Background –

A. Vernon Roy East (‘donor’) died on 9 March 1994 and by his Will dated 14 August 1986 bequeathed three twentieths of his residuary trust estate ($18,000 approx) to the University of Adelaide (‘bequest’) to be administered in the following manner:

‘...AS to three such equal parts for THE UNIVERSITY OF ADELAIDE absolutely for the benefit of nervous and mental disorder research by the said University.’

B. The University accepted the bequest upon the trusts specified by the donor and the bequest therefore became the capital subject to those trusts (‘capital sum’).

Investment of the fund

1. The fund is to be amalgamated for the purposes of investment, and held in a common fund, and the net income earned by the common fund shall be credited, rateably, to the funds so amalgamated and thereafter distributed according to the bequest of the donor.

Obligations

2. In administering the fund, the University must adhere to the terms specified and is obliged:-

   (a) to invest the capital sum according to the directions of the donor; and

   (b) to establish a fund to be administered according to the wishes of the donor.

Administration

3. Bequest for the benefit of nervous and mental disorder research.