

MALAYSIAN LAW OF TRUSTS

Editor
DR MOHSIN HINGUN

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EDITOR: DR MOHSIN HINGUN



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DUTIES OF TRUSTEES

MOHSIN HINGUN*

A. Duty to Invest

1. Introduction

A trustee is under a duty to invest the trust funds in investments authorised by the trust instrument or by statute (The Trustee Act 1949) or by the court. A property drawn trust instrument usually incorporates wide powers of investment since the range of investments provided by the Trustee Act is very restrictive. When investing a trustee must be fair to the income beneficiaries and to those entitled to the corpus. He must be honest and he must avoid risky and speculative investments. A failure to invest the trust funds in authorised investments amounts to a breach of trust.¹

* LLB(Hons), LLM, Phd, Associate Professor, AIKOL, International Islamic University, Malaysia. Dr Mohsin teaches Equity and Trusts and Revenue Law. He has written several articles and co-authored two books. He is the current editor of the IIUM Law Journal

¹ *Tan Soo Lock v Tan Juan Choo* (1930) SSLR 109.