

NATIONAL ASSEMBLY

FIFTH SESSION

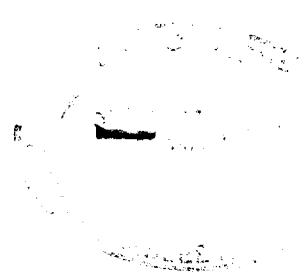
THIRTY-SECOND LEGISLATURE

Bill 219
(Private)

An Act respecting a trust created for the benefit of Phyllis Barbara Bronfman

Introduction

Introduced by
Mr Harry Blank
Member for Saint-Louis



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Bill 219

(Private)

An Act respecting a trust created for the benefit of Phyllis Barbara Bronfman

WHEREAS by a deed executed on 1 May 1942 and registered at the registry office of the registration division of Montréal under number 523 231, Samuel Bronfman created a trust for the benefit of his daughter Phyllis Lambert (also called Phyllis Barbara Bronfman), and whereas, by deeds executed on the same day and registered at the same registry office under other numbers, Samuel Bronfman created similar trusts for the benefit of his other children, Edgar Miles Bronfman, Charles Rosner Bronfman and Aileen Minda Bronfman;

Whereas Phyllis Lambert is entitled to one-half of the income of the trust created for her benefit, the other half to accrue to the capital of the trust;

Whereas Phyllis Lambert founded the internationally renowned Canadian Centre for Architecture and whereas she wishes that institution to receive sufficient funding to enable it to undertake long-term projects and, to that end, she wishes to have a large sum of money available to her;

Whereas Phyllis Lambert, who has no children, could obtain a large sum of money by making an agreement with the trustees of the trust created for her benefit whereby she would make a final renunciation of all her rights in the trust in exchange for part of the trust property;

Whereas although the trustees are empowered by the deed of trust to convey trust property and over one-half of the trust income to Phyllis Lambert, it is uncertain whether it empowers them to make an agreement with Phyllis Lambert that would terminate all her rights in the trust;

Whereas, were such an agreement authorized and followed up, it would be expedient to apply to the residue of the trust property clauses 5c and 8 of the deed of trust, adapted as required, which relate to the death without issue of Phyllis Lambert;

Whereas the said clauses provide that if Phyllis Lambert should die without issue, the property of the trust created for her benefit shall accrue to her two brothers and her sister (called "institutes" in the deed of trust) and to their respective children or their representatives (called "substitutes" in the deed of trust) and shall be equally divided among the three other branches of descendants of Samuel Bronfman;

Whereas the said clauses also provide that, in principle, when the eldest of the grandchildren of Samuel Bronfman in any branch reaches 21 years of age (which event is referred to as the first opening of the substitution in the deed of trust), the share of the trust property allocated to that branch is divided into two parts (referred to as first part of the substituted property and second part of the substituted property in the deed of trust), and the child of Samuel Bronfman concerned has no right in the first part of the substituted property;

Whereas the contingent beneficiaries reside in three different countries and whereas it is expedient to create three trusts from the residue of the property of the trust created for the benefit of Phyllis Lambert;

Whereas, in those cases where several persons have rights in the trust created for the benefit of Phyllis Lambert, the trustees are empowered by the deed of trust to determine the nature and condition of the property that will constitute the share of each;

Whereas this Act contains provisions that protect the interests of the minor grandchildren of Samuel Bronfman and whereas the interested persons of full age consent to the passing of this Act;

THE PARLIAMENT OF QUÉBEC ENACTS AS FOLLOWS:

1. The trustees of the trust created for the benefit of Phyllis Lambert (also called Phyllis Barbara Bronfman) by the deed of trust executed on 1 May 1942, and registered at the registry office of the registration division of Montréal under no. 523 231 are authorized to make an agreement with Phyllis Lambert under which she makes a final renunciation of all her rights in the trust in exchange for part of the trust property.

The agreement may determine which property will be conveyed to Phyllis Lambert.

2. At the coming into force of the agreement, clause 5c of the deed relating to the trust created for the benefit of Phyllis Lambert, regarding her death without issue, will become applicable and the residue of the trust property will then accrue to the contingent beneficiaries in accordance with that clause, subject to the following adaptations:

(1) the residue will be divided into three parts of equal value and form three separate trusts, one created for the benefit of Edgar Miles Bronfman and his children, another for the benefit of Charles Rosner Bronfman and his children, and a third for the benefit of Aileen Minda Bronfman and her children, these three trusts also being separate from the trusts created for the benefit of those persons in 1942;

(2) the division between the first part of the substituted property and the second part of the substituted property will be deemed to have been made in accordance with the provisions of the deed of trust concerning the first opening of the substitution immediately before the coming into force of the agreement, and the property conveyed to Phyllis Lambert will be deemed to have been entirely taken out of the second part of the substituted property and also out of each of the trusts created under this Act.

3. The trustees of the trust created for the benefit of Phyllis Lambert will be authorized to determine which property will be conveyed to each trust created under this Act and also to determine which property will form the first part of the substituted property and the second part of the substituted property of each trust created under this Act.

4. The deed of trust relating to the trust created for the benefit of Phyllis Lambert will apply to each trust created under this Act, adapted as required.

The trustees of each trust created under this Act may exercise their powers, including the power to replace trustees who cease to hold office, independently of the trustees of the other two trusts.

Notwithstanding clauses 5 and 8 of the deed of trust, the property of the trusts created under this Act, the interests, fruits or revenues deriving therefrom and the interest on the interest that may be conveyed or paid to a substitute may, at the sole discretion of the trustee, be conveyed or paid to a trust created for the sole benefit of that substitute.

5. The trustees of the trust created for the benefit of Phyllis Lambert will be the first trustees of each trust created under this Act.

6. This Act comes into force on (*insert here the date of assent to this Act*) except the third paragraph of section 4 which will come into force on the date fixed by proclamation of the Government.