

FACT SHEET

TRUSTEE COMPANIES AMENDMENT BILL 2009

- Under the Trustee Companies Act 1953 a trustee company must not have any single shareholder with voting or other rights over more than 10 per cent of its issued shares.
- The proposed merger of MyState Financial and Tasmanian Perpetual Trustees, if approved by the shareholders and other regulators, will result in the Tasmanian Perpetual Trustees being a wholly owned subsidiary of a new MyState holding company.
- As the financial arrangements would be contrary to the existing Act this Bill will allow the continuation of the business of Tasmanian Perpetual Trustees Limited as a trustee company after the merger of the MyState Financial and Tasmanian Perpetual Trustees by treating the holding company in a similar manner to the trustee company which it will own.
- The holding company will be required to meet the restrictions on shareholding in the same manner as the trustee company would.

The two entities will be taking their proposals to their shareholders later this year and this change to the Act is necessary to ensure that the new structural arrangements will not impede the future operations of the merged bodies.