

**THE GAZETTE OF THE DEMOCRATIC
SOCIALIST REPUBLIC OF
SRI LANKA**

Part II of August 09, 2019

SUPPLEMENT

(Issued on 09.08.2019)



INLAND TRUST RECEIPTS (AMENDMENT)

A

BILL

to amend the Inland Trust Receipts Act, No. 14 of 1990

Ordered to be published by the Minister of Finance

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STATEMENT OF LEGAL EFFECT

Clause 2: This clause amends section 3 of the Inland Trust Receipts Act, No. 14 of 1990, and the legal effect of the section as amended is to provide for the legal consequences of inland trust receipts registered under the Secured Transactions Act, No. of 2019, but not under the Registration of Documents Ordinance.

Clause 3: This clause makes provisions in regard to the period of enforceability of inland trust receipts already registered under the Registration of Documents Ordinance and the requirement of registering those inland trust receipts under the Secured Transactions Act, No. of 2019 upon coming into operation of the said Act in order for them to be further enforceable and for their priority to continue to prevail.

Inland Trust Receipts (Amendment)

L.D.—O. 67/2017

AN ACT TO AMEND THE INLAND TRUST RECEIPTS
ACT, NO. 14 OF 1990

BE it enacted by the Parliament of the Democratic Socialist
Republic of Sri Lanka as follows:—

1. This Act may be cited as the Inland Trust Receipts (Amendment) Act, No. of 2019 and shall come into operation on such date as the Minister may appoint by Order published in the *Gazette*. Short title and date of operation.
2. Section 3 of the Inland Trust Receipts Act, No. 14 of 1990 is hereby amended in subsection (1) of that section, by the substitution for the words “registered under the Registration of Documents Ordinance as a bill of sale”, of the words and figures “registered under the Secured Transactions Act, No. of 2019 as a bill of sale”. Amendment of section 3 of Act, No. 14 of 1990.
3. (1) Where on the date of coming into operation of this Act an inland trust receipt which has been registered under the Registration of Documents Ordinance as a bill of sale is in force, such inland trust receipt shall, for a period of two years from the date of coming into operation of this Act, continue to be enforceable, but shall be required to be registered under the relevant provisions of the Secured Transactions Act, No. of 2019 as a bill of sale, prior to the expiration of such two years period. Provisions relating to inland trust receipts registered under the Registration of Documents Ordinance.
- (2) A bill of sale referred to in subsection (1) shall, on being registered under the Secured Transactions Act, No. of 2019, be deemed to have been perfected from the date on

2 *Inland Trust Receipts (Amendment)*

which such bill of sale initially became legally enforceable, and any priority which such bill of sale became entitled to at the time it initially became legally enforceable, shall continue to prevail.

5 (3) A bill of sale referred to in subsection (1) which is not registered under the Secured Transactions Act, No. of 2019 prior to the expiration of two years from the date of coming into operation of this Act, shall become legally unenforceable after the expiry of such period.

10 4. In the event of any inconsistency between the Sinhala and Tamil texts of this Act, the Sinhala text shall prevail. Sinhala text to prevail in case of inconsistency.

