

THE OFFICIAL TRUSTEES ACT, 1913

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THE OFFICIAL TRUSTEES ACT, 1913

ACT NO. II OF 1913

[27th February, 1913]

**An Act to consolidate and amend the Law
constituting the office of Official Trustee. ***

WHEREAS it is expedient to consolidate and amend the law constituting the office of the Official Trustee;

It is hereby enacted as follows:—

PART I

PRELIMINARY

- 1.** (1) This Act may be called the Official Trustees Act, 1913. Short title,
extent and
commencement
- (2) It extends to the whole of ¹[Bangladesh].
- (3) It shall come into force on such date as the ²[Government] by notification in the official Gazette may direct.
- 2.** In this Act, unless there is anything repugnant in the subject or context,— Interpretation
clause
- ³[* * *]

* Throughout this Act, except otherwise provided, the words "High Court Division" were substituted, for the words "High Court" or "a High Court" by section 3 and 2nd Schedule of the Bangladesh Laws (Revision and Declaration) Act, 1973 (Act No. VIII of 1973).

¹ The word "Bangladesh" was substituted, for the word "Pakistan" by section 3 and 2nd Schedule of the Bangladesh Laws (Revision and Declaration) Act, 1973 (Act No. VIII of 1973).

² The word "Government" was substituted, for the words "Central Government" by section 3 and 2nd Schedule of the Bangladesh Laws (Revision and Declaration) Act, 1973 (Act No. VIII of 1973).

³ Clauses (1) and (2) were omitted by section 3 and 2nd Schedule of the Bangladesh Laws (Revision and Declaration) Act, 1973 (Act No. VIII of 1973).

(3) *[Repealed by the Government of India (Adaptation of Indian Laws) Order, 1937.]*

(4) "Prescribed" means prescribed by rules under this Act:

(5), (6) and (7) *[Repealed by the Government of India (Adaptation of Indian Laws) Order, 1937.]*

¹[* * *]

Extent of jurisdiction of High Court Division

3. For the purposes of this Act the High Court Division shall have jurisdiction throughout ²[Bangladesh].

PART II

THE OFFICE OF OFFICIAL TRUSTEE

Official Trustee

4. ³[(1) The Government shall appoint an Official Trustee for the whole of Bangladesh.

(2) No person shall be appointed to the office of the Official Trustee who is not an advocate within the meaning of clause (a) of Article 2 of the Bangladesh Legal Practitioners and Bar Council Order, 1972.]

Appointment and powers of Deputy Official Trustee

5. The Government may appoint a Deputy or Deputies to assist the Official Trustee; and any Deputy so appointed shall, subject to the control of the Government and the general or special orders of the Official Trustee, be competent to discharge any of the duties and exercise any of the powers of the Official Trustee, and, when discharging such duties or exercising such

¹ Clause (8) was omitted by section 3 and 2nd Schedule of the Bangladesh Laws (Revision and Declaration) Act, 1973 (Act No. VIII of 1973).

² The word "Bangladesh" was substituted, for the words "the Division" by section 3 and 2nd Schedule of the Bangladesh Laws (Revision and Declaration) Act, 1973 (Act No. VIII of 1973).

³ Sub-sections (1) and (2) were substituted, for sub-sections (1) and (2) by section 3 and 2nd Schedule of the Bangladesh Laws (Revision and Declaration) Act, 1973 (Act No. VIII of 1973).

powers, shall have the same privileges and be subject to the same liabilities as the Official Trustee.

6. The Official Trustee shall be a corporation sole by the name of the Official Trustee of ¹[Bangladesh] and, as such Official Trustee, shall have perpetual succession and an official seal, and may sue and be sued in his corporate name.

Official Trustee to be corporation sole, to have perpetual succession and official seal and to sue and be sued in his corporate name

PART III

RIGHTS, POWERS, DUTIES AND LIABILITIES OF OFFICIAL TRUSTEE

7. (1) Subject to, and in accordance with, the provisions of this Act and the rules made thereunder, the Official Trustee may, if he thinks fit,—

General powers and duties of Official Trustee

- (a) act as an ordinary trustee;
- (b) be appointed trustee by a Court of competent jurisdiction.

(2) Save as hereinafter expressly provided, the Official Trustee shall have the same powers, duties and liabilities, and be entitled to the same rights and privileges and be subject to the same control and orders of the Court as any other trustee acting in the same capacity.

(3) The Official Trustee may decline, either absolutely or except on such conditions as he may impose, to accept any trust.

(4) The Official Trustee shall not accept any trust under any composition or scheme of arrangement for the benefit of creditors, nor of any estate known or believed by him to be insolvent.

¹ The word "Bangladesh" was substituted, for the words "the Division for which he is appointed" by section 3 and 2nd Schedule of the Bangladesh Laws (Revision and Declaration) Act, 1973 (Act No. VIII of 1973).

(5) The Official Trustee shall not, save as provided by any rules made under this Act, accept any trust for a religious purpose or any trust which involves the management or carrying on of any business.

(6) The Official Trustee shall not administer the estate of a deceased person, unless he is expressly appointed sole executor of, and sole trustee under, the will of such person.

(7) The Official Trustee shall always be sole trustee, and it shall not be lawful to appoint the Official Trustee to be trustee along with any other person.

Official Trustee may with consent be appointed trustee of settlement by grantor

8. (1) Any person intending to create a trust other than a trust which the Official Trustee is prohibited from accepting under the provisions of this Act may by the instrument creating the trust and with the consent of the Official Trustee, appoint him by that name or any other sufficient description to be the trustee of the property subject to such trust:

Provided that the consent of the Official Trustee shall be recited in the said instrument and that such instrument shall be duly executed by the Official Trustee.

(2) Upon such appointment the property subject to the trust shall vest in such Official Trustee, and shall be held by him upon the trusts declared in such instrument.

Appointment of Official Trustee as trustee by will

9. When the Official Trustee has by that name or any other sufficient description been appointed trustee under any will, the executor of the will of the testator or the administrator of his estate shall, after obtaining probate or letters of administration, notify in the prescribed manner the contents of such will to such Official Trustee; and, if such Official Trustee, consents to accept the trust, then upon the execution by such executor or administrator of an instrument in writing transferring the property subject to the trust to the Official Trustee such property shall vest in such Official Trustee, and shall be held by him upon the trusts expressed in the said will:

Provided that the consent of the Official Trustee shall be recited in the said instrument and that such instrument shall be duly executed by the Official Trustee.

10. (1) If any property is subject to a trust other than a trust which the Official Trustee is prohibited from accepting under the provisions of this Act, and there is no trustee within the local limits of the ordinary or extraordinary original civil jurisdiction of the High Court Division willing or capable to act in the trust, the High Court Division may on application make an order for the appointment of the Official Trustee by that name with his consent to be the trustee of such property.

Power of High Court Division to appoint Official Trustee to be trustee of property

(2) Upon such order such property shall vest in the Official Trustee and shall be held by him upon the same trusts as the same was held previously to such order, and the previous trustee or trustees (if any) shall be exempt from liability as trustees of such property save in respect of acts done before the date of such order.

(3) Nothing in this section shall be deemed to affect the provisions of the 'Trustees' and 'Mortgagees' Powers Act, 1866, or the Trusts Act, 1882.

11. (1) If any property is subject to a trust other than a trust which the Official Trustee is prohibited from accepting under the provisions of this Act, and all the trustees of the surviving or continuing trustee or trustees and all persons beneficially interested in the trusts are desirous that the Official Trustee shall be appointed in the room of such trustee or trustees, it shall be lawful for such trustee or trustees, by an instrument in writing to appoint the Official Trustee by that name or any other sufficient description with his consent to be the trustee of such property:

Power of private trustees to appoint Official Trustee to be trustee of property

Provided that the consent of the Official Trustee shall be recited in the said instrument and that such instrument shall be duly executed by him.

(2) Upon such appointment such property shall vest in the Official Trustee and shall be held by him upon the same trusts as the same was held previously to such appointment, and the previous trustee or trustees shall be exempt from all liability as trustees of such property save in respect of acts done before the date of such appointment.

Executor or administrator may pay to Official Trustee legacy, share, etc., of infant or lunatic

12. (1) If any infant or lunatic is entitled to any gift, legacy or share of the assets of a deceased person, it shall be lawful for the person by whom such gift is made, or executor or administrator by whom such legacy or share is payable or transferable or any trustee of such gift, legacy or share, to transfer the same by an instrument in writing to the Official Trustee by that name or any other sufficient description with his consent:

Provided that the consent of the Official Trustee shall be recited in the said instrument and that such instrument shall be duly executed by the Official Trustee.

(2) Any money or property transferred to the Official Trustee under this section shall vest in him and shall be subject to the same provisions as are contained in this Act as to other property vested in such Official Trustee.

Official Trustee not to be required to give bond or security

13. (1) No Official Trustee shall be required by any Court to enter into any bond or security on his appointment in any capacity under this Act.

(2) No Official Trustee or Deputy Official Trustee shall be required to verify otherwise than by his signature any petition presented by him under the provisions of this Act, and if the facts stated in any such petition are not within the Official Trustee's personal knowledge, the petition may be verified and subscribed by any person competent to make the verification.

Entry of Official Trustee not to constitute notice of a trust

14. The entry of the Official Trustee by that name in the books of a company shall not constitute notice of a trust; and a company shall not be entitled to object to enter the name of the Official Trustee on its register by reason only that the Official Trustee is a corporation; and, in dealing with property, the fact that the person dealt with is the Official Trustee shall not of itself constitute notice of a trust.

¹[**14A.** The Official Trustee ²[* * *] may, whenever he desires, for the purposes of this Act, to satisfy himself regarding any question of fact, examine upon oath (which he is hereby authorized to administer) any person who is willing to be examined by him regarding such question.]

Power to examine on oath

15. (1) The revenues of the Government shall be liable to make good all sums required to discharge any liability which the Official Trustee, if he were a private trustee, would be personally liable to discharge, except when the liability is one to which neither the Official Trustee nor any of his officers has in any way contributed or which neither he nor any of his officers could by the exercise of reasonable diligence have averted, and in either of those cases the Official Trustee shall not, nor shall the revenues of the Government be subject to any liability.

Liability of Government

(2) Nothing in sub-section (1) shall be deemed to render the revenues of the Government or any Official Trustee appointed under this Act liable for anything done by or under the authority of any Official Trustee before the commencement of this Act.

16. Nothing in section 80 of the Code of Civil Procedure, 1908, shall apply to any suit against the Official Trustee in which no relief is claimed against him personally.

Notice of suit not required in certain cases

PART IV

FEES

17. (1) There shall be charged in respect of the duties of the Official Trustee such fees, whether by way of percentage or otherwise, as the Government may prescribe.

Fees

¹ Section 14A was inserted by section 3 of the Official Trustees (Bengal Amendment) Act, 1941 (Act No. I of 1941).

² The words “for East Pakistan” were omitted by section 3 and 2nd Schedule of the Bangladesh Laws (Revision and Declaration) Act, 1973 (Act No. VIII of 1973).

(2) The fees under this section may be at different rates for different properties or classes of properties or for different duties, and shall, so far as may be, be arranged so as to produce an amount sufficient to discharge the salaries and all other expenses incidental to the working of this Act (including such sum as Government may determine to be required to insure the revenues of the Government against loss under this Act).

Disposal of
Fees

18. (1) All expenses which might be retained or paid out of the trust fund, if the Official Trustee were a private trustee, shall be so retained or paid, and any fees leviable under this Act shall be retained or paid in like manner as and in addition to such expenses.

(2) The Official Trustee shall transfer and pay to such authority and in such manner and at such times as the Government may prescribe, all fees received by him under this Act, and the same shall be carried to the account and credit of the Government.

PART V

AUDIT

Auditors to be
appointed to
examine
Official
Trustee's

19. (1) The accounts of the Official Trustee shall be audited at least once annually and at any other time if the Government so direct by the prescribed person and in the prescribed manner.

accounts, etc.,
and to report to
Government

(2) The auditor shall examine such accounts, and shall forward to Government a statement thereof in the prescribed form, together with a report thereon and a certificate signed by him showing—

- (a) whether the accounts have been audited in the prescribed manner, and
- (aa) whether, so far as can be ascertained by such audit, the accounts contain a full and true account of everything which ought to be contained therein, and

- (b) whether the books, which by any rules made under this Act are directed to be kept by the Official Trustee, have been duly and regularly kept, and
- (c) whether the trust funds and securities have been duly kept and invested and deposited in the manner prescribed by this Act or any rules made thereunder;

or (as the case may be) that such accounts are deficient, or that the Official Trustee has failed to comply with this Act or the rules made thereunder, in such respects as may be specified in such certificate.

20. (1) Every auditor shall have the powers of a Civil Court under the Code of Civil Procedure, 1908.

Auditor's power to summon witnesses and to call for documents

- (a) to summon any person whose presence he may think necessary to attend him from time to time, and
- (b) to examine any person, on oath to be by him administered, and
- (c) to issue a commission for the examination on interrogatories or otherwise of any person, and
- (d) to summon any person to produce any document or thing, the production of which appears to be necessary for the purposes of such audit or examination.

(2) Any person who, when summoned, refuses, or without reasonable cause neglects to attend or to produce any document or thing or attends and refuses to be sworn, or to be examined shall be deemed to have committed an offence within the meaning of, and punishable under, section 188 of the ¹[Penal Code], and the auditor shall report every case of such refusal or neglect to Government.

¹ The words "Penal Code" were substituted, for the words "Pakistan Penal Code" by section 3 and 2nd Schedule of the Bangladesh Laws (Revision and Declaration) Act, 1973 (Act No. VIII of 1973).

Costs of audit,
etc., how paid

21. The cost of and incidental to every such audit and examination shall be determined in accordance with rules made by the Government and shall be defrayed in the prescribed manner.

Right of
beneficiary to
inspection and
copies of
accounts

22. Every beneficiary under a trust which is being administered by the Official Trustee shall, subject to such conditions and restrictions as may be prescribed, be entitled, at all reasonable times, to inspect the accounts of such trust, and the report and certificate of the auditor and, on payment of the prescribed fees, to be furnished with copies thereof or extracts therefrom, and nothing in the Trusts Act, 1882, shall affect the provisions of this section.

PART VI

MISCELLANEOUS

Transfer to
Government of
accumulations
in the hands of
Official
Trustee

23. When any moneys payable to a beneficiary under a trust have been in the hands of any Official Trustee for a period of twelve years or upwards whether before or after the commencement of this Act in consequence of the Official Trustee having been unable to trace the person entitled to receive the same, such moneys shall be transferred in the prescribed manner to the account and credit of the Government:

Provided that no such moneys shall be so transferred if any suit or proceeding is pending in respect thereof in any Court.

Mode of
proceeding by
claimant to
recover money
so transferred

24. (1) If any claim is made to any moneys so transferred and such claim is established to the satisfaction of the prescribed authority, the Government shall pay to the claimant the amount in respect of which the claim is established.

(2) If such claim is not established to the satisfaction of the prescribed authority, the claimant may, without prejudice to his right to take any other proceedings for the recovery of such moneys, apply by petition to the High Court Division against the Government and, after taking such evidence as it thinks fit, such Court shall make such order on the petition in regard to the payment of such moneys as it thinks fit, and such order shall be binding on all parties to the proceedings.

(3) The Court may further direct by whom all or any part of the costs of such proceedings shall be paid.

25. The High Court Division may make such orders as it thinks fit respecting any trust property vested in the Official Trustee, or the interest or produce thereof.

Power of High Court Division to make order in respect of property vested in Official Trustee

26. Any order under this Act may be made, on the application of any person beneficially interested in any trust property or of any trustee thereof.

Who may apply for order under Act

27. Any order made by High Court Division under this Act shall have the same effect as a decree.

Order of Court to have effect of a decree

28. The Official Trustee may, in addition to and not in derogation of any other powers of expenditure lawfully exercisable by him, incur expenditure—

General powers of administration

(a) on such acts as may be necessary for the proper care and management of any property belonging to any trust administered by him; and

(b) with the sanction of the ¹[High Court Division] on such religious, charitable and other objects and on such improvements as may be reasonable and proper in the case of such property.

29. (1) Nothing in this Act shall be deemed to prevent the transfer by the Official Trustee of any property vested in him to—

Transfer of trust property by Official Trustee to original trustee or any other trustee

- (a) the original trustee (if any); or
- (b) any other lawfully appointed trustee; or
- (c) any other person if the Court so directs.

(2) Upon such transfer such property shall vest in such trustee, and shall be held by him upon the same trusts as those upon which it was held prior to such transfer, and the Official Trustee shall be exempt from all liability as trustee of such property except in respect of acts done before such transfer:

Provided that, in the case of any transfer under this section, the Official Trustee shall be entitled to retain out of the property any fees leviable in accordance with the provisions of this Act.

Rules

30. (1) The Government shall make rules for carrying into effect the objects of this Act and for regulating the proceedings of the Official Trustee in the discharge of his duties.

(2) In particular and without prejudice to the generality of the foregoing power, such rules may provide for—

- (a) the accounts to be kept by the Official Trustee and the audit and inspection thereof;
- (b) the safe custody, and deposit of the funds and securities which come into the hands of the Official Trustee;
- (c) the remittance of sums of money in the hands of the Official Trustee in cases in which such remittances are required;
- (d) the statements, schedules and other documents to be submitted by the Official Trustee to Government or to any other authority and the publication of such statements, schedules or other documents;
- (e) the realization of the cost of preparing any such statements, schedules or other documents;
- (f) subject to the provisions of this Act, the fees to be paid thereunder and the collection and accounting for any fees so fixed;
- (g) the manner in which and the person by whom the costs of and incidental to any audit under the provisions of this Act are to be determined and defrayed;
- (h) the manner in which summonses issued under the provisions of section 20 are to be served and the payment of the expenses of any persons summoned are examined under the provisions of this Act and of any expenditure incidental to such examination;

- (i) the acceptance by the Official Trustee of trusts for religious purposes and trusts which involve the management or carrying on of business; and
- (j) any matter in this Act directed to be prescribed.

(3) Rules made under the provisions of this section shall be published in the official Gazette, and shall thereupon have effect as if enacted in this Act.

¹[**30A.** Whoever, during any examination authorized by this Act, makes upon oath a statement which is false and which he either knows or believes to be false or does not believe to be true, shall be deemed to have intentionally given false evidence in a stage of a judicial proceeding.] False evidence

31. [*Repealed by the Government of India (Adaptation of Indian Laws) Order, 1937.*]

32. Nothing contained in this Act shall be deemed to affect the provisions of the Registration Act, 1908. Saving of provisions of Registration Act, 1908

32A. [*Omitted by the Bangladesh Laws (Revision and Declaration) Act, 1973 (Act No. VIII of 1973), section 3 and 2nd Schedule.*]

33. [*Repealed by the Repealing Act, 1927 (Act No. XII of 1927), section 2 and Schedule.*]

THE SCHEDULE. – [*Repealed by the Repealing Act, 1927 (Act No. XII of 1927), section 2 and Schedule.*]

¹ Section 30A was inserted by section 4 of the Official Trustees (Bengal Amendment) Act, 1941 (Act No. I of 1941).