

# DEED OF TRUST OF THE

## ALPHA CAPITAL UNIT TRUST SCHEME (ALPHA HALAL FUND)



**ALPHA HALAL  
FUND**

**OPEN ENDED COLLECTIVE INVESTMENT SCHEME**  
entered into between



**ALPHA CAPITAL**  
*Broker, Investment Advisor, Fund Manager*

"The MANAGER"  
&



TRUSTEE / CUSTODIAN  
&

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 UNITHOLDERS]

To establish a Unit Trust Scheme known as  
" ALPHA CAPITAL UNIT TRUST SCHEME"  
("The ALPHA HALAL FUND")

# This Deed is made on 15th June, 2024, between:

(1) **Global Alpha Capital Limited**, a body corporate limited by shares incorporated under the provisions of the Companies Act (Cap 212) and whose address is at 8th Floor, Millennium Towers 1, Makumbusho, Ali Hassan Mwinyi Road, P O Box 70166, Dar es Salaam, Tanzania (**The Manager**);

and

(2) **CRDB Bank Plc**, a limited liability company incorporated in Tanzania whose registered office is at Ali Hassan Mwinyi/Kinondoni Road P.O. BOX 72647. 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, (Unitholders);

## 1.0 PREAMBLE

1.1 The Trustee and the Manager have resolved 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 this Trust Deed, a unit schemes.

1.2 The Trustee and the Manager have agreed to enter into this Deed to constitute Alpha Halal Fund (the "Fund") as an umbrella type open-ended unit trust pursuant to the Act (defined below) as authorised by the Authority (defined below) pursuant to the Act.

1.3 The Manager and the Custodian 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.

## 2.0 INTERPRETATION

### 2.1 In this Trust Deed unless the context otherwise requires:

- (a) **"Act"** means the Capital Markets and Securities Act, 1994 (Act No. 5 of 1994), (as amended) and the Regulations made thereunder.
- (b) **"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, during banking hours (0900 hours to 1700 hours) of a business day.
- (c) **"Accounting Date"** means the date by reference to which the annual accounts of the Fund and each of the Schemes thereunder shall be prepared and shall be 31st December in each year or the date on which the monies required for the final distribution shall have been paid to the Unitholders in the relevant Scheme or Sub-Funds with the prior approval of the Authority. The Manager and the Trustee with the consent of the Authority, may agree to change the Accounting Date from time to time.
- (d) **"Authority"** means the Capital Markets and Securities Authority established under the Act.
- (e) **"Board"** means the Board of Directors of the Manager.
- (f) **"Book closure dates"** means the dates during which the register of unitholders is closed by the scheme for the purposes of administration of income distribution or any other purpose.
- (g) **"Business day"** means a day other than (i) Saturday and Sunday (ii) a day on which the commercial banks in Dar es Salaam are closed for business, or (iii) a day on which the Manager remains closed.
- (h) **"Citizen"** means a citizen of the United Republic of Tanzania in accordance with the Citizenship Act, 1995.
- (i) **"Commencement date"** means the date on which the Manager for the first time offers units in the scheme for sale to the public.
- (j) **"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.
- (k) **"Deed of Trust", "Trust deed" or "Deed"** means this deed and any deed supplemental thereto.

(l) **“Directors”** means the Members of the Board of Directors of the Manager.

(n) **“Distribution period”** means the period within three months after the annual accounting period of the scheme when income is distributed to unitholders.

(p) **“Exit load”** means a fee charged by the fund, not exceeding 1% of the value of units redeemed, upon an investor’s partial or full exit from a scheme.

(r) **“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.

(t) **“Lock-in period”** means the period starting from the Initial Sale day and lasting for 93 days during which re-purchase operations will not be carried out by the scheme.

(v) **“Offer document”** means a document containing information on the scheme inviting offers by the public to subscribe for or purchase units in the scheme.

(x) **“Record Date”** means the date appointed for entitlement of income distribution.

(z) **“Re-purchase”** means the purchase by the scheme from a unitholder of units previously sold and held by unitholders.

(aa) **“Sale”** means the subsequent sale of units to investors by the scheme after the initial sale.

(cc) **“Service charge”** means that portion of the sale and re-purchase price of a unit which includes a provision by Unit holder for charity.

(ee) **“Statement of Account”** means an accounting advice issued by the scheme to a unitholder indicating the number of units held by the unitholder in the scheme.

(gg) **“Sub-Fund Period”** means the period from the date of the opening of a Sub-Fund until that Sub-Fund shall be terminated in the manner herein-after provided.

(ii) **“Trustee”** means a Trustee who under this Deed of Trust is a participating party performing the functions of a Trustee under the Act.

(kk) **“Unit Certificate”** means a certificate issued to the purchaser of units indicating the number of units held by the purchaser in the scheme.

(m) **“Discount”** means a sum of money that is deducted from the initial value under the scheme during the initial sale.

(o) **“Entry load”** the amount or fee not exceeding 1% of the sum invested, charged from an investor while entering a scheme as an investor.

(q) **“Fund”** means the Alpha Halal Fund incorporated pursuant to this Deed of Trust.

(s) **“Initial sale”** means the sale of units by the scheme from the commencement date up to a specific period determined by the Manager.

(u) **“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 all accruals and provisions.

(w) **“Operative Date”** means the date which the Manager determines as the Operative Date for a Fund or, if no such notice is given, the date of the subscriptions or applications for units issued by the Manager in respect of a Fund.

(y) **“Register”** means the register of unitholders.

(bb) **“Scheme”** means the ALPHA Unit Trust Scheme or in short “ALPHA Fund” created by this Deed.

(dd) **“Settlor”** means the Global Alpha Capital Limited.

(ff) **“Sub-Fund”** means any of the Schemes referred to in Clause 4.00 hereof or any additional Sub-Fund or Sub-Funds established by the Manager from time to time with the prior consent of the Trustee and approval of the Authority.

(hh) **“Suspended company”** means a company which has been suspended from a listing at a stock exchange.

(jj) **“Unit”** means a unit issued under the scheme representing a proportionate right in the beneficial ownership of the assets and income of the scheme.

(ll) **“Unitholder”** means a person or body corporate recognized by the scheme as a bona fide holder of units under the scheme.



### 3.0 DECLARATION OF TRUST AND NAME OF THE SCHEME

3.1 The Trustee and the Manager hereby constitute a unit trust scheme of which the Trustee agrees to act as trustee.

3.2 The name of the scheme is “**ALPHA HALAL UNIT TRUST SCHEME**” or, in short, “**ALPHA HALAL FUND**”.

### 4.0 INVESTMENT OBJECTIVES

4.1 The Fund’s objective is to generate capital growth for investors by pooling funds and investing in ethical and Shari’ah compliant financial products within the prescribed territory.

### 5.0 EFFECT OF DEED ON UNITHOLDERS

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

### 6.0 COMPLIANCE BY MANAGER AND THE TRUSTEE

6.1 Global Alpha Capital Limited as the Manager, and CRDB Bank Plc as Custodian/Trustee, shall in all manners act as required of them by the terms of this Deed of Trust and the Act.

6.2 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 and advice of the Shari’ah Advisory Board be entitled to make arrangements necessary to carry into effect the objects, investment policy and provisions of the Scheme.

6.3 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 Scheme.

6.4 The Trustee shall exercise all the powers necessary to protect the interest of Unitholders under this Deed of Trust.

6.5 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.

6.6 The Manager is responsible for its compliance with all regulatory requirements set out in internal and legislative Regulations and Rules.

6.7 The Board of Directors of the Manager shall approve all significant policies.

6.8 The Manager shall ensure that all relevant staff have a good understanding of applicable Policies, Rules and Regulations.

### 7.0 LIMIT OF LIABILITY FOR UNITHOLDERS

7.1 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.

### 8.0 NO EXEMPTION OF LIABILITY FOR MANAGER AND THE TRUSTEE

8.1 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.



## **9.0 INTEREST OF UNITHOLDERS IN PROPERTY OF THE SCHEME**

9.1 The property of the scheme is held by the Trustee in trust for the holders of the units parri- passu according to the number of units held by each holder.

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

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

## **10.0 DUTIES OF THE MANAGER**

The Manager of the scheme shall:

(i) manage the scheme in accordance with this deed in the exclusive interest of the unitholders and fulfil the duties imposed on it by the Act, regulations, directives of the Shari'ah Advisory Board and 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 unitholders 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 of the report to unitholders.

(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.

(vi) Ensure the Fund's operations, systems and process are Shari'ah compliant at all times;

(vii) Undertake prompt asset rebalancing and purification of the Fund's income in the event of the Fund having received tainted income;

(viii) Ensure that a report is prepared every year in accordance with the AAOIFI standards, relating to preparing and assessing compliance with Shari'ah; and

(ix) Establish, implement, and supervise the product or services offered according to the Shari'ah governance and compliance requirements.

10.2 The Board of Directors of the Manager shall discharge all the obligations of a Manager mentioned in the Act.

## **11.0 DUTIES OF THE TRUSTEE/CUSTODIAN**

11.1 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 unitholders 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, Investment Policy or directives of the Shari'ah Advisory Board;

- (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 unitholders 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 unitholders 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;
- (xi) Take reasonable care to ensure that directives of the Shari'ah Board to the Manager are implemented;
- (xii) Employ, appoint or consult a qualified person as a Shari'ah adviser to advise the trustee on the management and operations of the Islamic Trust to ensure its compliance with Shari'ah principles;
- (xiii) Keep the trust property distinct and separate from his own property and separately identifiable from any other property of which he is a trustee or to which he is beneficially entitled;

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.

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

12.1 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;
- (vii) The sale must be in accordance with Islamic law. This means that the sale must not involve any prohibited activities such as speculation;
- (viii) The sale must be made in a way that ensures that the investor's investment is protected.

## **13.0 INVESTMENT AND BORROWING RESTRICTIONS**

13.1 The investment policy of the Manager shall be aimed at investing at fair prices in a balanced spread of ordinary shares of Shari'ah compliant businesses, as well as in Shari'ah compliant fixed income securities in order to achieve the stated objectives of the scheme;

13.2 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;

13.3 The Manager shall invest only in Shari'ah compliant assets as approved by the SAB;

13.4 Investment of scheme property shall be overseen by the Shari'ah Compliance Officer, the Shari'ah Advisory Board and Investment Committee of the Board of Directors, and effected in accordance with regulations prescribed by the Authority from time to time;

13.5 The Manager may, after consultations with the Trustee and subject to approval by the Authority, specify the investment policy and any additional restrictions in the Offer Document of any particular Fund under this Scheme.

## **14.0 VALUATION OF ASSETS AND PRICING**

### **14.1 Investments held by the scheme shall be valued in adherence to the Act and disclosure by taking:**

- (i) The latest closing prices of listed shares including cross listed companies as on every working day.
- (ii) For unlisted shares as per valuation undertaken by a professional valuer approved by the Trustee/Custodian.
- (iii) In case of quoted fixed cash flow Sukuk, the market rate, before-profit, the same is adjusted for the element of accrued income, 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 deposits and any accrued return (less tax) thereon.
- (vi) Where instruments have been bought on "repo" basis, the instrument must be valued at the resale price after deduction of applicable income/profit 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.

## **15.0 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 therefrom 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.

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

16.1 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 (NAV) per unit on the Date of Acceptance.

16.2 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 (NAV) on the Date of Acceptance.

16.3 Every sale or re-purchase of units by the scheme shall be effective as on the acceptance date at the respective price prevailing on the close of business of that day.

16.4 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.



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

Circumstances under which Dealing can be Deferred or Suspended

(i) The Manager shall not carry out redemption (re-purchase) operations during the lock-in-period of the scheme. This period will be restricted to investment operations.

(ii) The Manager may, with the approval of the Authority, suspend re-purchase of units in the event of exceptional circumstances.

(iii) The Manager shall defer to the next dealing day re-purchase of units if 10% of the units outstanding are re-purchased within one dealing day.

(iv) Repurchase operations shall not be carried out by the Manager during the book closure period.

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

18.1 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.

18.2 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 unitholders 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 unitholders whose repurchase value is less than TZS 100,000 and have not notified bank details to the Manager.

## **19.0 TREATMENT OF INCOME**

19.1 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 or any other investment 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.

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

19.3 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.

## **20.0 APPROPRIATION OF INCOME**

20.1 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.

## **21.0 FEES AND CHARGES**

21.1 Initial and Exit Charges:

There shall be no charge to investors for units sold or redeemed.

21.2 Charges to the Scheme:

21.2.1 The income of the scheme shall be charged for:

- (i) Taxes at the applicable tax rates.
- (ii) Commissions as per rates prescribed by Self-Regulatory Organizations such as a Stock Exchange.
- (iii) Investment management /advising fee at 1.80% of NAV per annum.
- (iv) Trustees fees at 0.25% of NAV with a minimum of TZS 5,000,000.00 (Five Million Only) per annum.
- (v) Other charges at 0.5% of NAV per annum. 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.

21.2.2 Investment management/Advisory fee, Trustee fee and other charges in Section 19.2.1(v) shall sum up to a limit of 2.5%. Any excess of other charges under Section 19.2.1(v) above 0.5% shall be paid by the Manager.

## 22.0 TRANSACTIONS WITH ASSOCIATED PERSONS

Cash forming part of the property of the scheme shall be placed as deposits with the Custodian, Manager, an investment adviser or any persons connected with these companies, being institutions authorized to accept deposits.

## 23.0 MEETINGS

These shall be held every year a general meeting of Unitholders;

The scheme shall conduct meetings of unitholders as follows;

- (i) Unitholders 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) The business of a general meeting shall include, among others, receiving and considering reports by:
  - a) Fund Manager, including on Shari'ah compliance by the SAB;
  - b) Trustee/Custodian; and
  - c) External Auditors.
- (vi) An extraordinary general meeting shall be convened for the following purposes:
  - a) to modify, alter or add to this Trust Deed;
  - b) to terminate the Scheme.
- (vii) 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;

(viii) 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

(ix) 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.

Unit holders may convene a meeting and, by way of an ordinary resolution, remove any of the directors considered no longer fit and proper to manage the schemes assets

## 24.0 REGISTER OF UNITHOLDERS

The Scheme shall maintain a register of unitholders. There shall be entered in the register of unitholders:

- (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.

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.

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.

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 unitholders shall, as regards the amounts due in respect of such units, discharge the scheme in respect of such amount.

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 unitholder, without charge.

The register will be closed at such times and for such periods as the scheme may from time to time determine



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 applicable provisions of this Deed, terms of the Offer Document or Act, every unitholder 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.

## 26.0 DEATH OF UNITHOLDER

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 unitholder 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 unitholder or of the survivors or survivor of joint unitholders may, subject as herein-after 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 unitholder.

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 unitholder 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.

26.5 Each Unitholder shall indicate, at the time of first accession to the Fund or such other opportune time subsequent to such accession, the inheritance law to apply to his/her Units, provided that Units to which no law has been indicated to apply shall be treated under common law.

26.6 Where Islamic Inheritance law has been indicated as applicable to any units, such units shall be transferred only in accordance with the law. Any nominee in relation to such Units shall be under obligation to adhere to Islamic inheritance law according to the wishes/will of the Unitholder.

26.7 It shall be permissible for Units of the scheme to be held by a qualifying institution in trust for the benefit of a unit holder's minor heirs until they reach the age of maturity.

26.8 Where Units have been inherited, the heir shall hold full rights regarding the Units and may choose either to liquidate the assets or continue to participate in the scheme and receive a share of its profit and loss.

## 27.0 INCOME DISTRIBUTION POLICY

27.1 Should Unitholders decide, by an ordinary resolution at a general meeting, to distribute income, the following will apply: -

27.1.1 The scheme shall, subject to audit availability, distribute income to unitholders at least once a year or such other times as the Directors may determine taking into account the interests of the unitholders and the scheme.

27.1.2 Within ten working days from the record date, the Trustee shall pay to registered unitholders the amount available for distribution in respect of the said income distribution period in proportion to the number of units held by such unitholders on the above mentioned date.

27.1.3 The income distributable amount to unitholders shall be paid:

(a) By bank transfer to unitholder 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 unitholders whose income is less than TZS 100,000 and have not notified bank details to the Manager.

27.1.4 Unitholders who are under the re-investment option will not receive a cash income distribution.

27.1.5 Instead of receiving a cash income distribution, the income to be distributed shall be applied to acquire for the unitholders additional units in the scheme at the respective Net Asset Value.

27.1.6 On the income distribution date, the Manager shall dispatch Statements of Accounts to the unitholders who will have acquired units as a result of reinvestment.

27.2 All income/profit generated over any period shall be reflected in the reported NAV. There is no likelihood for creation of reserves, be it for profit or losses.

## **28.0 ANNUAL ACCOUNTING PERIOD**

28.1 The financial year of the scheme shall close on 31st December 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.

29.3 The Manager shall engage an Internal Shari'ah Auditor and appoint an External Shari'ah Auditor.

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

30.1 The Manager shall, as soon as may be after the year ends but not later than four months after commencement of the subsequent year, cause to be published the annual report of the scheme for every year 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 August of each year.

30.3 Each of the reports referred above shall contain information by the SAB or relevant Shari'ah Auditor on Shari'ah compliance in addition to the particulars prescribed under the Act.

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

31.1 Should the Custodian 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 Custodian under the Deed of Trust some other person qualified in terms of section 119 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 Custodian 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 Custodian that it has been removed from its office as the Custodian if;

(i) At be requested to do so by means of a ballot by unitholders, excluding the Manager holding not less than 75% of the units of the Scheme; and

(ii) An extraordinary resolution of unitholders has been adopted to that effect.

31.4 If a Custodian has been removed from its office in terms of Clause 31.3 the Manager shall, with the prior written permission of the Authority, appoint as Custodian under the Deed of Trust another person qualified and willing to act as such. A Custodian appointed under this Clause 31 shall undertake by means of a Supplemental Deed entered into with the Manager and approved by the Authority, to fulfil all the obligations of the Custodian in terms of this Trust deed. From the date of appointment, the new Custodian shall exercise all the powers and enjoy all the rights and be subject to all the duties and obligations of that office under this Deed of Trust and the Act, as fully as if such new Custodian had originally been a party to this Deed.

31.5 Upon retirement, the retiring Custodian shall be exempted and released from all further obligations under this Deed of Trust subject, however, to the rights of the Manager, unitholders or other persons with regard to any act, liability, neglect or dishonesty prior to such retirement.

31.6 The Custodian 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 Custodian under the Deed of Trust. The provisions of Clause 29.4 shall apply mutatis mutandis to such appointment.

## 32.0 REMOVAL OF THE MANAGER

31.1 The Manager may upon instance of the Trustee/-Custodian, subject to approval by the Authority and Unitholders by simple majority resolution, be removed.

31.2 If the Manager has been removed from its office in terms of Clause 31.1, the Trustee/Custodian shall, subject to approval of the Authority, 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/-Custodian and approved by the Authority, to fulfil 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.

31.3 The Manager shall be deemed to have resigned if its registration under the Companies Act has been revoked or its investment adviser's license has been revoked by the Authority. 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 (having obtained positive advice of the SAB) and the Custodian 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 unitholders exercising such votes as they are entitled to exercise in terms of Clause 22.2 (viii), excluding the Manager.

33.2 The approval by unitholders 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 otherwise required to benefit unitholders, will not prejudice the interests of unitholders, does not alter the fundamental provisions or objects of the Trust and does not release the Trustee or the Manager from any responsibility to unitholders.

33.3 In carrying out any of the amendments mandated under this Clause, the Manager and Custodian shall seek guidance from the Internal Shari'ah Advisory Board and the External Shari'ah Advisor to ensure continued compliance with halal principles.

## 34.0 INSPECTION OF THE DEED OF TRUST

34.1 A copy of this Deed and of every supplemental deed thereto shall be made available free of charge by the Manager and the Trustee for inspection at all times during normal business hours at their respective registered offices for the inspection of unitholders and intending purchasers of units. Any unitholder 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 – 17.00 hours except during holidays.

## 35.0 NOTICES TO UNITHOLDERS

35.1 Any notice required to be served on a unitholder 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 Unitholder 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.



(iv) should any dispute arise in connection with the interpretation or application of Shari’ah, the Manager or Trustee shall consult the Shari’ah Advisory Board or External Shari’ah Advisor for a resolution thereof.

Should the Manager and Trustee fail to resolve any dispute in connection with the application of Shari’ah, the matter shall be presented to the Shari’ah Advisory Board or the External Shari’ah Advisor for resolution.

### 37.0 DISPOSAL OF DOCUMENTS

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

39.1 The Scheme may be terminated if:

- (i) The Manager is directed to do so by the Authority.
- (ii) If it is so resolved at the extra ordinary general meeting.
- (iii)The Authority revokes its approval of the Scheme pursuant to Section 122 of the Act

### 40.0 GOVERNING LAW

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

### IN WITNESS WHEREOF

the parties have executed these presents in the manner and respective date hereinafter appearing;

<b>SEALED</b> with the Common Seal of the said Global Alpha Capital Limited and DELIVERED in the presence of us this 15th day of June 2024		
<b>Mr. Gerase Mugisha Kamugisha</b> Chief Executive P. O. Box 70166, DSM	<b>Mr. Imani Muhingo</b> Director P. O. Box 70166, DSM	<b>Ms Joan Kyejo</b> Director P. O. Box 70166, DSM
<b>SEALED</b> with the Common Seal of the said CRDB Bank Plc and DELIVERED in the presence of us this 15th day of June, 2024.		
<b>Mr. Abdulmajid Mussa Nsekela,</b> Chief Executive Officer and Managing Director P. O. Box 268, Dar es Salaam		<b>John Baptist Rugambo</b> Company Secretary P. O. Box 72647, DSM