



Quiz

Breach of Duty by a Superannuation Trustee

1. Which of the following is not a standard duty of a trustee?
 - a. Hold the balance fairly between different classes of beneficiaries
 - b. Know the terms of the trust
 - c. Take proper care in exercising discretions of the trustee
 - d. None of the above

2. Which of the following is an example of an action that would constrain the trustee's ability to be indemnified, as set out in the SIS legislation?
 - a. Reckless failure to exercise the requisite degree of care and diligence
 - b. Intentional failure to exercise the requisite degree of care and diligence
 - c. Failure to act honestly
 - d. All of the above

3. Which of the following cases shows an example of a beneficiary receiving compensation for what the common law would treat as general damages due to the actions of a trustee under the general law?
 - a. *Cowan v Scargill* [1985] Ch 270
 - b. *Barnes v Addy* (1874) LR 9 Ch App 244
 - c. There has been no case dealing with this issue as of yet
 - d. *Manglicmot v Commonwealth Bank Officers Superannuation Corporation Pty Ltd* [2011] NSWCA 204

4. In which year was there a wholesale replacement of statutory covenants?
 - a. 2013
 - b. 2011
 - c. 2007
 - d. 2009

5. What was the outcome of the Superannuation Complaints Tribunal in *Superannuation Complaints Tribunal Determination D15-16\140*?
 - a. The complainant was liable to indemnify the trustee
 - b. The complainant is to be reimbursed for the money spent upon the incorrect advice of the trustee
 - c. The complainant was not entitled to any form of compensation
 - d. The complainant had no standing to bring an action against the trustee

Answers:

1. d 2. d 3. c 4. a 5. b