Section 44 (6)
7		omit everything from
8		, or applicable
9		to
10		part 4

Civil Law (Property) Bill 2005

page 81

1 Dictionary

2	(see s 3)		
3 4		Note 1	The Legislation Act contains definitions and other provisions relevant to this Act.
5		Note 2	For example, the Legislation Act, dict, pt 1, defines the following terms:
6			• adult
7			• child
8			• corporation
9			Corporations Act
10			• domestic partnership (see s 169 (2))
11			• individual
12			• instrument (see s 14)
13			• interest
14			• land
15			• person
16			• police officer
17			• proceeding
18			• provision (see s 16)
19			• public trustee
20			• registrar-general.
21 22		Note 3	See also the Legislation Act, s 168 (References to person with interest in land include personal representative etc).
23		admini	strator includes anyone to whom administration of the estate
24		of a d	eceased person is granted, and includes the public trustee
25		acting	under the Administration and Probate Act 1929, part 6.
26		agent,	for part 4.7 (Recovery of leased premises)—see section 437.
27		annuit	y, for part 2.6 (Apportionment)—see section 248.
28		assura	<i>nce</i> includes a conveyance and a disposition made otherwise
29		than by	<i>v</i> 1

page 82

Civil Law (Property) Bill 2005

1 2	<i>bankruptcy</i> includes any act or proceeding in law having effects or results similar to those of bankruptcy.
3 4	Example winding-up of a company
5 6 7	<i>Note</i> An example is part of the Act, is not exhaustive and may extend, but does not limit, the meaning of the provision in which it appears (see Legislation Act, s 126 and s 132).
8 9	<i>conveyance</i> includes an assignment, appointment, lease, settlement or other assurance by deed of any property.
10 11	<i>deed</i> , in relation to land under the <i>Land Titles Act 1925</i> , includes an instrument that has the effect of a deed under that Act.
12	disposition includes—
13	(a) a conveyance; and
14 15 16	(b) an acknowledgment under the <i>Administration and Probate</i> <i>Act 1929</i> , section 56 (Executor may sign acknowledgment instead of conveyance); and
17 18 19	(c) a vesting instrument, declaration of trust, disclaimer, release or any other assurance of property by an instrument other than a will; and
20	(d) a release, devise, bequest or appointment of property in a will.
21	dividend, for part 2.6 (Apportionment)—see section 248.
22	encumbrance includes—
23	(a) a mortgage; and
24	(b) a trust for securing money; and
25 26	(c) a lien or charge of a portion, annuity, or other capital or annual sum.
27 28	<i>executor</i> means the executor to whom probate has been granted, and includes an executor by right of representation.
29	<i>income</i> , of land, includes rents and profits.

Civil Law (Property) Bill 2005

page 83

Dictionary

1 2 3	<i>instrument</i> includes a deed, a will, an agreement for settlement, and a law of the Territory, the Commonwealth, a State or another Territory.
4 5	<i>interested person</i> , in relation to property, for part 2.5 (Partition)—see section 242.
6	lease, for part 4.5 (Forfeiture of leases)—see section 424.
7	lessee, for part 4.5 (Forfeiture of leases)—see section 424.
8	lessor, for part 4.5 (Forfeiture of leases)—see section 424.
9 10	<i>life interest</i> , for division 2.2.3 (Ending life interests)—see section 215.
11	mortgage—
12 13	(a) for land under the <i>Land Titles Act 1925</i> —see that Act, section 6 (1); and
14 15	 (b) for other property—includes a charge on property for securing money or money's worth.
16	mortgagee—
17 18	(a) for land under the <i>Land Titles Act 1925</i> —see that Act, section 6 (1); and
19 20	(b) for other property—includes a person taking title to the mortgage under the original mortgagee.
21	mortgagor—
22 23	(a) for land under the <i>Land Titles Act 1925</i> —see that Act, section 6 (1); and
24	(b) for other property—includes any of the following:
25 26	(i) a person taking title to the equity of redemption under the original mortgagor;
27 28	(ii) a person entitled to redeem a mortgage, according to the person's interest in the mortgaged property.

page 84

Civil Law (Property) Bill 2005

1 2	<i>personal representative</i> means the executor or administrator of a deceased person.
3	person with a legal disability means—
4	(a) a child; or
5	(b) a person with a mental disability.
6	person with a mental disability means—
7 8	(a) in relation to a proceeding—a person (other than a child) who is not legally competent to be a party to the proceeding; and
9 10	(b) in relation to the doing of something—a person (other than a child) who is not legally competent to do the thing;
11 12 13	and includes such a person even if a guardian or manager has not been appointed for the person under the <i>Guardianship and</i> <i>Management of Property Act 1991</i> .
14	possession, of land, includes receipt of income from the land.
15 16	<i>proceeding for partition of property</i> , for part 2.5 (Partition)—see section 242.
17	purchaser—
18 19	(a) for division 2.4.1 (Dispositions on trust for sale or with power of sale)—see section 230; and
20 21	(b) for division 2.4.2 (Voidable dispositions)—see section 238; and
22 23	(c) for any other provision—means a purchaser for valuable consideration, and includes—
24	(i) a lessee or mortgagee; and
25 26	(ii) anyone else who acquires an interest in property for valuable consideration.
27 28	<i>registered</i> means registered in the appropriate register kept by the registrar-general.

Civil Law (Property) Bill 2005

page 85

Dictionary

1	rent—
2	(a) includes yearly or other rent; and
3	(b) for part 2.6 (Apportionment)—see section 248.
4	securities includes stocks, funds and shares.
5	settlement—see section 200.
6	sublease, for part 4.5 (Forfeiture of leases)—see section 424.
7	trust corporation means—
8	(a) the public trustee or a trustee company; or
9 10	(b) the Official Trustee in Bankruptcy under the <i>Bankruptcy</i> <i>Act 1966</i> (Cwlth); or
11	(c) the trustee in whom the property of a bankrupt is vested.
12	trustee company—see the Trustee Companies Act 1947, dictionary.
13	trustees for sale means the people holding property on trust for sale.
14 15 16	<i>trust for sale</i> means a binding trust for sale, whether or not exercisable at the request or with the consent of anyone, and with or without a discretionary power to postpone sale.
17 18	<i>valuable consideration</i> includes marriage, but does not include a nominal consideration in money.

Endnotes

1	Presentation speech	
	Presentation speech made in the Legislative Assembly on	2005.
2	Notification	
	Notified under the Legislation Act on	2005.
3	Republications of amended laws	
	For the latest republication of amended laws, see www.legislation.ac	

© Australian Capital Territory 2005

Civil Law (Property) Bill 2005

page 87