

EXPLANATORY MEMORANDUM

Background

The GAA has established a trust company (“Iontaobhas Corparáideach Chumann Lúthchleas Gael Cuideachta Faoi Theorainn Ráthaíochta”) Corporate Trustee to hold on trust property for various units of the Association. Traditionally, real property of the Association was held by personal trustees and this can prove cumbersome from time to time.

In an effort to streamline how property is held throughout the Association the GAA is providing its units with the option to hold property through the Corporate Trustee.

Optional not Mandatory

This is a facility open to units but is entirely optional. Holding property through the Corporate Trustee does not in any way affect the ownership; the Corporate Trustee is merely holding on trust in the same way as personal trustees do.

The proposed changes have required amendments to the Official Guide, the Club Constitution and the Declaration of Trust. In summary, the texts previously seen in the club constitution and declaration of trust have been moved to the Official Guide.

The Section of the Official Guide dealing with property is Chapter 5 and this has been amended as set out at **Appendix 1**. The Association has prepared a Code of Trustees which sets out the provisions dealing with trustees which had been part of Chapter 5 and contained in the Declaration of Trust. Clause 10 of the Club Constitution which deals with Assets and Trustees is now a brief reference to the relevant sections of Chapter 5 of the Official Guide. This is set out at **Appendix 2**.

What Options are available to Clubs?

1. **Option 1** - Clubs may elect to do nothing and to continue to hold club property through personal trustees.
2. **Option 2** - Clubs may elect to introduce a partial change in that case property is held by a combination of personal trustees and the corporate trustee.
3. **Option 3** - Clubs may elect to have property held only through the corporate trustee.

What are the advantages of changing to Option 3 where property is held only by the Corporate Trustee?

- Individuals are no longer trustees and therefore are not exposed should the club/unit be sued.

- It is a straightforward manner of holding title. Currently, when individual trustees retire or die there can be delays and cost in having them removed from title and the property transferred into the name of incoming trustees. Accordingly over a period of a number of years this can give rise to significant difficulties when dealing with club property. This does not arise in the case of the Corporate Trustee.
- If a personal trustee was to get into financial difficulties, resulting in a judgment being obtained and registered on club property, this can cause complications and delays in any dealings with the property.
- Any dealings with club property will be streamlined without having to have multiple documents executed by a number of different personal trustees.

If our club wants to take advantage of the changes what do we need to do?

- The Executive Committee of the Club determine whether the Corporate Trustee or other persons are appointed trustee.
- The appointment of the Corporate Trustee is approved at a general meeting of the members of the Club. This is documented by way of a resolution of the club (see specimen resolution at **Appendix 3**). This is an internal document retained in club records.
- A certificate of club secretary confirms the nomination of the club executive and resolutions reached. (see specimen certificate at **Appendix 4**). This certificate is conclusive evidence to any third parties such as funders, purchasers or vendors of the determination of the club and the identity of trustees.
- All trustees will complete a declaration of trust. Specimen forms of declarations are attached at **Appendix 5**.
- A Deed of Transfer transferring the property from existing trustees to new trustees requires completion to update the title documents for the club property. Specimen forms of Deeds of Transfer are attached at **Appendix 6**. In the Republic of Ireland, a stamp duty return needs to be filed online by your solicitor and the stamp certificate attached to the deed. The deed will then be registered in the appropriate registry, either Land Registry or Registry of Deeds.

How much will it cost?

- The Association has developed this pack to guide its units on the transfer process. As the documents are specimens only and there are a variety of options open to clubs, it is recommended that you engage with your solicitor to have the correct documents completed. Legal costs will be the responsibility of each unit.

- In the Republic of Ireland, there will be property registration fees of €130.00 assuming the property is held under a Land Registry title. If the title is Registry of Deeds a fee of €50.00 will apply. It is recommended that you also obtain an up to date folio and file plan once the registration has completed which will cost an additional €40.00. Prices quoted are as at June 2017 and subject to further change. See www.prai.ie for further details.

If you are a club or unit situate in Northern Ireland

Please take legal advice from the club's solicitor on completion of the documents as there are particular requirements under Trust law and/or Charity law which may have a bearing on your club. There is no requirement under the laws of Northern Ireland to file a stamp duty return where there is no valuable consideration passing. There are prescribed forms for use with Land Registry transfers in Northern Ireland see <https://www.finance-ni.gov.uk/sites/default/files/publications/dfp/LR%20Form%209%20Transfer%20of%20whole%20Feb%2015.pdf>. For Land Registry fees

If you are a club or unit situate in England and Wales

Due to particular requirements of trusts legislation in England and Wales, there are restrictions on the options available to those units and this is noted in Chapter 5 of the Official Guide. You should take legal advice to ensure documents are completed correctly and in compliance with legislation. The requirements as to stamping and registration of documents should also be checked with your legal adviser.