

**DEED OF TRUST  
OF THE**



**UMOJA UNIT TRUST SCHEME (UMOJA FUND)**

**[AN OPEN ENDED GROWTH SCHEME]**

**Entered into between**



**THE UTT AMIS  
[THE MANAGER]**

**&**



**CRDB BANK PLC  
[THE TRUSTEE]**

**&**

**By Virtue of Clause 3.1 of the Deed –  
All Persons who hold units and all persons who shall become  
Holders of Units in the Scheme  
[THE UNIT HOLDERS]**

**To establish a Unit Trust Scheme known as  
“UMOJA UNIT TRUST SCHEME (UMOJA FUND)”**

Further to the Deed made on 1<sup>st</sup> March, 2005, between:

- (1) Unit Trust of Tanzania, Registered Trustees a body incorporated under the provisions of the Trustees Incorporation Act (Cap 318) and whose address is at Sukari House, 2<sup>nd</sup> Floor, Sokoine/Ohio Street, P O Box 14825, Dar es Salaam, Tanzania (The Manager);

And

- (2) CRDB Bank Plc, a limited liability company incorporated in Tanzania whose registered office is at Office Accommodation Scheme Building, Azikiwe Street, P. O. Box 268 Dar es Salaam, Tanzania (The Custodian);

And

- (3) All persons who shall become holders of units in the scheme by virtue of clause 3.1 of this Deed;

Whereas the Government restructured the Unit Trust of Tanzania with intention of winding it up and assigned its functions to UTT Asset Management and Investor Services Plc as successor of the Unit Trust of Tanzania in 2013, thus, from the operative date on 1<sup>st</sup> October 2013, this Deed is between:

- (1) UTT Asset Management and Investor Services (UTT AMIS )Plc Registered Company incorporated under the provisions of the Company's Act 2002 and whose address is at Sukari House, 2nd floor, Sokoine/Ohio Street, P.O. Box 14825, Dar es Salaam, Tanzania (The Manager)
- (2) CRDB Bank Plc, a Public limited liability company incorporated in Tanzania whose registered office is Office Accommodation Scheme Building, Azikiwe Street, P.O. Box 268, Dar es Salaam, Tanzania (The Trustee)
- (3) The Unit Holders and all persons who shall become holders of Units in the Scheme by virtue of clause 3.1 of this Deed

## **0.0 PREAMBLE**

- 0.1 The Manager and the Trustee have agreed to establish a unit trust scheme in accordance with the provisions of the Capital Markets and Securities Act, 1994 (Act No. 5 of 1994), (as amended) and to create thereunder, by means of a supplemental Trust Deed or Deeds, one or more separate unit schemes.

0.2 The Manager and the Trustee have agreed on all matters concerning the establishment and management of the Trust in terms of the provisions of this Deed of Trust and the Act.

## 1.0 INTERPRETATION

1.1 In this Trust Deed unless the context otherwise requires:

- (i) **“Act”** means the Capital Markets and Securities Act, 1994 (Act No. 5 of 1994), (as amended) and the Regulations made thereunder.
- (ii) **“Acceptance date”** means the date on which payment and application form (in the case of an application for sale) or unit certificate as well as statement of accounts and application for repurchase (in the case of repurchase) are received by the manager or a designated agent of the Manager, if they are received by UTT AMIS between banking hours (09:00 hours to 03:00hours) of a working day.
- (iii) **“Authority”** means the Capital Markets and Securities Authority established under the Act.
- (iv) **“Book closure dates”** means the dates during which the register of unit holders is closed by the scheme for the purposes of administration of income distribution or any other purpose.
- (v) **“Citizen”** means a citizen of the United Republic of Tanzania in accordance with the Citizenship Act, 1995.
- (vi) **“Commencement date”** means the date on which the Manager for the first time offers for sale to the public units in the scheme.
- (vii) **“Compulsory charge”** means any fiscal **charge** and any necessary charge payable for the benefit of any person other than the Manager in connection with the acquisition or holding of securities acquired by the scheme.
- (viii) **“Deed of Trust”, “Trust deed” or “deed”** means this deed and any deed supplemental thereto.
- (ix) **“Directors”** means the Board of Directors of the Manager.
- (x) **“Discount”** means a sum of money that is **deducted** from the initial value under the scheme during the initial sale.
- (xi) **“Distribution period”** means the period **within** three months after the annual accounting period of the scheme when income is distributed to unit holders.
- (xii) **“Fund”** means the Umoja Fund incorporated pursuant to the Deed of Trust.
- (xiii) **“Initial charge”** means the portion of the selling price of a unit which represents the Manager’s charges in respect of expenditure incurred and work **performed** by it in

connection with the formation and issue of units during the Initial sale not including any compulsory charges.

- (xiv) **“Initial sale”** means the sale of **units** by the scheme from the commencement date up to a specific period determined by the Manager.
- (xv) **“Lock-in period”** means the period starting **from** 1st August 2005 to 31st July, 2006 during which sale and re-purchase operations will not be carried out by the scheme.
- (xvi) **“Minister”** means the Minister of Finance of the Government of the United Republic of Tanzania.
- (xvii) **“Net Asset Value”** or **“NAV”** means the value arrived at after taking the value of the scheme’s assets and subtracting there-from the liabilities of the scheme, taking into account the accruals and provisions.
- (xviii) **“Offer document”** means a document containing information on the scheme inviting offers by the public to subscribe for or purchase units in the **scheme**.
- (xix) **“Operative Date”** means 1<sup>st</sup> October 2013 when UTT AMIS took over all functions of the Unit Trust of Tanzania (UTT).
- (xx) **“Record Date”** means the date appointed for **entitlement** of income distribution.
- (xxi) **“Register”** means the register of unit **holders**.
- (xxii) **“Re-purchase”** means the purchase by the scheme from unit holders of units previously sold and held by unit holders.
- (xxiii) **“Sale”** means the subsequent sale of units by the **scheme** after the initial sale.
- (xxiv) **“Scheme”** means the UMOJA Unit Trust **Scheme** or in short “UMOJA Fund” created by this Deed.
- (xxv) **“Service charge”** means that portion of the sale and re-purchase price of a unit which includes expenses of the Manager in administering the scheme.
- (xxvi) **“Settlor”** means the Government of the United Republic of Tanzania represented by the Minister of Finance.
- (xxvii) **“Statement of Account”** means a special **accounting** advice issued by the scheme to a unit holder indicating the number of units held by the unit holder in the scheme.
- (xxviii) **“Suspended company”** means a company which has been suspended from a listing at a stock exchange.
- (xxix) **“Trustee”** means a Trustee who under this Deed of Trust **is** a participating party performing the functions of a Trustee under the Act.

- (xxx) **“Unit”** means a unit issued under the scheme **representing** a proportionate right in the beneficial ownership of the assets and income of the scheme.
- (xxxi) **“Unit Certificate”** means a certificate issued to the purchaser of units indicating the number of units held by the purchaser in the scheme.
- (xxxii) **“Unit holder”** means a person or **body** corporate recognized by the scheme as a bona fide holder of units under the scheme.
- (xxxiii) **“Working day”** means a day other than (i) **Saturday** and Sunday (ii) a day on which the principal stock exchange of the country (Dar es Salaam Stock exchange) or the Bank of Tanzania or banks in Dar es Salaam are closed for business, or (iii) a day on which UTT AMIS remain closed

## **2.0 DECLARATION OF TRUST AND NAME OF THE SCHEME**

- 2.1 The Manager and the Trustee hereby constitute a unit trust scheme of which the Trustee agrees to act as trustee.
- 2.2 The name of the scheme is “UMOJA UNIT TRUST SCHEME” or in short “UMOJA FUND”

## **3.0 EFFECT OF DEED ON UNIT HOLDERS**

- 3.1 This deed is binding on the Manager, the Trustee as well as each Unit holder and persons claiming through him as if he had been a party to it and so to be bound by its provisions.

## **4.0 COMPLIANCE BY MANAGER AND THE TRUSTEE**

- 4.1 The UTT AMIS as Manager and CRDB Bank Plc as Trustee shall in all manners act as required of them by the terms of this Deed of Trust and the Act.
- 4.2 The Manager shall have the power and competencies as set out in its constitutive document and shall subject to the provisions of this Deed of Trust be entitled to make arrangements necessary to carry into effect the objects, investment policy and provisions of the UMOJA Unit Trust Scheme.
- 4.3 Neither the Manager nor the Directors thereof shall either directly or indirectly derive any pecuniary advantage or personal interest from the acquisition or sale by the Manager of any securities or property intended for the purpose of the UMOJA Unit Trust Scheme.
- 4.4 The Trustee shall exercise all the powers necessary to protect the interest of Unit holders under this Deed of Trust.
- 4.5 The Trustee shall not have or acquire an interest in any agreement or transaction which have conflicting interests with the scheme or underlying security concerning an underlying security or property but the Trustee may (if eligible) purchase, hold or dispose of units for its own account.

## **5.0 LIMIT OF LIABILITY FOR UNIT HOLDERS**

5.1 A holder of units under the scheme is not liable to make any further payment after he has paid the purchase price of those units and furthermore, no further liability shall be imposed by the Manager or Trustee on him in respect of the units which he holds.

## **6.0 NO EXEMPTION OF LIABILITY FOR MANAGER AND THE TRUSTEE**

6.1 The Manager and Trustee of the scheme shall not be exempted from any liability to holders opposed under the law of Tanzania or breaches of trust through fraud or negligence nor may they be indemnified against such liability by holders or at holder's expense.

## **7.0 INTEREST OF UNIT HOLDERS IN PROPERTY OF THE SCHEME**

7.1 The property of the scheme is held by the Trustee in trust for the holders of the units paripassu according to the number of units held by each holder.

7.2 All sums to be distributed to Unit holders are held by the Trustee on trust to distribute or otherwise apply them in accordance with the Deed or the Act.

7.3 In no event shall a unit holder have or acquire any rights against the Manager or the Trustee except as expressly conferred upon such unit holder by this Deed of Trust.

## **8.0 DUTIES OF THE MANAGER**

8.1 The Manager of the scheme shall:

- (i) manage the scheme in accordance with this deed in the exclusive interest of the unit holders and fulfill the duties imposed on it by the general law;
- (ii) maintain or cause to be maintained the books and records of the scheme and prepare the scheme's accounts and reports
- (iii) publish and distribute to unit holders at least two reports in respect of each financial year of which the annual report would be sent within four months of the end of the scheme's financial year. Provided that the Manager may, subject to approval of the Authority, distribute an abridged version to unit holders.
- (iv) maintain an up-to-date register of holders of units in the scheme;
- (v) ensure that this Deed of Trust is made available for inspection by the public, free of charge at all times during normal working hours at its place of business and make copies of such documents available upon the payment of a reasonable fee.

## **9.0 DUTIES OF THE TRUSTEE**

9.1 The Trustee of the scheme shall:

- (i) take into custody or under his control all the property of the scheme and hold it in trust for the unit holders in accordance with the provisions of this Deed of Trust and ensure that cash and registrable assets are held or registered in the name of or to the order of the scheme;
- (ii) be liable for any act or omission of any agent with whom any investments in bearer form are deposited as if they were the act or omission of any nominee in relation to any investment forming part of the property of the scheme;
- (iii) take reasonable care to ensure that the initial sale, sale, repurchase and cancellation of units effected by the scheme are carried out in accordance with the provisions of this Deed of Trust;
- (iv) take reasonable care to ensure that the methods adopted by the Manager in calculating the value of units are adequate to ensure that the sale and repurchase prices are calculated in accordance with the provisions of this Deed of Trust;
- (v) carry out the instructions of the Manager in respect of investment unless they are in conflict with the provisions of this deed;
- (vi) take reasonable care to ensure that the investment and borrowing limitations set out in this Deed of Trust and conditions stipulated in any law or regulations under which this scheme is authorized are complied with;
- (vii) issue a report to the unit holders to be included in the annual report on whether in the Trustee's opinion, the Manager has in all material respects managed the scheme in accordance with provisions of this Deed of Trust: if the Manager has not done so, the respects in which it has not done so and the steps which the Trustee has taken in respect thereof;
- (viii) take reasonable care to ensure that unit certificates are not issued until subscription moneys have been paid.
- (ix) ensure that any registrable investments which are held for unit holders in the scheme are properly registered in the name of the scheme.
- (x) where title to investments is recorded electronically, to ensure that entitlements are separately identified from those of the manager of the scheme in the records of the person maintaining records of entitlement.

## **10.0 PERFORMANCE OF DUTIES OF MANAGER AND THE TRUSTEE**

10.1 The Manager or the Trustee may when they consider it necessary in the interest of better operation of the Scheme outsource professional services for that purpose.

## **11.0 CONDITIONS WITH REGARDS TO SALE OF UNITS BY THE MANAGER**

11.1 It shall be a condition of the sale of each unit by the Manager that:

- (i) save where the Settlor has offered a discount in an initial sale of units, the purchaser shall pay the full price thereof to the Manager simultaneously with the submission of his offer to purchase the units;
- (ii) no portion of the sale price shall be paid or deemed to have been paid in respect of units to be sold to the purchaser by the Manager at any future date;
- (iii) each purchase of units shall be a completed transaction and the right of title to the units shall pass to the purchaser immediately upon the acceptance by the Manager of the offer by the purchaser to purchase the units and the payment of the sale price by the purchaser;
- (iv) after every purchase, the Manager shall forthwith take steps to have the purchaser recorded in the register as the holder of the units concerned;
- (v) the purchaser may, at any time, demand from the Manager a certificate in respect of the units thus acquired;
- (vi) no units shall be made available for sale by the Manager during the book closure period nor shall the Manager create units during the period.

## **12.0 INVESTMENT AND BORROWING RESTRICTIONS**

12.1 The Scheme shall not borrow.

12.2 The investment policy of the Manager shall be aimed at investing at fair prices in a balanced spread of ordinary shares as well as in fixed income securities in order to achieve the stated objectives of the scheme.

12.3 The Manager shall not invest scheme property in securities which are partly paid up or which in other ways are likely to incur any liability for the scheme.

12.4 Investment of scheme property shall be effected in accordance with regulations prescribed by the Authority from time to time.

## **13.0 VALUATION OF ASSETS AND PRICING**

13.1 Investments held by the scheme shall be valued by taking:

- (i) the latest closing prices of listed shares including cross listed companies as on every working day.
- (ii) for unlisted shares, the value arrived at after consultations with the Trustee.

- (iii) in case of quoted debentures and bonds, the market rate, being cum-interest, the same is adjusted for the interest element if any.
- (iv) for unquoted and quoted but not actively traded (as per the prescribed limits) fixed income securities the valuation method is “Yield to Maturity” using comparable traded securities adjusted to accommodate risk and illiquidity factors. Also an adjustment for tax should be made.
- (v) amount of principal and accrued interest less tax on interest earning deposits.
- (vi) where instruments have been bought on “repo” basis, the instrument must be valued at the resale price after deduction of applicable interest up to the date of resale. If the repurchase price exceeds the value, credit must be taken for the appreciation and if the repurchase price is lower than the value, the depreciation must be provided for.
- (vii) for suspended Companies , the Net Asset Book Value per share approach shall be applied based on the latest financial statements of the company or the Dividend Valuation Model whichever is lower
- (viii) until they are traded, the value of the ‘rights’ shares should be calculated as : Market value or  $V = n/m * (Pe - Po)$

Where, V value of rights

n number of rights offered

m number of original shares held

Pe Ex –rights price

Po rights offer price

- (ix) such other criteria or methods as may be prescribed by the Authority from time to time.

#### **14.0 METHODS OF DETERMINING THE NET ASSET VALUE**

- 14.1 The Net Asset Value (NAV) of the scheme shall be calculated by determining the value of the scheme’s assets and subtracting there-from the liabilities of the scheme taking into account the accruals and provisions. The NAV per unit shall be calculated by dividing the NAV of the scheme by the total number of units issued and outstanding under the scheme on the date of calculation. During the lock-in period the NAV shall be calculated on weekly basis and on daily basis thereafter.

#### **15.0 RELATIONSHIP BETWEEN BIDS OR OFFERS AND NET ASSET VALUE**

- 15.1 The price at which a unit will be sold by the scheme on any day shall be arrived at by taking the Net Asset Value per unit of the Date of Acceptance.
- 15.2 The price at which a unit will be re-purchased by the scheme on any day shall be arrived at by taking the Net Asset Value of the Date of Acceptance and subtracting there from such sum as is adequate to cover a service charge adjusting downwards the resulting price by 1% of NAV.

- 15.3 In the event that the price at which a unit could be re-purchased by the scheme on any day is at NAV then the price at which a unit will be sold by the scheme could be 2% above the NAV. Thus the permitted spread between bid and offer prices at any time would be maintained at 2%.
- 15.4 Every sale or re-purchase of units by the scheme shall be effective as on the acceptance date at the respective price prevailing on that day.
- 15.5 The scheme shall as early as possible after the close of business on each working day publish in newspapers of wide circulation the sale and re-purchase prices of units.

## **16.0 DEALING, SUSPENSION AND DEFERRAL OF DEALING**

### **16.1 Circumstances under which Dealing can be Deferred or Suspended**

- 16.1.1 The Manager shall not carry out sale or redemption (re-purchase) operations during the lock-in-period of the scheme. This period will be restricted to investment operations.
- 16.1.2 The Manager shall with the approval of the Authority suspend re-purchase of units in the event of exceptional circumstances.
- 16.1.3 The Manager shall defer to the next dealing day re-purchase of units if 10% of the units are re-purchased within one dealing day.
- 16.1.4 Repurchase operations shall not be carried out by the Manager during the book closure period.

## **17.0 INTERVAL BETWEEN RECEIPT OF REQUEST FOR RE-PURCHASE AND THE PAYMENT OF THE RE-PURCHASE MONEY**

- 17.1 Re-purchase will be effected on receipt of the unit certificate or Statement of Account by the Manager or his agent along with the Application for Re-purchase Form or such other document as may be prescribed by the Manager from time to time duly completed in all respects.
- 17.2 Payment of re-purchase proceeds shall be dispatched within ten working days from the date of acceptance of an application by the Manager or his agent duly completed in all respects. Payment shall be made by way of bank transfers to unit holders whose repurchase value is equal to or above TZS 100,000 and have notified bank details to the Manager and by way of postal money orders to unit holders whose repurchase value is less than TZS 100,000 and have not notified bank details to the Manager.

## **18.0 TREATMENT OF INCOME**

- 18.1 The Manager shall, on receipt thereof, pay the following moneys to the Trustee in cash or deposit such moneys into an account controlled by the Trustee at a bank licensed under the Banks and Financial Institutions Act, 2006:
- (i) all moneys accruing from the issue of units;

- (ii) all dividends and interest or any other income accruals received in respect of the underlying securities;
- (iii) all moneys received by the Manager on behalf of the scheme in respect of the sale of underlying securities.

18.2 Rights and bonus issues shall form part of the scheme.

18.3 Income of the scheme shall be reinvested in securities provided the Manager shall ensure that amounts declared for income distribution shall be available for income distribution on the income distribution date.

## **19.0 APPROPRIATION OF INCOME**

19.1 No amount shall be deducted from the income of the scheme other than an amount which in the opinion of the Manager and the Auditor is required to pay compulsory charges and auditors' fees for which the scheme is liable. The Manager and Auditor shall consult the Trustee prior to deducting any amount from the income of the scheme.

## **20.0 FEES AND CHARGES**

20.1 Initial Charges

There shall be no charge to investors for units sold.

20.2 Charges to the Scheme

20.2.1 The income of the scheme shall be charged of:

- (i) Taxes as per the rates applicable.
- (ii) Commissions as per rates prescribed by Self-Regulatory Organizations such as the Stock Exchange.
- (iii) Investment management /advising fee at 1.80% of NAV.
- (iv) Trustees fees at 0.1% of NAV with the minimum of TZS 50,000,000.00 per annum.
- (v) Other charges at 0.6% of NAV. These include commonly rated charges in the normal course of business such as bank charges, marketing and selling expenses, transaction costs pertaining to distribution of units, audit fees, costs related to communication with investors and costs for servicing investors.

20.2.2 Expenses in excess of 0.6 of NAV will be paid by the Manager.

20.3 Service Charge

20.3.1 The Manager shall levy a service charge of 1% of the NAV. As such, Umoja Fund re-purchase price is 1% below NAV, subject to a minimum of one hundred shillings (TZS 100/=) per transaction.

## 20.4 Re-investment Charge

20.4.1 There shall be no re-investment charge for income re-invested pursuant to an income distribution. (i.e. it will be re-invested at the applicable NAV)

## 21.0 TRANSACTIONS WITH ASSOCIATED PERSONS

21.1 Cash forming part of the property of the scheme shall be placed as deposits with the Trustee, Manager, an investment adviser or any persons connected with these companies (being institutions authorized to accept deposits) so long as that institution pays interest at no lower rate than is in accordance with normal banking practice, the commercial rate for deposits of the size of a deposit in question shall be negotiated at arm's length.

21.2 Any transaction between the scheme and the Manager, an investment adviser or any of their commercial persons as principal may only be made with the prior written consent of the Trustee.

## 22.0 MEETINGS

22.1 These shall be held every year a general meeting of Unit holders;

22.2 The scheme shall conduct meetings of unit holders as follows;

- (i) Unit holders shall be able to appoint proxies;
- (ii) votes shall be proportionate to the number of units held;
- (iii) the quorum for meetings at which a special or extraordinary resolution is to be considered shall be the holders of twenty five per cent of the units in issue; and ten per cent if only an ordinary resolution is to be considered;
- (iv) if within half an hour from the time appointed for the meeting a quorum is not present, the meeting shall stand adjourned for not less than fifteen days and the quorum at an adjourned meeting shall be those persons present in person or by proxy;
- (v) an extraordinary general meeting shall be convened for the following purposes:
  - a) to modify, alter or add to this Trust Deed;
  - b) ii) to terminate the Scheme.
- (vi) the Trustee or Manager and their associated persons are prohibited from voting their beneficially owned units at or counted in the quorum for a meeting at which they have material interest in the business to be conducted;
- (vii) an ordinary resolution may be passed by a simple majority of the votes of those present and entitled to vote in person or by proxy at a duly convened meeting; and

- (viii) a special or extraordinary resolution may only be passed by seventy-five per cent or more of the votes of those present and entitled to vote in person or by proxy at a duly convened meeting.

## **23.0 UNIT CERTIFICATES**

### **23.1 Form of Unit Certificate**

23.1.1 Unit certificates shall be in the Form determined by the Manager with the approval of the Trustee. Each unit certificate shall bear a distinctive serial number, the number of units represented by the certificates, the full name and address of the unit holder and the date upon which the name of the unit holder was entered in the register as the holder of the units represented by the certificate. Since investors tend to make additional investments there tends to be a need for continuous replacement of unit certificates. In this case, use of statement of account is more appropriate. Unit certificates will therefore be phased out over time.

### **23.2 Signature on Certificates**

23.2.1 Each certificate shall be signed either graphically or otherwise, by a duly authorized official of the Manager and counter signed either graphically or otherwise by a duly authorized official on behalf of the Trustee. No certificates shall be issued until so signed and until the units to which the certificate relates have been created and issued.

23.2.2 If the Manager or the Trustee for the time being ceases to hold office, or if any person whose signature appears on any certificate dies or otherwise loses his capacity or authority to sign, before the said certificate is issued, such certificate shall nevertheless be as valid and binding as though the Manager or the Trustee had continued in office or the person whose signature so appears had lived or had continued to have the capacity or authority up to the date of the issue of such certificate.

### **23.3 Number of Units on a Unit Certificate**

23.3.1 A unit certificate may represent any number of units subject to a minimum of ten units.

### **23.4 Issue of Unit Certificate**

23.4.1 As and when any units shall be created and issued, and the Manager becomes obliged to issue to the person entitled there to, a certificate or certificates in respect thereof in terms of this Deed, the Trustee shall countersign and deliver to or to the order of the Manager certificates representing the said units in the names of the persons entitled thereto.

23.4.2 The Trustee shall not countersign any certificate unless it has received from the Manager in respect of such certificate the cash being the Sale proceeds.

## 23.5 Consolidation / Subdivision of Unit Certificate

23.5.1 Every unit holder shall be entitled to exchange any or all of his unit certificates for one or more unit certificates of such denominations as he may require, representing the same aggregate number of units. While applying for such exchange, the unit holder shall surrender to the scheme the unit certificate or certificates to be exchanged and shall pay to the scheme such re-issue fees as will be determined by the Manager from time to time in respect of the issue of the new unit certificate or certificates.

## 23.6 Mutilation or Loss of Unit Certificate

23.6.1 In the event that a unit certificate is lost, defaced or mutilated, the scheme may issue to the person entitled a new unit certificate representing the same aggregate number of units as the lost, defaced or mutilated.

23.6.2 No such unit certificate shall be issued unless the applicant shall previously have;

- (i) furnished to the scheme evidence satisfactory to it of the loss, defacement or mutilation of the original unit certificate.
- (ii) in case of defacement or mutilation produced and surrendered to the scheme the defaced or mutilated unit certificate;
- (iii) furnished to the Manager such indemnity as it may require.

23.6.3 The scheme shall not incur any liability for issuing such certificate in good faith under the provisions of this clause.

23.6.4 Before issuing any certificate under the provisions of this clause, the scheme may require an applicant for the issue of the unit certificate to pay such re-issuing fee as may be determined by the Manager from time to time.

23.6.5 The scheme may issue Statements of Account in lieu of unit certificates provided that it will be mandatory for a unit certificate to be issued on initial sale and where a unit holder requests for the issue of a unit certificate, the scheme shall forthwith issue the requested certificate to the unit holder who has made the request.

## 24.0 REGISTER OF UNIT HOLDERS

24.1 The Scheme shall maintain a register of unit holders.

24.2 There shall be entered in the register of unit holders:

- (i) the names and addresses of units holders;
- (ii) the distinctive number of the unit certificate or Statement of Account and the number of units held by every such person;
- (iii) the date on which such person became the holder of units standing in his name;

(iv) an Account Number.

- 24.3 The Scheme shall only recognize the person or persons registered as the case may be, as the holder or holders as being entitled to the units in respect of which he or they have been registered.
- 24.4 It shall be lawful for the registered holder or holders, as the case may be, of units to receive and retain any income distributed by the scheme in respect thereof notwithstanding that he or they may have already transferred a respective certificate unless an application for registration of the transfer has been made to the Manager of the scheme in accordance with clause 25.1 of this deed within fifteen working days of the date on which income in respect of such certificate becomes due.
- 24.5 If any units stand registered in the names of two or more persons, such persons shall be deemed to hold the units jointly and a discharge by all the persons named in the register of unit holders shall, as regards the amounts due in respect of such units, discharge the scheme in respect of such amount.
- 24.6 Except when the register is closed in accordance with the provisions in that respect hereinafter contained, the register shall during business hours subject to such reasonable restrictions as the scheme may impose so that not less than one hour on each working day shall be allowed for inspection by any unit holder, without charge.
- 24.7 The register will be closed at such times and for such periods as the scheme may from time to time determine provided that it shall not be closed for more than 15 working days in any one year.
- 24.8 The Scheme shall give notice of such closure by advertisement in newspapers of wide circulation in Tanzania and EAC partner states in both English and Swahili.

## **25.0 TRANSFER OF UNITS**

- 25.1 Subject to clause 24.4 every unit holder shall be entitled to transfer all or any of the units held by him by a written instrument in common form or in such other form as the Manager and the Trustee may from time to time approve. The instrument of transfer accompanied by the unit certificate and the Statement of Account in respect of the units represented thereby and such other evidence as the Manager may require to prove the title of the transferor or his right to transfer the units (together with any necessary declarations or other documents) shall be duly completed and executed by the transferor and (unless otherwise determined by the Manager) by the transferee, and shall be lodged with the Manager, whereupon the Manager shall register the transferee as the holder of the units referred to in such instrument of transfer and shall issue to such transferee not later than 14 (fourteen) working days after the receipt of such instrument, evidence and documents, duly completed, a new Statement of Account representing the units so transferred. The transferor shall remain entitled to the units to be transferred by any such transfer until the name of the transferee is entered in the register in respect thereof. No transfer or purported transfer of units, other than a transfer made in accordance with this clause, shall entitle the transferee to be registered in respect thereof, nor

shall any notice of such transfer or purported transfer be entered in the register. The Manager shall retain all instruments of transfer subject to the provisions of clause 37.1.

## **26.0 DEATH OF UNIT HOLDER**

- 26.1 In the event of death of any one of the joint holders of units, the survivors or survivor shall be the only person(s) recognized by the scheme as having any title to or interest in the units represented by the respective unit certificate or Statement of Account. Where a nomination in respect of any unit has been made, the units shall, on the death of all the member(s), vest in the nominee and on compliance of necessary formalities the nominee shall be issued a statement of account in respect of the units so vested subject to any charge or encumbrance over the said units. Provided that nothing herein contained shall affect any right, which any other person may have as against such survivors or survivor in respect of the said units.
- 26.2 The nominee, the executor or administrator respectively of a deceased sole unit holder shall be the only person who may be recognized by the scheme as having any title to a unit. In such a case, the executor or administrator of the deceased's estate shall be recorded as the holder of the units previously held in the name of the deceased. A unit certificate or Statement of Account shall be issued to the administrator or executor in that capacity.
- 26.3 Any person becoming entitled to a unit in consequence of the death of any sole unit holder or of the survivors or survivor of joint unit holders may, subject as hereinafter provided, upon producing such evidence as the scheme shall consider sufficient either be registered as a holder of such unit upon giving to the scheme notice in writing of his desire to that effect or transfer such unit to some other person. All the limitations, restrictions and provisions of this scheme relating to transfers shall be applicable to any such notice or transfer as if the death had not occurred and such notice or transfer were a transfer executed by the unit holder.
- 26.4 The scheme may retain any moneys payable by it in respect of any unit of which any person is entitled to be registered as the unit holder or which any person under these provisions is entitled to transfer, until such person be registered as the holder of such unit or shall duly transfer the same.

## **27.0 INCOME DISTRIBUTION POLICY**

- 27.1 Initially, Umoja Fund had income distribution option where investors could choose to receive annual income distribution. However, during the Annual General Meeting held in December 2006, a resolution was passed to change the Scheme from income scheme to growth scheme. As such, the scheme does not distribute income currently. Should a decision be made to distribute income in the future, the following will apply:
- (i) The scheme shall, subject to the availability, distribute income to unit holders at least once a year or such other times as the Directors may determine taking into account the interests of the unit holders and the scheme.
  - (ii) Within ten working days from the record date, the Trustee shall pay to registered unit holders the amount available for distribution in respect of the said income distribution period in proportion to the number of units held by such unit holders on the above mentioned date.

- (iii) The income distributable amount to unit holders shall be paid:
  - (a) by bank transfer to unit holder whose income is equal to or more than TZS 100,000 and have notified bank details to the Manager; or
  - (b) by postal money order to unit holders whose income is less than TZS 100,000 and have not notified bank details to the Manager.
- (iv) Unit holders who are under the re-investment option will not receive a cash income distribution.
- (v) Instead of receiving a cash income distribution, the income to be distributed shall be applied to acquire for the unit holders additional units in the scheme at the respective Net Asset Value.
- (vi) On the income distribution date, the Manager shall dispatch Statements of Accounts to the unit holders who will have acquired units as a result of re-investment.

## **28.0 ANNUAL ACCOUNTING PERIOD**

28.1 The financial year of the scheme shall close on 30th June of every individual year.

## **29.0 AUDIT**

29.1 The Manager shall prior to the approval of the scheme by the Authority, appoint an auditor to audit the accounts of the scheme.

29.2 The auditor appointed by the Manager shall be:

- (i) authorized to perform the role of auditor under the Accountants and Auditors Registration Act, 1972 (as amended);
- (ii) eligible to audit financial institutions as determined by the Bank of Tanzania.

29.3 The auditor shall perform his duties and report on the results of the audit as specified under the Act.

## **30.0 PUBLICATION OF ANNUAL AND INTERIM REPORTS**

30.1 The Manager shall as soon as may be after 30th June but not later than end of September of each subsequent year cause to be published the annual report of the scheme which shall contain the particulars prescribed under the Act.

30.2 The Manager shall publish an interim report covering six months of operations before the end of February of each year.

### **31.0 RETIREMENT OR REMOVAL OF THE TRUSTEE**

- 31.1 Should the Trustee intend to retire from the Trust, it shall give the Manager and the Authority at least 6 (six) months' written notice of its intention to do so and during the said period of 6 (six) months the Manager shall take steps to appoint in its place as the Trustee under the Deed of Trust some other person qualified in terms of section 199 of the Act.
- 31.2 Should the Manager fail to take the abovementioned steps within the said period of 6 six months, the Authority may, after consulting with the Manager, direct the latter to appoint as the Trustee under the Deed of Trust a competent person nominated by the Authority, who is willing to act as such.
- 31.3 The Manager shall, with the approval of the Authority, by written notice advise the Trustee that it has been removed from its office as the Trustee if;
- (i) it be requested to do so by means of a ballot by unit holders, excluding the Manager holding not less than 75% of the units of the Scheme;
  - (ii) an extraordinary resolution has been adopted to that effect.
- 31.4 If a Trustee has been removed from its office in terms of clause 30.3 the Manager shall, with the prior written permission of the Authority, appoint as Trustee under the Deed of Trust another person qualified and willing to act as such. A Trustee appointed, as well as a Trustee appointed in terms of clause 29.1 shall undertake by means of a Supplemental Deed entered into with the Manager and approved by the Authority, to fulfill all the obligations of the Trustee in terms of this Trust deed. From the date of appointment, the new Trustee shall exercise all the powers and enjoy all the rights and be subject to all the duties and obligations of a Trustee under this Deed of Trust and the Act, as fully as if such new Trustee had originally been a party to this Deed.
- 31.5 Upon retirement, the retiring Trustee shall be exempted and released from all further obligations under this Deed of Trust subject, however, to the rights of the Manager, unit holders or other persons with regard to any act, liability, neglect or dishonesty prior to such retirement.
- 31.6 The Trustee shall be deemed to have resigned if its registration under the Banking and Financial Institutions Act, 1991 has been revoked or if it has been placed under judicial management or liquidation, and in such an event the Manager shall with the approval of the Authority immediately appoint another person as Trustee under the Deed of Trust. The provisions of clause 29.4 shall apply *mutatis mutandis* to such appointment.

### **32.0 REMOVAL OF THE MANAGER**

- 32.1 The Manager may upon recommendation of the Trustee after having consulted the Authority be removed by the Minister.
- 32.2 If the Manager has been removed from its office in terms of clause 32.1 the Minister on recommendation of the authority shall appoint another person qualified and willing to act as such. A Manager thus appointed shall undertake by means of a Supplemental Deed entered into

with the Trustee and approved by the Authority, to fulfill all the obligations of the Manager in terms of this Deed of Trust. From the date of appointment, the new Manager shall exercise all the powers and enjoy all the rights and be subject to all the duties and obligations of a Manager under this Deed of Trust and the Act, as fully as if such new Manager had originally been a party to this Deed.

- 32.3 The Manager shall be deemed to have resigned if its registration under the Company's Act has been revoked or its investment adviser's license has been revoked by the Authority and in such an event the Minister on recommendation of the Authority shall appoint another person as Manager. The provisions of clause 30.2 shall apply mutatis mutandis to such appointment.

### **33.0 AMENDMENT OF THE DEED OF TRUST**

- 33.1 Subject to the approval of the Authority given under the Act, the Manager and the Trustee may by supplemental deed alter or rescind any provision of this Deed of Trust, or add further provisions hereto. No such alteration, rescission or addition shall be valid unless approved by a majority of unit holders exercising such votes as they are entitled to exercise in terms of clause 22.2 (viii), excluding the Manager.
- 33.2 The approval of unit holders shall not be necessary if the Authority is satisfied that any such alteration, rescission or addition is required only to enable the provisions of this deed to be carried into effect more conveniently or economically, or is required otherwise to benefit unit holders, will not prejudice the interests of unit holders, does not alter the fundamental provisions or objects of the Trust and does not release the Trustee or the Manager from any responsibility to unit holders.

### **34.0 INSPECTION OF THE DEED OF TRUST**

- 34.1 Copy of this Deed and of every supplemental deed thereto shall at all times during normal business hours be made available by the Manager and the Trustee free of charge at their respective registered offices for the inspection of unit holders and intending purchasers of units. Any unit holder shall be entitled to receive from the Manager a copy of this Deed of Trust and of every supplemental deed thereto on production of his Statement of Account or unit certificate, on making request, therefore, to the Manager, and on payment to the Manager of a reasonable fee for each copy of the document required. The Manager shall on demand and at its expense supply to the Trustee such copies of this Deed of Trust as the Trustee may from time to time require.
- 34.2 Normal business hours of the Manager shall be Monday to Friday 09.00 – 15.00 hours except during holidays.

### **35.0 NOTICES TO UNIT HOLDERS**

- 35.1 Any notice required to be served on a unit holder shall be deemed to have been duly served if sent by post to his registered address. Any notice so sent shall be deemed to have been served 7 (seven) days after the same was posted. In proving such service it shall be sufficient to prove that the envelope containing the notice was posted.

## **36.0 DISPUTE RESOLUTION**

36.1 Subject to the provisions of this Deed of Trust, the Manager and Trustee may, after consultation, resolve any question arising from the management and administration of the scheme under this Deed provided that;

- (i) any Unit holder may enforce his rights by virtue of a unit certificate and this Deed of Trust against the Manager, Trustee or both, as the case may be in any competent court.
- (ii) should any dispute arise between the Manager and Trustee in connection with matters concerning this Deed (other than disputes in respect of the values of securities) and if such dispute cannot be settled amicably by negotiation between the parties within thirty days after its commencement, it shall be referred to arbitration under the Arbitration Act.
- (iii) should any dispute in connection with the value of securities held by the scheme arise between the Manager and Trustee, the Manager and Trustee shall appoint two advisers, one to be appointed by each, who shall determine the value of such securities after considering the valuations of the Manager and that of the Trustee, and the value thus determined shall be binding on all parties concerned. The two advisers appointed by the Manager and the Trustee shall appoint a third who shall be umpire.

## **37.0 DISPOSAL OF DOCUMENTS**

37.1 The Manager shall be entitled to destroy or otherwise dispose of all instruments of transfer after the expiration of 7 (seven) years from the date of registration thereof and all certificates which have been cancelled at any time after the expiration of 7 (seven) years from the date of cancellation thereof and all registers, statements and other records and documents other than this deed) relating to the trust at any time after the expiration of 7 (seven) years from the termination of the trust. The Manager shall not be under any liability whatsoever in consequence of any such destruction. Unless the contrary is proved, every instrument of transfer so destroyed shall be deemed to have been a valid and effective instrument, duly and properly registered, and every certificate so destroyed shall be deemed to have been a valid certificate, duly and properly cancelled.

## **38.0 PERPETUITY OF THE TRUST**

38.1 This Trust shall be a perpetual Trust.

## **39.0 TERMINATION OF THE SCHEME**

The Scheme may be terminated if:

- (i) The manager is directed to do so by the Minister.
- (ii) If it is so resolved at the extra ordinary general meeting.

## **40.0 GOVERNING LAW**

40.1 This Deed is made under and governed by laws of Tanzania.

IN WITNESS WHEREOF the parties have executed these presents in the manner and respective date hereinafter appearing; SEALED with the Common Seal of the said UTT Asset Management and Investor Services Plc and DELIVERED in the presence of us

this 28<sup>th</sup> day of May 2021

Signature: .....  
Name: Mr. Casmir Kyuki  
Qualification: Chairman  
Postal Address: P. O. Box 14825, DSM

Signature: .....  
Name: Mr. Juma Muhimbi  
Qualification: Director  
Postal Address: P. O. Box 14825, DSM

Signature: .....  
Name: Dr. Suleiman Mohamed  
Qualification: Director  
Postal Address: P. O. Box 14825, DSM

SEALED with the Common Seal of the said CRDB BANK PLC and DELIVERED in the presence of us  
this 22nd day of August 2014

Signature: .....

Name: Mr. Abdulmajid Nsekela

Qualification: Chief Executive Officer and Managing Director

Postal Address: P. O. Box 268, DSM

Signature: .....

Name: Mr John Baptist Rugambo

Qualification: Company Secretary

Postal Address: P. O. Box 268, DSM