

COMTRUST GILT EDGED FUND

Trust Deed

Between

Comtrust Asset Management (Pvt) Ltd

and

Deutsche Bank AG Colombo

- (e) All costs incurred by the Managers in communicating with the unit Holders in general and include cost of producing and dispatching newsletters, periodicals, reports etc.
- (f) All costs incurred in respect of dividend distribution.
- (g) any other costs of dealing in the deposited property.
- (h) all other charges or fees expressly authorised by this Trust Deed or by law.

22. CONCERNING THE ADMINISTRATION OF THE TRUST

22.1 Neither,

- (i) the Trustees, nor
- (ii) the Managers, (their Directors, Officers and employees) nor
- (iii) any company controlled by either of them nor,
- (iv) any person firm or body corporate (hereinafter referred to as "a delegate") entitled to exercise any powers or discretions pursuant to a delegation by the Managers made under Clause 22 hereof.

shall as principal sell or deal in the sale of Investments to the Trustees for account of the Trust or vest Investments in the Trustees against the issue of the Units or purchase Investments from the Trustees and each shall (without incurring any liability for failure so to do) use its best endeavors to procure that no such sale or dealing or vesting shall be made by a Connected Person of the Trustees and Managers PROVIDED THAT nothing shall prevent any sale to or any purchase for account of the Trust of any Investment from the trustees, a custodian or manager of any other unit trust scheme or mutual fund company or investment company of account of such scheme or company notwithstanding that the Trustees and/or the Managers and/or any Connected Person may be or be interested in the Trustees or the Custodian or the Managers of or any person, firm or body corporate to whom any investment powers or discretions may have been delegated under or by such scheme or company provided that:-

- (a) the value of the Investment in question is certified in writing for the purpose of the transaction by a professionally recognised person; and
- (b) the Trustees shall be of the opinion that the terms of such transaction shall not be such as are likely to result in any prejudice to Holders.

For the purposes of this sub-clause the expressions "mutual fund company" and "investment company" shall mean and include any company carrying on the business of holding and managing Investments.

- 22.2 Nothing in this Trust Deed contained shall prevent the Trustees or the Managers or any Connected Person from becoming the owner of Units and holding, disposing or otherwise dealing with the same rights which they would have had if neither the Trustees nor the Managers nor any connected person were a party to or a connected person for purposes of this Trust Deed and the Trustees and the Managers and any such connected person may buy, hold and deal in any Investments upon their respective individual accounts notwithstanding that similar Investment may be held under this Trust Deed as part of the Deposited Property. Every transaction between The Manager or any Connected Person and the Trust shall be approved in writing by the Trustee.

- 22.3 No units shall at any time be quoted or sold by or for account of the Manager at a price higher than the issue price for the time being applicable to Units issued for cash pursuant to this Trust Deed. No units shall at any time be quoted or purchased by or for account of the Managers at a price lower than the realisation price for the time being applicable to

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Units realised by the Managers pursuant to this Trust Deed, The Trustees shall be responsible to verify the price of any such quotation or dealing but the Managers shall justify such quotation or dealing if so requested by the Trustees at any time.

- 22.4 Neither the Trustees nor the Managers nor any connected person shall be liable to account either to any other or others of them or to the Holders or any of them for any profits or benefits made or derived by or in connection with any such transaction permitted as aforesaid.
- 22.5 Nothing herein contained shall be construed so as to prevent the Managers and the Trustees in conjunction or the Managers or the Trustees separately from acting as Managers or Trustees for trusts separate and distinct from the Trust. Provided, however, that the Managers shall not act as the Trustees of another trust and provided further that the Trustees shall not act as the Managers of another trust.
- 22.6 The Trustees and the Managers may accept as sufficient evidence of the value of any Investment, a certificate by a professionally recognised person.
- 22.7 Neither the Managers nor the Trustees shall be liable to account to any Holder or otherwise for any payment made or suffered in good faith to any duly empowered fiscal authority of Sri Lanka or elsewhere for taxes or other charges in any way arising out of or relating to any transaction of whatsoever nature under this Trust Deed notwithstanding that any such payments ought not to or need not have been made or suffered.
- 22.8 In no event shall a Holder have or acquire any rights against the Trustees and the Managers or either of them save such as are expressly conferred upon such Holder by this Trust Deed nor shall the Trustees be bound to make any payment to any Holder except out of funds held by or paid to it for that purpose under the provisions of this Deed provided however that nothing herein shall exempt the Trustee from or indemnify it against any breach of trust occasioned by fraud or negligence as set out in Clause 22.5.
- 22.9 Neither the Trustees nor the Managers shall incur liability in respect of any action taken or thing suffered by either of them in good faith in reliance upon any notice resolution direction instruction consent certificate affidavit statement certificate of stock plan of re-organisation or (without prejudice to the generality of the foregoing) other paper or document believed to be genuine and to have been passed sealed or signed by the proper parties.
- 22.10 Neither the Trustees nor the Managers shall incur liability for doing or (as the case may be) failing to do any act or thing which by reason of any provision of any present or future law or regulation made pursuant thereto or of any decree order or judgement of any Court or by reason of any direction request announcement or similar action (whether of binding legal effect or not) which may be taken or made by any person or body acting with or purporting to exercise the authority of any Government (whether legally or otherwise) either the Trustees or the Managers shall be directed or requested to do so or perform or to forbear from doing or performing, or if for any reason it becomes impossible to perform any of their obligations.
- 22.11 Neither the Trustees nor the Managers shall be responsible for the authenticity of any signature on or any seal affixed to any endorsement or any certificate or to any transfer or form of application, endorsement or other document affecting the title to or transmission of Units or be in any way liable for any forged or unauthorized signature on or a seal affixed to such endorsement, transfer or other document or for acting on or giving effect to any such forged or unauthorized signature or seal. The Trustees and the Managers respectively shall nevertheless be entitled but bound to require that the signature of any Holder or joint Holder to any document required to be signed by him under or in connection with this Trust Deed shall be verified by a banker or broker or other responsible person or otherwise authenticated to its or their reasonable satisfaction.
- 22.12 Any indemnity expressly given to the Trustees and/or the Managers in this Trust Deed is in addition to and without prejudice to any indemnity allowed by law PROVIDED

NEVERTHELESS THAT nothing in any of the provisions of this Trust Deed shall in any case in which the Trustees and/or the Managers, as the case may be, have failed to show the degree of diligence and care required by them by the provisions of this Trust Deed exempt them from or indemnify them against any liability for breach of trust or any liability which by virtue of any rule of law would otherwise attach to them in respect of any negligence, default, breach of duty or trust of which they may be guilty in relation to their duties.

- 22.13 Any investment in registered form shall unless otherwise instructed by the Trustees, be registered in the name of the Trustees as soon as reasonably practicable after receipt of the necessary documents by the Trustees and shall remain so registered until disposed of pursuant to the provisions of this Deed. The Trustees shall be entitled if it considers that it is expedient to do so to cause to be deposited in safe custody with any banker or other agent of the Trustees the documents of title to any Investments held upon the Trusts of this Deed. Subject as aforesaid the Trustees shall retain the documents of title to all Investments held upon the trusts of this Deed in its possession in safe custody. Any expenses of whatever nature incurred by the Trustee in effecting such registration or providing such safe custody shall be payable out of the Income or the Deposited Property. Notwithstanding the provisions of this sub-clause the Trustee shall be entitled if it considers that it is expedient to do so to deposit with any banker the documents of title of any investments held upon the trusts of this Deed for the purpose of securing any borrowings effected by the Trust.
- 22.14 The Trustees and the Managers shall (subject as hereinafter provided) be entitled to destroy;
- (i) all instruments of transfer which have been registered at any time after the expiration of six years from the date of registration thereof,
 - (ii) all Transaction Receipts and distribution mandates which have been cancelled at any time after the expiration of three years from the date of cancellation thereof,
 - (iii) all notifications of change of address after the expiration of three years from the date of the recording thereof,
 - (iv) all forms of proxy in respect of any Meeting of Holders one year from the date of the Meeting at which the same are used and,
 - (v) all registers(excluding the register of Unit Holders) statements and other records and documents relating to the Trust at any time after the expiration of six years after the end of a financial year.

Neither the Trustees nor the Managers shall be under any liability whatsoever in consequence thereof and unless the contrary be 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 and every other document hereinbefore mentioned so destroyed shall be deemed to have been a valid and effective document in accordance with the recorded particulars thereof.

Provided always that:

- (a) the provisions aforesaid shall apply only to the destruction of a document in good faith and without notice of any claim (regardless of the parties thereto) to which the document might be relevant,
- (b) nothing in this sub-clause shall be construed as imposing upon the Trustee or the Manager any liability in respect of the destruction of any document earlier than as aforesaid or in any case where the conditions of proviso (i) above are not fulfilled,

- (c) reference herein to the destruction of any document include references to the disposal thereof in any manner.

22.15 The Trustee shall maintain or cause to be maintained a Register setting out all particulars of the documents and all other materials destroyed under the next preceding Clause 21.14 and the date of such destruction together with the authority for such destruction and such register shall not be destroyed for a period of 10 years from the date of the last entry thereon.

22.16 The Trustees and Managers shall be entitled to rely absolutely on any declaration of residence which may be received from a Holder, or a prospective Holder or applicant for Units.

23. CONCERNING THE TRUSTEE

23.1 With regard to any provision in this Trust Deed,

- (i) providing for any act or matter to be done by the Trustees such act or matter may be performed on behalf of the Trustees by any officer or responsible official of the Trustees or by any nominee appointed by the Trustees with the approval of the Managers and any act or matter so performed shall be deemed for all the purposes of this Trust Deed to be the act of the Trustees, and
- (ii) as to the vesting of investment such provision shall be deemed also to relate to any nominee of the Trustees. The Trustees shall be entitled to procure:-
- (a) the Trustees; or
 - (b) any officer or responsible official of the Trustees jointly with the Trustees; or
 - (c) any such nominee and the Trustees;

to be registered as proprietor of any Investment held upon the trusts of this Trust Deed PROVIDED ALWAYS that the Trustees shall remain liable for any act or omission of any such person or nominee in relation to any Investment of which such person or nominee is registered as proprietor.

23.2 The Trustees shall not be under any liability on account of anything done or suffered by the Trustees in good faith in accordance with or in pursuance of any request of the Managers. Whenever pursuant to any provision of this Trust Deed any certificate, notice direction, instruction or other communication is to be given by the managers to the Trustees the Trustees may accept as sufficient evidence thereof a document signed or purporting to be signed on behalf of the Managers by any person whose signature the Trustees is for the time being authorised in writing by the Managers to accept.

23.3 The Trustees may accept as sufficient evidence of the Value of any Investment or foreign currency or the cost or sale price of any Investment or of any stock exchange quotation or of any other matter within his competence a certificate by an Approved Broker.

23.4 (i) The Trustees may act upon any advice or information obtained from the Managers or any bankers accountants brokers lawyers agents or other persons acting as agents or advisers of the Trustees or the Managers and the Trustees shall not be liable for anything done or omitted or suffered in good faith in reliance upon such advice or information. Any such advice or information may be obtained or sent by letter telegram authenticated telex message or cablegram and the Trustees shall not be liable for acting on any such advice or information purporting to be conveyed as above although the same contains some error or shall not be authentic.

(ii) The Trustees shall not be responsible for any act, omission, misconduct, error of judgement, or want of prudence on the part of the Managers or any such persons acting as advisor of the Trustees or the Managers.

- 23.5 Except in and so far as herein otherwise expressly provided the Trustees shall as regards all the trusts, powers, authorities and discretions vested in it have absolute and uncontrolled discretion as to the exercise thereof whether in relation to the manner of or as to the time for the exercise thereof. Nothing in this Deed shall exempt the Trustees from nor indemnify them against breaches of Trust through fraud or willful neglect. In the absence of fraud or negligence the Trustees shall not be in any way responsible for any loss costs damages or inconvenience that may result from the exercise or non-exercise thereof.
- 23.6 Nothing herein contained shall prevent the Trustees from purchasing, holding, dealing in or disposing of Transaction Receipts or Units or from acting as bankers to the Trust or from any time contracting or entering into any financial banking insurance or other transaction with the Managers or any Holder or any company or body any part of the securities of which form part of the Deposited Property or from being interest in any such contract or transaction or from holding any shares or any investment in any such company or body and the Trustees shall not be in anywise liable to account either to the Managers or to the Holders or any of them for any profits or benefits made or derived by the trustees thereby or in connection therewith.
- 23.7 The Trustees shall not be under any obligation to appear in, prosecute or defend any action, suit, arbitration or inquiry in respect of the provisions hereof or in respect of the Deposited Property or any part thereof or any corporate or shareholder's action in which in its opinion would or might involve it in expense or liability unless the Managers shall so request in writing in which case they shall so often as required by the Trustees furnish it with an indemnity satisfactory to or against any such expense or liability provided that no such indemnity shall be given in respect of any actions taken against the Trustees for negligence or breach of fiduciary duty in connection with its duties as trustees under this Deed.
- 23.8 Subject as herein provided the Trustees shall be entitled to have recourse to the deposited property in connection with legal expenses incurred in safeguarding the Deposited Property or any part thereof.
- 23.9 Before making any distribution or other payment in respect of any Unit or in respect of the Management Fee the Trustees may make such deductions as by the law of Sri Lanka the Trustees is require or entitled to make in respect of any income or other taxes, charges or assessments whatsoever and the Trustees may also deduct the amount of any stamp duties or other Governmental taxes, duties or charges payable by it or for which it might be made liable in respect of such distribution or any documents signed by it or by a Holder or his agent in connection therewith.
- 23.10 The Trustees shall not be responsible for acting upon any resolution purporting to have been passed at any meeting of the Holders in respect whereof minutes shall have been made and signed even though it may be subsequently found that there was some defect in the constitution of the meeting or the passing of the resolution or that for any reason the resolution was not binding upon all the Holders.
- 23.11 The Trustees shall not be responsible for verifying or checking any valuation of the Deposited Property or any calculation of the prices at which Units are to be issued or purchased by the Managers except as herein expressly provided.
- 23.12 Where any trust property is registered in the name of a lender as security for a loan obtained by the trust the Trustees shall be liable for any act or omission of the lender or his agent with respect to such property.
- 23.13 The Trustees shall, when required by the Commission deposit security guaranteeing against loss due to its misconduct or negligence.

24. CONCERNING THE MANAGERS

- 24.1 The Managers shall keep or cause to be kept at their own expense proper books of account and records in which shall be entered all transactions effected by the Managers for account of the Trust and shall permit the Trustees from time to time on demand to examine and take copies of or extracts from any such books of account or records.
- 24.2 In the absence of negligence or willful default the Managers shall not incur any liability by reason of any error of law or any matter or thing done or suffered or omitted to be done by it in good faith hereunder and shall not (save as herein otherwise provided) be liable for any act or omission of the Trustees. Provided that nothing in these presents shall exempt the Manager from any liability imposed on it by law nor shall indemnify it against such liability at the expense of the Unit Holders.
- 24.3 Nothing herein shall prevent the Managers from contracting or entering into any financial banking or other similar transactions with the Trustees (when acting other than in its capacity as Trustees of the Trust) or any Holder or any company or body any of whose shares or securities form part of the Deposited Property or from being interested in any such contract or transaction and the Managers shall not be in anywise liable to account either to the Trust or the Trustees or to the Holders or any of them for any profit or benefit made or derived by the Managers thereby or in connection therewith. Notwithstanding the foregoing provisions the Manager must secure the Trustee's prior written approval for any transaction other than transactions with the Trustees by the Manager as principal with such Holder, company or body.
- 24.4 The Managers shall be entitled to delegate their functions, powers, discretions, privileges and duties hereunder or any of them to any person, firm or body corporate approved in writing by the Trustees and any such delegation may be on such terms and conditions as the Managers think fit (including the power to sub-delegate). PROVIDED always that the Managers shall remain liable hereunder for any act or omission of any such person firm or body corporate as if such act or omission was their own.

25. APPOINTMENT, RETIREMENT AND REMOVAL OF TRUSTEE

- 25.1 The Trustees are hereby expressly appointed as Trustees for the Holders and the Trustees do hereby accept such appointment.
- 25.2 The Trustees shall not be entitled to retire voluntarily except upon the appointment of a new trustee. In the event of the Trustees desiring to retire it shall give notice in writing to that effect to the Managers and the Managers (or in default the Trustees) may by deed supplemental hereto under the seal of the Managers or the Trustees (as the case may be) appoint any company incorporated in Sri Lanka which is permitted by Statute or the relevant statutory authority to act as Trustees of a Unit Trust scheme to be the Trustees in the place of the retiring Trustees and also provide in such deed for the vesting in the new Trustee of the instruments and the securities standing in the name of the retiring Trustee.
- 25.3 If the Trustees go into liquidation otherwise than for the purpose of amalgamation or reconstruction or ceases to carry on business or receiver of its undertaking is appointed the Managers shall forthwith by instrument in writing remove the Trustees from its appointment under this Trust Deed and shall by the same or some other instrument in writing appoint as Trustees hereof some other trustees duly approved as may be required by the law for the time being applicable to this Deed.
- 25.4 The Trustees may be removed and another Trustee (duly approved as may be required by commission) may be appointed by Extraordinary Resolution duly passed at a meeting of Holders held in accordance with the provisions contained in the Schedule and of which not less than twenty one (21) days notice has been given to the Trustees and the Managers.
- 25.5 A new Trustee may not be appointed without the approval of the Commission.

26. RETIREMENT AND REMOVAL OF MANAGERS

26.1 The Managers for the time being shall be subject to removal by notice in writing given by the Trustees to the Managers with the approval of the commission in any of the following events:-

- (i) if the Managers go into liquidation (except a voluntary liquidation for the purpose of reconstruction or amalgamation upon terms previously approved in writing by the Trustees) or if a receiver is appointed of the undertaking of the Managers or any part thereof;
- (ii) if for good and sufficient reason the Trustees are of the opinion and so state in writing to the Managers that a change of Managers is desirable in the interests of the Holders.
- (iii) if the Holders resolve pursuant to Clause 28.1(i) that the Managers be removed.

In any of the cases aforesaid the Managers for the time being shall upon receipt of such notice by the Trustees as aforesaid but subject as in paragraph (ii) above provided ipso facto cease to be the Managers, and the Trustees shall by writing under its Seal immediately appoint another company incorporated in Sri Lanka and approved by Commission to be the Managers of the Trust upon and subject to such company entering into such deed or deeds as the Trustees may be advised to be necessary or desirable to be entered into by such company in order to secure the due performance of their duties as Managers during the remainder of the period of the Trust. This provision shall not prejudice the right of the Trustees herein contained to terminate the Trust in any of the events in which in accordance with the provisions herein contained the right of terminating the trust is vested in the Trustees.

26.2 The Managers shall have the power to retire in favour of another company incorporated in Sri Lanka approved in writing by the Trustees and any relevant statutory authority, upon and subject to fulfilment of the following conditions;

- (i) The retiring Managers shall appoint such company by writing under the Seal of the retiring Managers as Managers of the Trust on their behalf and assign to such appointees all their rights and duties as such Managers.
- (ii) Such company shall enter into such deed or deeds as are mentioned in Clause 25.2.
- (iii) Upon payment to the Trustees of all sums due by the retiring Managers to the Trustees hereunder at the date of such retirement the retiring Managers shall be absolved and released from all further obligations hereunder but without prejudice to the rights of the Trustees or of any Holder or other person in respect of any act or omission on the part of the retiring Managers prior to such retirement and the new Managers may and shall thereafter exercise all the powers and enjoy all the rights and shall be subject to all the duties and obligations of the Managers hereunder as fully as though such new Managers had been originally a party hereto.

26.3 Upon any removal or retirement the removed or retiring Managers shall remain entitled to all Units which they hold or are deemed to hold and they shall be entitled to require the Trustees to issue to them a Transaction Receipt in respect thereof and to be registered in the Register in respect thereof and thereafter to have and exercise all rights of a Holder of such Units.

27. BORROWING POWERS

- 27.1 The Trustee may at any time at the request of the Manager borrow for the purpose of acquiring investments, redemption of Units or for the account of the Trust in accordance with the provisions set out hereinafter, the Unit Trust Code and any direction which may be given by the Commission;
- 27.2 The principle amount of all such borrowings shall not at any time exceed 15% of the net asset value of the Deposited Property;
- 27.3 The Trustee may mortgage, charge or pledge in any manner not exceeding 15% of the total assets of the Trust for any borrowing of the Trust;
- 27.4 Any interest accruing on any borrowing shall be payable out of the Deposited Property;

28. ADVERTISEMENTS

- 28.1 The Managers covenant and undertake that it shall and will not without the prior written approval of the Trustees and the Commission publish, issue, circulate, or cause to be published issued or circulated any edition of the explanatory memorandum, application form, sales literature or other printed matter for issue to prospective buyers, advertisement, report, announcement (other than announcement of prices or yields) addressed to the general body of Holders or to the public or to the press or other communication media.
- 28.2 In all letters or circulars or advertisements or other publications referring to the issue or sale of Units reference shall be made to the Trustees only in terms previously approved by the Trustees.
- 28.3 The Managers shall be responsible for obtaining all requisite consents for the issue or publication of any such advertisement, circular, document or other publication from the relevant authorities in any country or state in which issue or publication thereof is effected by the Managers or their agents.

29. TERMINATION OF TRUST

- 29.1 The Trustees may terminate the Trust upon the happening of any of the following events:-
- (i) If the Managers go into liquidation (other than voluntary liquidation for the purpose of reconstruction or amalgamation upon terms previously approved in writing by the Trustees) or if a receiver is appointed for the undertaking of the Managers or any part thereof and an alternate Manager cannot be found.
 - (ii) If, on the expiration of Three (03) months after notifying the Managers that in the Trustee's opinion a change of Managers is desirable, the Trustees have not found another company ready to accept the office of Managers of the Trust and of which the Trustee and Commission shall approve.
 - (iii) If it becomes illegal or if any law shall be passed which renders it illegal or in the opinion of the Trustees impracticable or inadvisable to continue the Trust.
 - (iv) If in the opinion of the Trustees it is impracticable or inadvisable to continue the Trust and the Holders resolve pursuant to clause 29.1(vi) that the Trust be terminated.
- 29.2 Either the Trustees or the Managers may by not less than three months notice given to other with the concurrence of the Commission, decide to terminate the Trust. The party

hereto terminating the Trust shall (unless the matter shall have been referred to arbitration) give notice thereof to all Holders and by such notice fix the date at which such termination is to take effect which date shall not be less than three (03) months after service of such notice.

29.3 Upon the Trust being terminated:-

- (i) the Trustees shall, subject to such orders, if any, as may be made by any court of competent jurisdiction, sell all investments then remaining in its hands as part of the Deposited Property and shall repay any borrowings effected by the Trust (together with any interest thereon accrued but remaining unpaid) for the time being outstanding and such sale and repayment shall be carried out and completed in such manner and within such period after the termination of the Trust as the Trustees in its absolute discretion think advisable.
- (ii) The Trustees shall from time to time at such time or times as it shall deem convenient and in its absolute discretion distribute to the Holders and the Managers pro rata to the number of Units held or deemed to be held by them respectively all net cash proceeds derived from the realisation of the Deposited Property and any other cash then forming part thereof and available for the purpose of such distribution and all also distribute in the manner provided in Clause 15 any moneys standing to the credit of the Distribution Account.

PROVIDED THAT the Trustees shall be entitled to retain out of any moneys in its hands under the provisions of this Clause full provision for all costs, charges, expenses, claims and demands incurred made or apprehended by the Trustees in connection with or arising out of the liquidation of this Trust and out of the moneys so retained to be indemnified and saved harmless against any such costs, charges, expenses, claims and demands. Every such distribution shall be made to a Holder upon a request in writing by the Holder upon delivery to the Trustees of such form of request for payment and receipt if any as the Trustees shall in its absolute discretion require.

- 29.4 Any unclaimed proceeds or other moneys held by the Trustees under the provisions of this Clause may at the expiration of 12 months after the date upon which the same were payable be paid to the Public Trustee of the Republic of Sri Lanka subject to the right of the Trustees to deduct therefrom any costs, charges and expenses it may incur in making such payment.

30. HOLDERS' MEETING

- 30.1 A meeting of the Holders held in accordance with the provisions contained in the Schedule shall in addition to all other powers conferred upon it by any State or by this Trust Deed or otherwise have the following powers exercisable by Extraordinary Resolution only namely:-

- (i) to remove the Managers for default or non-compliance with the provisions of the Trust in terms of this Trust Deed;
- (ii) to remove the Trustees;
- (iii) to remove the Auditors;
- (iv) to appoint a committee of Holders and define its constitution and powers (including power for the committee to institute or defend legal proceedings on behalf of one or more Holders), to remove all others of the members of such committee and appoint others in their place or to dissolve such committee and to provide for payment of its costs and expenses out of the Deposited Property;
- (v) to assent to any modification of the provisions contained in this Trust Deed which shall be proposed by the Managers and assented to by the Trustees;
- (vi) to terminate the Trust.

30.2 The provisions contained in the Schedule shall have the effect in the same manner as if such provisions were herein set forth. All expenses of and incidental to the holding of a meeting on accordance with the provisions of the Schedule shall be borne as follows:-

- (i) If the meeting is held at the request of Holders or the Trustees certify that in its opinion the meeting is held for the benefit of Holders then the said expenses shall be borne by the Trust and paid by the Trustees out of the Deposited Property.
- (ii) In any other event the said expenses shall be borne by the Managers.

31. NOTICES

31.1 Any notice or other document required to be served upon or sent to a Holder shall be deemed to have been duly given or served if sent by registered post to or left at his address as appearing on the Register and in the case of joint Holders the address of whichever of such Holders is named first on the Register. Any notice or document so served or sent by post shall be deemed have been served or received seven days after that on which the same was posted and in proving such service or receipt it shall be sufficient to prove that the envelope or wrapper containing such notice or documents was properly addressed, stamped and posted.

31.2 Service of a notice or document on any one or several joint Holders shall be deemed effective service on himself and the other joint Holders.

31.3 Any notice or document sent by post to or left at the last known address of a Holder in pursuance of this Trust Deed shall notwithstanding that such Holder be then dead or bankrupt and whether or not the Trustees or the Managers have notice of his death or bankruptcy be deemed to have been duly served or sent and such service shall be deemed a sufficient service on or receipt by all persons interested (whether jointly with or as claiming through or under him) in the Units concerned.

32. MODIFICATION OF TRUST DEED

Subject to the provisions of any statutory law and with the approval of the Commission, the Trustees and the Managers shall be entitled by Trust Deed supplemental hereto to modify alter or add to the provisions of this Trust Deed in such manner and to such extent as they may consider expedient for any purpose. PROVIDED THAT unless the Trustees shall certify in writing that in its opinion such modification alteration or addition,

- (a) does not prejudice the interests of the then existing Holders and does not operate to release the Trustees or the Managers from any responsibility to Holders no such modification alteration or addition shall be made without the sanction of an Extraordinary Resolution of a meeting of Holders; PROVIDED ALSO that no such modification alteration or addition shall impose upon any Holder any obligation to make any further payment in respect of his Units or to accept any liability in respect thereof;
- (b) is necessary to comply with fiscal, statutory or other official requirements; and
- (c) is not in conflict with the Unit Trust Code issued by the Commission or any condition laid down in the licence granted by it.

Unless condition (a) or (b) and (c) is met, no modification, alteration or addition shall be made to the Trust Deed except by an Extraordinary Resolution of the Holders. Where the Trust Deed has been altered or supplemented to comply with fiscal, statutory or other official requirements, Holders must be notified immediately.

33. GOVERNING LAW

This Deed shall be governed by the Laws of Sri Lanka.

34. **SECRECY**

The Trustees and The Managers and every director, officer or employee of the Trustees and Managers who are in any way engaged in the business of this Trust and all persons employed or engaged by the Trustees or Managers in connection with the business of the Trust shall before entering upon his duties sign a declaration pledging himself to observe strict secrecy respecting all matters relating to or concerning the Trust and all transactions of the Trust, its customers and all matters relating thereto and shall by such declaration pledge himself not to reveal any matter which may come to his knowledge in the discharge of his duties except when required to do so;

- (i) by the Board of the Trustees or Managers; or
- (ii) by a court of law, or
- (iii) by the person to whom such matters relate, or
- (iv) in the performance of his duties, or
- (v) in order to comply with the provisions of any law

35. **INDEMNITY**

Without prejudice to the limitation of liability of Trustees for breaches of trust as provided in the Act or any subsisting amendment thereto, the Trustees shall not be liable and shall stand fully indemnified in respect of any loss, damage, claims or suit arising from or in connection with any matter or thing done by the Trustees in the proper exercise by the Trustees of the powers and duties of the Trustees under the Trust Deed or any instrument in law, except for any loss damage, claim or suit occasioned by fraud or negligence on the part of the Trustees, its officers or agents.

35. **INCORPORATION OF STATUTORY PROVISIONS AND REGULATIONS**

All that provisions of the Act, the Unit Trust Code and regulations duly promulgated there under shall be deemed for all purposes to be incorporated in this Trust Deed as a part and parcel hereof and have effect accordingly and nothing repugnant thereto in this Trust Deed.

SCHEDULE

MEETINGS OF HOLDERS

1. (a) *The Trustees or the Managers may respectively and the Managers shall at the request in writing of the Holders of not less than one-fifth of the Units at any time convene a meeting of Holders at such time and place in Colombo (subject as hereinafter provided) as the parties convening the meeting may think fit and the following provisions of this Schedule shall apply thereto.*

(b) *The Manager of the Trustees with concurrence of the other may at its discretion convene a meeting of Holders to transact any business.*
2. *The Manager and the Trustees and their connected persons shall be entitled to receive notice to attend and vote in respect of their holding (if any) of Units at any such meeting provided that the Trustees and Manager and any connected person of either shall be prohibited from voting their own shares at, or forming a quorum for, a meeting at which the Trustees management company and their connected person have a material interest in the business to be transacted.*
3. *The Trustees, The Manager and the Connected Persons shall disclose their interest whenever any business in which they have a material interest is being discussed at any meeting of the Holders. If at such a meeting any resolution be passed by voting by proxy, and more than 50% of those present at such meeting object to such resolution so passed, such objection may be submitted in appeal to the Commission whose decision shall be final.*
4. *A meeting of the Holders shall be convened:*
 - (a) *by giving at least twenty one (21) days notice (exclusive of the day on which the notice is served or deemed to be served and of the day for which the notice is given) to the Holders in the manner provided in this Trust Deed; and*
 - (b) *by publishing at least twenty one (21) days (exclusive of the day on which the notice is served or deemed to be served and of the day for which the notice is given) before the meeting, the notice of the meeting in a daily newspaper circulating generally in Sri Lanka in the Sinhala, Tamil and English languages.*

The notice shall specify the place, day and hour of the meeting and the terms of any resolution to be proposed thereat.
5. *At any meeting Holders representing not less than one tenth (1/10) of the number of units for the time being in issue present in person or by proxy shall form a quorum for the transaction of business. No business shall be transacted at any meeting unless the requisite quorum is present at the commencement of business.*
6. (i) *The Chairman of the Trustee shall preside as chairman at every meeting or adjourned meeting of the Holders. If there be no such Chairman of the Trustees or if at any meeting he be not present within five minutes after the time appointed for the Holder of the meeting or be unwilling to act, then the chairman of the Managers shall preside as chairman of the meeting. If there also be no such Chairman of the Managers or if at any meeting he also be not present within a further five minutes after the first period of five minutes referred to above or be also unwilling to act then the Holders present shall choose one of their number to be chairman of the meeting provided, that at meeting where the Managers or Trustees is prohibited from voting in terms of Clause 2 above the Holders entitled to vote shall Choose one of their number to be the Chairman of the meeting.*

(ii) *The term "chairman" in this schedule shall mean the chairman of the meeting, where the context so requires or admits.*

7. *If within a hour from the time appointed for the meeting a quorum is not present, the meeting if convened upon the requisition of Holders shall be dissolved, in any other case it shall stand adjourned to such day and time not being less than 15 days thereafter and to such place in Colombo as may be appointed by the Chairman, and at such adjourned meeting the Holders present in person or by proxy shall be a quorum for the transaction of business including the passing of Extraordinary Resolutions. At least seven days' notice of any adjourned meeting of Holders shall be given in the same manner as for an original meeting and such notice shall state that the Holders present at the adjourned meeting whatever their number and the number of units held by them will form a quorum.*
8. *Such a meeting shall be held at the time and place in Colombo specified in the notice, being not later than two (02) months after the giving of notice and in accordance with the provisions of any statute.*
9. *The Chairman may with the consent of any meeting at which a quorum is present and shall if so directed by the meeting, adjourn the meeting from time to time and from place to place but no business shall be transacted at any adjourned meeting except business which might lawfully have been transacted at the meeting from which the adjournment took place.*
10. *At any meeting a resolution is put to the vote of the meeting shall be decided on a show of hands unless a poll is (before or on the declaration of the result of the show of hands) demanded by the chairman or by one or more Holders present in person or by proxy registered as holding in the aggregate not less than one twentieth ($1/20^{\text{th}}$) of the number of units for the time being in issue. A demand for a poll may be withdrawn. Unless a poll is so demanded and the demand be not withdrawn a declaration by the chairman that a resolution has been carried unanimously or by a simple majority or by a particular majority of the Holders present and voting or lost shall be conclusive evidence of the fact without proof of the number or proportion of the votes in favour of or against such resolution.*
11. *If a poll is duly demand it shall be taken in such manner as the chairman may direct and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded.*
12. *A poll demanded on the election of a chairman or on a question of adjournment shall be taken forthwith. A poll demanded on any other question shall be taken either immediately or at such time and place as the chairman directs. No notice need be given of a poll not taken immediately. A demand for a poll may be withdrawn at any time.*
13. *Subject as aforesaid the demand for a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll has been demanded.*
14. *On a show of hands, every Holder who (being an individual) is present in person or (being a corporation) is present by one of its duly authorised officers as its proxy shall have one vote.*
15. *In the case of joint Holders the vote of the first named of the Joint Holders whether in person or by proxy shall be accepted to the exclusion of the votes of the other joint Holders.*
16. *On a poll every Holder who is present in person or by proxy or by attorney duly authorised by a Power of Attorney deposited with the Trustees or Manager as may be directed shall have one vote for every Unit of which he or it is the Holder.*
17. *The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing or if the appointor is a corporation either under the Common Seal or under the hand of an officer or attorney authorised in writing. A person appointed to act as proxy need not be a Holder.*
18. *The instrument appointing a proxy and the power of attorney or other authority (if any) under which it is signed or a notarially certified copy of such power or authority shall be deposited at such place as the Trustees or the Managers with the approval of the Trustees may in the notice convening the meeting direct or if no such place is appointed then at the Registered Office of the Managers not less than forty eight (48) hours before the time appointed for holding the meeting or adjourned meeting (or in the case of a poll before the time appointed for the taking of the poll) at which the person named in the instrument proposes to vote and in default the instrument of proxy shall not be treated as valid. No instrument appointing a proxy shall be valid after the expiration of twelve (12) months from the date named in it as the date of its execution.*

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19. An instrument of proxy may be in the following form or in any other form which the Trustees shall approve:

"I.....of.....being a Holder of.....Units numbered.....of and in the Fund known as.....Fund hereby appoint.....of.....as my proxy to vote for me and on my behalf at the meeting of the Holders of Units of and in the said Trust to be held on the.....day of.....20.... and at any adjournment thereof.

As witness my hand this.....day of.....20....

20. A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or insanity of the principal or revocation of the proxy or of the power of attorney or other authority under which the proxy was signed or the transfer of the Units in respect of which the proxy is given provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received at the place appointed for the deposit of proxies or if no such place is appointed at the Registered Office of the Managers before the commencement of the meeting or adjourned meeting at which the proxy is used.
21. The Register shall be closed for not more than three (03) consecutive days terminating on the day of the meeting and notice thereof shall be given by public advertisement as in the case of notice of all meetings.
22. Minutes of all resolutions and proceedings at every meeting shall be made and duly entered in books to be from time to time provided for that purpose by the Managers at their expense and any such minute as aforesaid if purporting to be signed by the Chairman of the meeting shall be conclusive evidence of the matters therein stated and until the contrary is proved, every such meeting in respect of the proceedings of which minutes have been made shall be deemed to have been duly held and convened and all resolutions passed thereat to have been duly passed.
23. Every Extraordinary Resolution duly passed at a meeting shall be binding upon all Holders whether present or not present at the meeting and each of the Holders and the Trustees and the Managers shall subject to the provisions relating to the indemnity in this Trust Deed contained be bound to give effect thereto accordingly.
24. The words and expressions appearing in this Schedule shall have the same meanings as are assigned to them in the Trust Deed constituting the Trust of which this Schedule is a part.

The Common Seal of Comtrust Asset Management)
(Private) Limited was affixed hereto)

in the presence of C. MUTTUKUTTY)

Director and S. C. NILES)

Director of the Company who do attest the sealing)

thereof on this 1st day of March 2013)

Witnesses:

1. P. Arun

2. P. Seng

The duly appointed authorised signatories)

of Deutsche Bank AG Colomboand)

.....)


have set their respective hands)

on this 1st day of March 2013)



For and behalf of
DEUTSCHE BANK AG
COLOMBO BRANCH
[Signature]
Attorney

Witnesses:

1. 

Jilan Jesubasson
77/1, Uyana Road
Moratuwa
83710377U

2. 

Dinash Fernando
1406A/5, Uyana Road
Moratuwa
817101305V

SUPPLEMENTARY DEED OF TRUST

COMTRUST GILT EDGED FUND – UNIT TRUST

THIS SUPPLEMENTARY DEED OF TRUST made and entered into at Colombo in the Democratic Socialist Republic of Sri Lanka on this Fourth day of January Two Thousand Nineteen by and between

COMTRUST ASSET MANAGEMENT (PRIVATE) LIMITED, a Company duly incorporated in the Democratic Socialist Republic of Sri Lanka and having its registered office at 4th Floor, Majestic City, No. 10, Station Road, Colombo 4 in the said Republic (hereinafter referred to as "the MANAGERS") of the **FIRST PART**

AND

DEUTSCHE BANK AG acting through its Branch office at No. 86, Galle Road, Colombo 03 (hereinafter referred to as the "the former TRUSTEES") of the **SECOND PART**

AND

HATTON NATIONAL BANK PLC a Bank duly incorporated in the said Republic of Sri Lanka having its Head Office at No. 479 T. B. Jayah Mawatha, Colombo 01000 (hereinafter referred to as the "the new TRUSTEES") of the **THIRD PART**

(The **MANAGERS**, the **former TRUSTEES** and the **new TRUSTEES** are commonly referred to as "the PARTIES")

-: WITNESSETH AS FOLLOWS :-

WHEREAS the **MANAGERS** had under and by virtue of Deed of Trust dated 1st March 2013 established a **UNIT TRUST** called the "COMTRUST GILT EDGED FUND" to invest in Government Securities Market and other purposes set out therein, appointed **DEUTSCHE BANK AG** acting through its Branch office at No. 86, Galle Road, Colombo 03 the **TRUSTEES** of the said Trust

AND WHEREAS in the said Deed of Trust the **MANAGERS** have been *inter alia* granted the right to appoint **TRUSTEES** for the holders in terms of Clause 25 of the said Deed of Trust

AND WHEREAS the former **TRUSTEES** are now desirous of being retired as the Trustees for the holders of the said Unit Trust and conveyed its intention thereof to the **MANAGERS** and the **MANAGERS** are agreeable to accepting their retirement and appointing new **TRUSTEES** for the holders of the said Unit Trust



AND WHEREAS it is now necessary to execute these presents as an Supplementary Deed to the said Deed of Trust to effect changes to the Trustees of the said Trust.

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NOW THIS DEED OF TRUST WITNESSETH AND IT IS HEREBY DECLARED AS FOLLOWS :-

1. THAT the MANAGERS do hereby accept the retirement of the former TRUSTEES with effect from 31st January 2019
2. THAT the MANAGERS do hereby appoint the new TRUSTEES with effect from 31st January 2019 to be the Trustees of the said Unit Trust established by the said Principal Trust Deed to the intent that all assets, liabilities, rights, obligations and entitlements of the former TRUSTEES shall henceforth vest in the new TRUSTEES in terms of the said Principal Trust Deed and that the New Trustee shall and may exercise such trusts, powers and authorities vested by the said Principal Trustee in the Trustees of the said Unit Trust as if the New Trustee had been originally appointed Trustee by the said Principal Trust Deed.
3. THAT the new TRUSTEES do hereby accept the appointment as TRUSTEES for the Holders of the said TRUST with effect from 31st January 2019
4. THE PARTIES hereto agree that the modifications alterations and additions to the Principal Trust Deed as contained in this Supplementary Trust Deed:
 - (a) does not prejudice the interests of the existing Holders and does not operate to release the Trustees or the Managers from any responsibility to Holders; and that no such modification alteration or addition shall impose upon any Holder any obligation to make any further payment in respect of his Units or to accept any liability in respect thereof;
 - (b) is necessary due to the Retirement of the former TRUSTEES in terms of Clause 25 of the Principal Trust Deed; and
 - (c) is not in conflict with the Unit Trust Code issued by the Commission or any condition laid down in the licence granted by it.
5. THE PARTIES hereto agree that other than as amended by the terms of this Supplementary Trust Deed, the Principal Trust Deed shall remain in full force and effect, and the terms and provisions of the same are hereby ratified and affirmed by the MANAGERS and the new TRUSTEES.
6. THIS Deed of Amendment and any non-contractual obligations arising out of or in connection with this Deed of Amendment shall be governed by and interpreted in accordance with Sri Lankan law.
7. THAT this Supplementary to Deed of Trust shall form part of and be supplemental to the said Deed of Trust dated 1st March 2013 which remains valid and effectual in all other aspects

IN WITNESS WHEREOF the MANAGERS, former TRUSTEES and the new TRUSTEES have caused their respective Common Seals to be affixed hereunto and to two others of the same tenor and date as these presents at the place and on the date in the beginning hereof set forth.

The Common Seal of the said
COMTRUST ASSET MANAGEMENT
(PRIVATE) LIMITED is hereunto affixed in
the presence of
and
the Directors who do hereby
attest the sealing thereof





Signed by *Tyrone Hennen*
And *Jonathan Abeywickrema*
being the Authorised Signatories of
Hatton National Bank PLC
in the presence of



Signed by *Ruwanti Fernando*
And *Dilan Jesudasan*
being the Authorised Signatories of
Deutsche Bank AG
in the presence of



1) T. Z. Chondan 
902072373v

2) K. T. Krishanthan 
863551803v

ADDENDUM TO SUPPLEMENTARY DEED OF TRUST

COMTRUST GILT EDGED FUND – UNIT TRUST

THIS ADDENDUM is made and entered into this 01 day of June 2022, by and between;

COMTRUST ASSET MANAGEMENT (PRIVATE) LIMITED a Company duly incorporated in the Democratic Socialist Republic of Sri Lanka and having its registered office at 4th Floor, Majestic City, No. 10, Station Road, Colombo 4 (hereinafter referred to as "the MANAGERS") of the **FIRST PART**

AND

HATTON NATIONAL BANK PLC a Bank duly incorporated in the said Republic of Sri Lanka having its Head Office at No. 479 T. B. Jayah Mawatha, Colombo 01000 (hereinafter referred to as the "the TRUSTEES") of the **SECOND PART**

The **MANAGERS** and the **TRUSTEES** shall hereinafter be referred to as "Parties" collectively and individually referred to as "Party".

-: WITNESSETH AS FOLLOWS :-

WHEREAS the **MANAGERS** had under and by virtue of Deed of Trust dated 1st March 2013 established a UNIT TRUST called the "COMTRUST GILT EDGED FUND" to invest in Government Securities Market and other purposes set out therein, appointed **DEUTSCHE BANK AG** acting through its Branch office at No. 86, Galle Road, Colombo 03 the **TRUSTEES** of the said Trust.

AND WHEREAS in the said Deed of Trust the **MANAGERS** have been *inter alia* granted the right to modify and alter the provisions of the said Deed of Trust in terms of Clause 32.

AND WHEREAS it is now necessary to execute these presents as an Addendum to the Supplementary Deed of Trust dated 4th January 2019 to effect the changes mentioned herein;

NOW THIS DEED OF TRUST WITNESSETH AND IT IS HEREBY DECLARED AS FOLLOWS:-

1. With effect from the 1st of June 2022 **COMTRUST ASSET MANAGEMENT (PRIVATE) LIMITED** shall hereinafter be referred to as **CT CLSA ASSET MANAGEMENT (PRIVATE) LIMITED** (Company registration no. PV 19841) having its registered office at 4th Floor, Majestic City, No. 10, Station Road, Colombo 4.
2. The Parties acknowledge that the Deed of Trust shall remain valid even after the **MANAGERS** Company name has been changed.



3. The Parties further acknowledge that the MANAGERS Company name was changed in accordance with relevant laws and regulations, that the Certificate of Incorporation (pursuant to Section 8 (3) b of the Companies Act No. 7 of 2007) issued by the Department of Registrar of Companies have been received by the parties, and that there is no need for the Parties to re-execute a Deed of Trust to reflect the change of the MANAGERS Company name.
4. THAT this Addendum to the Supplementary Deed of Trust shall form part of and be supplemental to the said Deed of Trust dated 1st March 2013 which remains valid and effectual in all other aspects.

IN WITNESS WHEREOF the MANAGERS and the TRUSTEES have caused their respective Common Seals to be affixed hereunto and to two others of the same tenor and date as these presents at the place and on the date in the beginning hereof set forth.

The Common Seal of the said
CT CLSA ASSET MANAGEMENT (PRIVATE)
LIMITED is hereunto affixed in
the presence of
and
the Directors who do hereby
attest the sealing thereof



Signed by *Tyrone Hannan*
And *Niroshan Chandrapalan*
being the Authorised Signatories of
HATTON NATIONAL BANK PLC
in the presence of



1. KRISHANTH JEEVAN SUREKUMARAN
8606832254

2. BIRMANEE SANDAMALLE MEERAPALMA
198458401470

[Handwritten signatures of Krishanth Jeevan Surekumaran and Birmanee Sandamalle Meerapalma]