

গণপ্রজাতন্ত্রী বাংলাদেশ সরকার

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**CUSTODIAN AGREEMENT
FOR
SAML INCOME UNIT FUND**

THIS DEED OF CUSTODIAN AGREEMENT for SAML Income Unit Fund (hereinafter referred to as "Agreement") made at Dhaka on the 20th day of July of the 2020 Christian era.

BETWEEN

Shahjalal Asset Management Limited an Asset Management Company incorporated under the Companies Act, 1994, registered with the Bangladesh Securities and Exchange Commission and on June 12, 2019 having its registered office at Al-Razi Complex, Level-9, Block-C, Suite-902, 166-167 Shahid Syed Nazrul Islam Sharani, Dhaka-1000 represented by its Chief Executive Officer, Mohammad Samir Uddin, CFA (hereinafter referred to as the **ASSET MANAGEMENT COMPANY** or the **ASSET MANAGER** or the **FUND MANAGER** which expression shall, unless there is anything repugnant to the context or meaning thereof, include its representatives, successors-in-interest and assigns) of the **FIRST PART**.

AND

BRAC Bank Ltd, a banking company, incorporated under Companies Act, 1994 and Bank Companies Act, 1991 and registered with the Bangladesh Securities & Exchange Commission on December 15, 2009 to act as Custodian, having its registered office at Anik Tower, 220/B Tejgaon Gulshan Link Road, Tejgaon, Dhaka – 1208, Bangladesh, represented by its Head of Corporate Banking: Tareq Refat Ullah Khan, (hereinafter referred to as the **CUSTODIAN** which expression shall, unless there is anything repugnant to the context or meaning thereof, includes its representatives, successors-in-interest and assigns) of the **SECOND PART**.

The "**CUSTODIAN**" and "**ASSET MANAGEMENT COMPANY**" or the "**ASSET MANAGER**" or the "**FUND MANAGER**" are also hereinafter collectively referred to as "Parties" and individually as "Party".

WHEREAS the party of the FIRST PART is an established Asset Management Company having adequate skills in their concerned field of activities and is the Asset Manager of an open end Mutual Fund named "**SAML Income Unit Fund**" hereinafter referred to as the Fund or a scheme of the Fund by virtue of an agreement made between Shahjalal Asset Management Limited as sponsor and Shahjalal Asset Management Limited as **ASSET MANAGER**.

AND

WHEREAS the party of the SECOND PART, BRAC Bank Ltd., is a body corporate and a banking company within the meaning of the Bank Companies Act, 1991, engaged in, among others, custodial services having required capabilities, qualifications and adequate skills in its concerned field of activities and is the **CUSTODIAN** of the "**SAML Income Unit Fund**" by virtue of appointment by the **SPONSOR** of the Fund.

“দেশপ্রেমের শপথ নিন, দুর্নীতিকে বিদায় দিন”

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Definitions in this agreement:

- "Authorized Person(s)" Means the officers, employees of the Asset Manager (i.e. representative of the Asset Manager) designated in writing by the Asset Manager (i.e. representative of the Asset Manager) as having the authority either alone or with others as specified, to act on its behalf in giving Instructions and performing any other activities under this Agreement.
- "Custody Account" Means an account for Securities.
- "Instructions" Means instructions given to the Custodian by an Authorized Person of the Asset Manager through a letter which (i) contains the information required by the Custodian to enable it to carry out the instructions; (ii) are received by the Custodian via e-mail or other process, as are for the time being agreed by the Asset Manager and the Custodian.
- "Securities" Means all assets of the mutual fund including listed, non-listed, rematerialized securities, dematerialized securities etc. It also includes but is not limited to all listed securities, preference shares, bonds, fixed deposit receipts, term deposits receipts, cash in hand, cash at bank, private equity and any other investments being the asset of the mutual fund. The term is also used to refer to the original scripts and related documents of all the assets whose possession will remain with the Trust Fund.
- "Office Hours" Means the general working hours in the regular working days for which the custodian will be open for the service as per prevailing laws of Bangladesh.
- "Business Day" Means a day which is a regular working day other than Government approved leave schedule and any special leave(s) granted by the Bangladesh Government and duly approved by Bangladesh Bank.
- "Fund" Means the Trust Fund herein after the "SAML Income Unit Fund" as defined by the সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (মিউচুয়াল ফান্ড) বিধিমালা, ২০০১.
- "AMC" Means Asset Management Company herein after (Name of AMC), Asset Manager of the Fund as per সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (মিউচুয়াল ফান্ড) বিধিমালা, ২০০১ and the Trust Deed signed on **March 02, 2020**.
- "Custodian" Means legal custodian of all the assets of the fund herein after "BRAC Bank Limited" as per সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (মিউচুয়াল ফান্ড) বিধিমালা, ২০০১ and refer to the letter dated November 07, 2019.
- "বিধিমালা" Means সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (মিউচুয়াল ফান্ড) বিধিমালা, ২০০১ gazetted on July 10, 2001.



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NOW, THEREFORE, with the intent to manage the "SAML Income Unit Fund" for the benefit of the general investors both individual and institutional, and for the development of capital market of Bangladesh as are entrusted to the ASSET MANAGER and in consideration of mutual covenants and arrangements hereinafter set forth, it is hereby mutually agreed between the parties hereto as follows:

1. The Asset Manager will deliver all the Securities to the Custodian or as the Custodian may act at the Asset Manager's instruction, in the manner, and accompanied by such documents, as the Custodian may reasonably require.
2. The Custodian shall identify in its books that the Securities belong to the Fund.
3. The custodian shall keep liaison with the Central Depository Bangladesh Limited (CDBL) and collect and preserve the information required for ascertaining the movement of securities of the Fund.
4. The Custodian shall keep the securities of the Fund in safe and separate custody and shall provide highest security for the assets of the Fund.
5. The Custodian, among others, shall preserve the following documents & information and perform the following duties:
 - i) Details of acquisition and disposal of securities from and to the brokers;
 - ii) Details of receipt and disbursement of Funds;
 - iii) Details about the rights of the Asset Managers on the securities held on-behalf of the Asset Managers;
 - iv) Details of transfer & registration of securities.
 - v) Ledger of accounts of the mutual fund.
 - vi) Details about the order received from and given to the Asset Managers.
 - vii) To maintain up dated balance position of securities of the Fund.
 - viii) To maintain book closure information and to collect/receive dividend warrants and interest etc. which shall accrue against the portfolio from time to time and shall be sent to the office of the Asset Manager of the Fund for depositing the same to the Fund account.
 - ix) To furnish all statements/ information to the Asset Manager, Trustee and BSEC as per the সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (মিউচুয়াল ফান্ড) বিধিমালা, ২০০১ and other relevant laws and rules.



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6. The fee for Custodian services will be 0.07% per annum of balance securities held by the fund, calculated on the average market value per month. Besides this, the fund will bear all other expenses viz (a) transaction fee of BDT 200.00 per transaction (b) all communication like Fax, Telex, Swift, Electronic Dial Up, Courier Postal (c) local duties and fees like stamp duty on transactions, stamp duty on transfer deed (d) levies, brokerage, registrar's fees, local counsel/representation, external auditors at the client's request, depository fees etc. However, a fee cap of 0.09% per annum on balance securities held by the fund, calculated on the average market value per month would be applicable if the total expenses (including custodian fees, transaction fees & other expenses, mentioned above) per annum go higher than the mentioned fee cap amount. The fee for Custodian services will be realized semi-annually.
7. VAT & Tax shall be applicable as per Government Rules and Regulations.
8. The Custodian shall provide directly to the Auditors any information that may be required, in writing, by the Auditors.
9. The Custodian shall have the required physical facilities, infrastructure, system, human resources and adequate skills to offer standard custodial services as required by the Mutual Fund and to the satisfaction of the Asset Management Company.
10. The Custodian shall also be responsible for the settlement, transfer, registration, dividend collection and corporate announcement dissemination services.
11. The Trustee of the Fund shall have the discretion to advise and authorize the Asset Management Company to open and operate the Custody Account and/or enter into necessary arrangements or agreements with the Custodian or with any Central Depository System for providing necessary services to the Fund.
12. Holdings of Securities by the Custodian are subject to the applicable laws and the Rules of the বিধিমালা.
13. The Custodian or its delegate shall not be responsible or liable for any loss, failure, or delay in the performance of its obligations under this Agreement arising out of or caused directly or indirectly by reason stated in the FORCE MAJEURE clause herein under.
14. While handing over all the available original scripts of securities and other related documents by the AMC to the custodian, designated AMC official(s) will be required to provide a detail list of the original securities scripts to be handed over officially. In return a received copy of the list will be provided by the custodian officials with seal and sign of the corresponding official receiving the securities. In addition to this, two separate registers will be maintained, one at the AMC's end and the other one at custodian's end. Both the registers will be signed by authorized AMC officials and the custodian officials in order to acknowledge the receipt and delivery of the security scripts of the Fund.

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On the other hand while the custodian hands over the original scripts of securities to the AMC the designated custodian officials will be required to provide a detail list of the original securities scripts to be handed over officially. In return a received copy of the list will be provided by the AMC officials with seal and sign of the corresponding official receiving the securities. In addition to this, two separate registers will be maintained, one at the AMC's end and the other one at the custodian's end. Both the registers will be signed by authorized AMC officials and the custodian officials in order to acknowledge the receipt and delivery of the security scripts of the Fund.

15. The AMC needs to notify the custodian regarding the withdrawal of the original scripts of the securities through placing an instruction (through letter or email) to the custodian four hours prior to the physical withdrawal. This instruction can be placed either by a letter or through e-mail. A separate e-mail reference would be introduced by AMC authorized person(s) by an official letter. Such e-mail addresses can be changed through official correspondences only. The withdrawal instruction and the physical withdrawal of the securities will only take place during the Office hours in working days.
16. The AMC will require handing over the original script(s) of the fund to the custodian immediately after receiving the said scripts from the third party (i.e. Banks, FI's, Issuer, Registrar etc). Even if the withdrawn Script(s) is/are not executed in any transaction i.e. renewed, encashed or transferred etc. in time, AMC will hand it over to custodian within the shortest possible time. The AMC will bear full responsibility for maintaining the original scripts of the securities until they are handed over to the custodian.
17. AMC's are required to provide report(s) as per the specific rules reference of বিধিমালা.
18. AMC will provide a detail securities list with instrument scripts reference and their cost values to the custodian. If any script(s) remain in transit during the handing over process it should be mentioned in the report clearly.
19. Authorized Persons:
 - i) The AMC will provide a list of signatories (as amended from time to time) of the AMC officials who will have the authority to communicate and instruct the custodian regarding any types of withdrawal and submission of the original security scripts and other related documents to the custodian. The mode of operation of the signatories will have to be supported by the trust deed of the fund. The Custodian will also provide a list of authorized individuals to communicate and deliver the service and require the necessary information as per the related rules of the বিধিমালা.
 - ii) The Asset Manager may from time to time appoint one or more persons as Authorized Persons. Upon receipt of notice of the appointment of any such person as an Authorized Person substantially in the same form as Schedule 2 (as amended from time to time), and except as otherwise provided in this Agreement, the Custodian shall rely upon and comply with

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Instructions from such Authorized Person (including providing information and records relating to an Account to such Authorized Person) to the same extent as if such Instructions were given by the Asset Manager. Such Authorized Person will act through individuals designated by it to the Custodian and provide specimens of their signatures if written instructions are to be given.

- iii) The Custodian is entitled to rely upon the appointment and authority of an Authorized Person or individuals designated by the Asset Manager as applicable until the Custodian actually receives notice from the Asset Manager or Authorized Person to the contrary and has had a reasonable period of time to act on such notice.

20. Instructions:

- i) The Asset Manager authorizes the Custodian to act upon any Instructions received by it from the Asset Manager within the rules and regulations of the বিধিমালা.
- ii) The Custodian may in its sole discretion decline to act upon Instructions received by telephone. If the Custodian agrees to act upon such Instructions, the Asset Manager shall confirm such Instructions before the close of business on the same day by an alternative method of communication acceptable to the Custodian.
- iii) The Custodian may treat any Instructions as new Instructions unless they are clearly indicated to be confirmations of earlier Instructions.
- iv) The Asset Manager shall be responsible for safeguarding of securities which the Custodian may make available to the Asset Manager or to any of its Authorized Persons.
- v) The Asset Manager shall be responsible for any instructions issued by the Authorized persons
- vi) The Asset Manager shall ensure that all instructions are to be received by the Custodian within the office hours. In the event Instructions are received after the office hours, the Custodian will use its reasonable endeavors to execute such Instructions. If such Instructions cannot be executed or can only be partially executed, the Custodian will notify the Asset Manager of the situation and will not be liable for any Loss arising from it.

21. Scope of Custodian's Responsibility

- i) The Custodian will use reasonable care in performing its obligations under this Agreement and the Custodian will look after the Securities with the same degree of care as is reasonable to be expected from a person engaged in the custody business in the Jurisdiction.
- ii) The Custodian is responsible to ensure the security to the fund.
- iii) The Custodian will not exercise any rights, attend meetings or take other actions in respect to the Securities except in accordance with Instructions or applicable laws and Rules of the বিধিমালা.
- iv) The Custodian shall keep records of the securities as may be necessary to give a complete record of all securities held by the Custodian and transactions carried out by the Custodian on behalf of the fund. The Custodian shall, on the Asset Manager's written request, allow

গণপ্রজাতন্ত্রী বাংলাদেশ সরকার

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the auditors of the fund such reasonable access to its books and records relating to the Accounts as are reasonably required in connection with the audit of the fund.

22. Indemnity

- I. Any loss or damage or expenses resulting from negligence by the Asset Manager or any of their officers or authorized persons or any person delegated by them, shall not be borne by the custodian.
- II. The Asset Management Company shall be responsible for over trading securities or any other instruments (i.e. shares, bonds, mutual funds etc.) over their available balances as per the daily statements provided by CDBL.
- III. The custodian or its delegates shall not be responsible or liable for any loss, failure or delay in the performance of its obligation under this agreement arising out of or caused directly or indirectly by reason stated in the FORCE MAJEURE clause herein under.

23. Confidentiality:

The Custodian and the Asset Manager will at all times respect and protect the confidentiality of this Agreement and will not disclose to any other person any information acquired as a result of or pursuant to this Agreement unless authorized by the other.

24. FORCE MAJEURE:

A force majeure event is an event occurring beyond the reasonable control, knowledge or foresight of a Party to this Agreement that makes a Party's performance of its obligations under this Agreement impossible or so impractical as to be considered impossible by a reasonable person in the circumstances or within a reasonable period of time after the occurrence and includes but is not limited to acts of God, war, riots, civil disorder, acts of terrorism, other malicious acts or damage, earthquake, fire explosion, storm, flood or other adverse weather conditions, strikes, lockouts or other industrial action (except where such strikes, lockouts or other industrial actions are within the power of the party invoking the rights and obligations under the parties to prevent), failure of the electrical supply, confiscation or any other relevant action by government agencies. It shall not include the following: (a) any event caused by and/or arisen out of the negligent or intentional action of a party or such party's employees or (b) any event which a diligent party could reasonably have been expected to i) take into account at the effective date or ii) avoid or overcome in the carrying out of its obligations under this Agreement.

25. Validity:

This agreement is deemed to take effect from the date of signing of this agreement and shall continue to be valid for 1 (One) year initially from the date of its execution unless terminated earlier in accordance with Clause 27 (Termination) of this Agreement. After expiry of 1 (One) year, this Agreement will automatically be renewed for further 1 (One) year and so on.

26. Entire Agreement; Amendment:

This Agreement shall supersede all existing agreements between the parties and prior representations, warranties and understandings relating to the subject matter hereof.



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It may be desirable or necessary for the Custodian to amend this Agreement from time to time in order to comply with or complement the rules and requirements of governmental agencies, regulatory authorities, stock exchanges, any Rules or applicable law; in which case, this Agreement shall be amended from time to time by the Custodian in accordance with terms which the Custodian provides to the Asset Manager in order that this Agreement, the Custodian or the Asset Manager, shall comply with or complement (as the case may be) any such requirements. Any amendment or inclusion or exclusion of the above process step(s) is subject to both parties' mutual agreement supported by their authorized officials' formal correspondence (i.e. proposal and acceptance) acknowledging the Trustee of the Fund (i.e. keeping CC in letters).

27. Termination:

Notwithstanding anything contained above, this Agreement may be terminated at any time by either Party without assigning any reason whatsoever and without incurring any liability on its part for effecting such termination, by providing 30 calendar days' prior written notification to the other party. Furthermore, notwithstanding the above, either party may terminate this Agreement with immediate effect upon providing written notification to the other party, if the other party is in breach of any of the terms of this Agreement. Any termination (or expiry) of this Agreement will not absolve any prior accrued rights of either party to this Agreement.

28. Severability:

If any term, condition or provision in this Agreement is held to be illegal or unenforceable, in whole or in part, under any enactment or rule of law, such term, condition or provision or parts thereof shall, to the extent of such illegality or unenforceability be deemed void but the validity and enforceability of the rest of the term, condition or provision of this Agreement and the rest of this Agreement shall not be affected.

29. In case of any ambiguity or confusion, both the parties will try to resolve the matter amicably, failing of which the matter shall refer to the Bangladesh Securities Exchange Commission as per Clause No. 30.

30. Dispute resolution:

If any contradiction or confusion arises at any time about any clause or explanation of this Agreement, *the সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (মিউচুয়াল ফান্ড) বিধিমালা, ২০০১ will be conclusive for this agreement and all other documents executed in connection with this Mutual Fund and provisions of this agreement will be deemed as have been changed in accordance with any change or amendment of the সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (মিউচুয়াল ফান্ড) বিধিমালা, ২০০১. In case of any ambiguity or confusion, the Commission's decision shall be final and binding on all concerned.*

31. Counterpart:

This agreement is made in two Original Copies, one Original Copy shall be retained with the CUSTODIAN and the other Original Copy shall be retained by the "Asset Manager".



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32. Governing Law and Jurisdiction:

The terms and conditions of this Agreement shall be construed, interpreted and governed by the সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (মিউচুয়াল ফান্ড) বিধিমালা, ২০০১ and all other Laws of the People's Republic of Bangladesh in force as applicable and shall be subject to the exclusive jurisdiction of the appropriate courts of Bangladesh.

IN WITNESS WHEREOF the Asset Manager and the Custodian have caused their common seals to be affixed to these presents and have here to set their hands on the day and year first above written.

The party of the First Part,
the ASSET MANAGER:

Shahjalal Asset Management Limited
Represented by the Chief Executive Officer
Mr. Mohammad Samir Uddin, CFA

The party of the Second Part,
the CUSTODIAN:

BRAC Bank Limited
Represented by the Head of Corporate Banking
Mr. Tareq Refat Ullah Khan

WITNESS:

1. Signature.....

Name: Mr. Md. Riaz Haider
Designation: Compliance Officer
Address: Al-Razi Complex, Level-9, Block-C, Suite-902, 166-167 Shahid Syed Nazrul Islam Sharani, Dhaka-1000

2. Signature.....

Name: Mst Jahanara Akter Tumpa
Designation: Executive Officer
Address: Al-Razi Complex, Level-9, Block-C, Suite-902, 166-167 Shahid Syed Nazrul Islam Sharani, Dhaka-1000

WITNESS:

Signature.....

Name: Mr. Md. Jabedul Alam
Designation: Head of Trade Development & Cash Management, BRAC Bank Limited
Address: Anik Tower, 220/B Tejgaon Gulshan Link Road, Tejgaon, Dhaka – 1208, Bangladesh

Signature.....

Name: Mr. Md. Azmul Hasan Jahid
Designation: Associate Relationship Manager, Trade Development & Cash Management, BRAC Bank Limited
Address: Anik Tower, 220/B Tejgaon Gulshan Link Road, Tejgaon, Dhaka – 1208, Bangladesh

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SCHEDULE – 1
The Custodians

Custodian	Asset Manager's signature(s) and date (to be executed by a duly authorized signatory of the Asset Manager)	Custodian's signature and date (to be executed by a duly authorized signatory of the Custodian)
BRAC Bank Ltd. Anik Tower, 220/B Tejgaon Gulshan Link Road, Tejgaon, Dhaka – 1208, Bangladesh	SD/-	SD/-

SCHEDULE – 2
Authorized Persons

List of Authorized Persons authorized to give & receive Instructions

Full Name and Official Position and mail address	Limitation in Authority	Specimen Signature
1. Name: Position: Mail:	As Applicable	SD/-
2. Name: Position: Mail:	As Applicable	SD/-
3. Name: Position: Mail:	As Applicable	SD/-

Signed for and on behalf of the Asset Manager & Custodian by:

SD/-

SD/-