

Policy: Notional Sales

Purpose

To provide policy to follow when a beneficiary requests to purchase realty in a matter and offset their share against the purchase price.

Policy statement

A Notional Sale is where one (or more) beneficiaries in an estate purchase a share in an asset (such as realty or shares) from one (or more) of the other beneficiaries in the estate by offsetting their expected share in the estate against the purchase price.

A Notional Sale is effectively a distribution so all usual requirements for a distribution must be satisfied before the sale can proceed.

If the beneficiary solely entitled to an asset elects to take a transfer but there are insufficient funds held to cover costs, then this is **not** a notional sale. This is an asset funds transfer calculation.

- NSW Trustee & Guardian will consent to Notional Sales; **however, they are not to be encouraged.**
- NSW Trustee & Guardian will not be involved in negotiations between the beneficiaries on agreement to sell or the sale price.
- Notional Sales will only be accepted under the Terms and Conditions as set by NSW Trustee & Guardian in our Letter of Request. All beneficiaries must agree to these Terms and Conditions and sign the Letter of Request.
- Approval to accept Notional Sales is limited to Principal Client Service Officers and above.
- Additional charges, as set, will be made in all Notional Sales matters.
- Matters will be dealt with by a Property Officer who will instruct NSW Trustee & Guardian Property Legal to act.

Scope

- Service Centre staff administering deceased estates
- Trustee Services Accounts
- Property Service Centre
- Property Legal

Document information

Title:	Notional Sales Policy
Owner:	Senior Manager Trustee Services
Approver:	Director Trustee Services
Date of Effect:	15 February 2021