



TRUST DEED FOR MAKERERE UNIVERSITY ENDOWMENT FUND

TABLE OF CONTENTS

	SUBJECT	PAGE
1.	Declaration of Trust	2
2.	Name and Registered Office	2
3	Definitions	2
5	Council Covenants	2
6	Trustees' Covenants	3
7.	Composition of the Trust	4
8	Appointment and Removal of Trustees	4
9.	Trustee Vacancy	4
10.	Obligations and Duties of the Trustees	5
11.	Powers of the Trustees as to Investment of the Trust Funds	5
12.	Additional Powers of Trustees	5
13	Appointment of Officers	6
14	Conduct of Business of the Board of Trustees	6
15.	Record of Management by the Trustees	6
16.	Expenses of Administration of the Endowment Fund	6
17.	Professional Advice	7
18.	Disclosure of Interest	7
19.	Protection of Persons Dealing with the Trustees	7
20.	General Indemnity	7
21.	Power of Amendment	7
22.	Closed Trust	8
23.	Currency	8
24.	Dissolution of the Endowment Fund	8
25.	Law Applicable	8
26.	Trust Period	8
27.	Notices	8
28.	Marginal Notes	9
29.	Arbitration	9

This **TRUST DEED** is made on thisday of of the year of our Lord Two Thousand and Nine BETWEEN MAKERERE UNIVERSITY of P.O. Box 7062 Kampala in the Republic of Uganda (hereinafter called “the Council”) and (hereinafter collectively referred to as “the Trustees” and each singularly as a “Trustee”) which expression where the context so admits includes the successors.

WHEREAS

- i. The Council is empowered by the law, its policies and procedures to establish a trust .
- ii. Under such powers the Council wishes to establish under irrevocable trusts, the Makerere University Endowment Fund for purposes of mobilising, investment and management of funds to provide budget support for various University operations.
- iii. The Trustees whose names appear herein were nominated and/or appointed by their respective University organs, Professional Bodies and other stakeholders have agreed to act as original Trustees of the Fund which is established under this Deed.
- iv. The Endowment Fund hereby established shall be irrevocable having perpetual succession.

NOW THIS TRUST DEED WITNESSETH AND IT IS HEREBY AGREED AND DECLARED BY THE UNIVERSITY COUNCIL AND TRUSTEES AS FOLLOWS:

(1) ESTABLISHMENT OF THE FUND

The Endowment Fund is hereby deemed to have been established under the irrevocable trust declared hereby with effect from the day2014.

(2) NAME AND REGISTERED OFFICE

The name of the Trust shall be “The Makerere University Endowment Fund” (hereinafter referred to as “the Endowment Fund”) whose registered office shall be at Kampala.

(3) DEFINITIONS

In this Deed and in the Rules all words and expressions to which particular meaning has been given shall have the same meaning wherever they appear. In particular the words and expressions hereinafter appearing bear the respective meanings attributed to them in this Clause unless the context otherwise admits:

“Administrator”

Means a person appointed under an instrument to manage the affairs of the Endowment Fund;

“Council”

Means the Makerere University Council;

“Custodian” Means Custodian appointed by the Endowment Fund under the Rules;

“Fund Manager” means a Company appointed by the Endowment Fund whose business includes:

- i) undertaking, pursuant to a contract or other arrangement, the management of assets of the Endowment Fund for purposes of investment;
- ii) providing consultancy services on the investment of Endowment Fund assets; or
- iii) reporting or disseminating information concerning assets available for investment of Endowment Fund assets;

“Rules”

Means the Rules annexed hereto and includes any amendment thereto from time to time in force;

“The Fund” Means the Makerere University Endowment Fund.

“Trust” Means the fund maintained by the Trustees for the investment of the asset of the Trust in accordance with the terms and conditions of the Trust Agreement.

“Trust Deed” Means this Trust Deed with any modifications thereof or additions hereto or any deeds supplemented thereto for the time being in force.

(4)

and unless there is something inconsistent in the subject matter or context expressions defined in the Rules have the meanings attributed to them respectively by the Rules and words importing the singular include the plural and vice versa.

(5) **COUNCIL COVENANTS**

The Council hereby covenants that it will allow, empower and facilitate the Trustees in order to achieve the objectives of the Endowment Fund;

(6) **TRUSTEES' COVENANTS**

The Trustees hereby covenant with Council as follows:

- (i) to manage and administer the Endowment Fund for the benefit of the University and at the expense of the Fund;
- (ii) to pay out from or provide for the outgoings prescribed by the Rules and to effect and keep any policies required under the Rules and to observe and perform the terms and conditions hereof;
- (iii) to comply with the provisions of this Trust Deed and the Rules and the Laws of Uganda
- (iv) to pay from the Endowment Fund all remunerations, fees, commissions and costs of administering and managing the Fund including investment expenses, fees for professional services or any levy payable pursuant to any regulations for the time being in force.

(7) **COMPOSITION OF THE ENDOWMENT FUND**

The assets of the trust shall consist of the following:

- (i) Funds which the Council shall contribute as a seed fund.
- (ii) Contributions from the Council
- (iii) *Ring fenced* contributions from/for any of the Constituent Colleges.
- (iv) Gifts
- (v) Donations
- (vi) Grants
- (vii) Returns on Investments

(8) **APPOINTMENT AND REMOVAL OF TRUSTEES**

The Trustees shall be appointed from time to time and removed in the manner provided in the Rules annexed hereto.

(9) (i) **TRUSTEE VACANCY**

Any Trustee who wishes to resign shall give one month's written notice to the Chairperson or Secretary who shall acknowledge receipt thereof in writing. The Trustee's name shall be removed from the list of the Trustees at the expiry of the notice and on acceptance of the resignation by the Board, and shall be deemed to have resigned, without prejudice, however to any prior liability incurred by the Trustee.

- (ii) A Trustee who resigns or is removed from office shall execute all documents and all things necessary to give effect to their resignation or removal and vesting of the trust property in the other Trustees but need not execute a deed for that purpose.
- (iii) Whenever a vacancy arises in the number of the Trustees a new Trustee shall be filled in the manner spelt out in the Rules. **PROVIDED THAT** all acts and proceedings of the continuing Trustees pending the filling of the vacancy shall be valid and binding.

(10) **TRUSTEES' OBLIGATIONS, FUNCTIONS, DUTIES & POWERS**

Subject to the Rules, Trustees shall be responsible for the administration and general management of the Endowment Fund including the following:

- (i) the Trustees shall administer the Endowment Fund in accordance with the provisions of, the Trust Deed and Rules and the Laws of Uganda.
- (ii) the Trustees shall update the Council quarterly in any financial year on all matters regarding the Endowment Fund
- (iii) the Trustees shall ensure that all assets are promptly remitted to the Custodian as provided under the Rules.
- (iv) the Trustees shall ensure that all documents binding the Endowment Fund are professionally prepared and communicated regularly with the relevant Council committee. Contracts and other documents binding the Endowment Fund shall be duly executed by at least two Trustees following a resolution of the Board of Trustees.

(11) **POWERS OF THE TRUSTEES AS TO INVESTMENT OF FUND ASSETS**

Subject to the Rules and the Endowment Fund's Investment Policy and guidelines, the Trustees shall invest such funds as they consider proper and may either retain in their existing form any investments of whatsoever nature from time to time received by them or realise the same and subject thereto the Trustees shall invest all funds coming into their hands for the account of the Endowment Fund.

(12) **ADDITIONAL POWERS OF TRUSTEES**

Subject to the Rules, the Trustees shall, in addition to and without prejudice to all powers conferred upon them whether by statute or the

general law, have the following powers all to be exercised or not as they in their sole discretion may deem desirable, namely:

- (i) to lease, mortgage, charge, transfer, assign, convey, exchange, sell or otherwise deal with any interest in land forming part of the Endowment Fund assets.
- (ii) to enter into any transaction affecting all or any part of the Endowment Fund assets.
- (iii) to commence, carry on, or defend any proceedings relating to the Endowment Fund.
- (iv) to raise and borrow any sum of money and to secure the repayments thereof in such manner and upon such terms as the Trustees may deem advisable and to charge the sums so raised or borrowed or any part thereof on all or any part of the Endowment Fund assets.
- (v) to evaluate or enter into any agreement or agreements for the evaluation of any investments or securities whether on issue or sale and whether jointly with other persons or not and to do all things incidental thereto;
- (vi) to apply any part of the Endowment Fund's assets in effecting or maintaining any insurance which in the opinion of the Trustees is suited for the purposes of the Fund and to vary the terms and surrender sell or otherwise dispose of any such insurance or exchange or exchange the same for a substituted insurance;
- (vii) to execute and do all such acts and things as the Trustees may consider necessary or expedient for the improvement, maintenance and preservation of the Endowment Fund assets. .

APPOINTMENT OF OFFICERS

- (13) Subject to the Rules, the Trustees shall appoint the Administrator, the Fund Manager, the Custodian and such other officers or committees on such terms and conditions as may be deemed appropriate for the proper administration and management of the Endowment Fund.

CONDUCT OF BUSINESS OF THE BOARD OF TRUSTEES

- (14) Subject to the Rules, the Board of Trustees shall regulate its own procedure.

RECORD MANAGEMENT BY THE TRUSTEES

- (15) Subject to the Rules, the Trustees shall cause to be kept such records of all matters and decisions necessary for the proper administration and management of the Endowment Fund.

EXPENSES OF ADMINISTRATION OF THE ENDOWMENT FUND

- (16) The recurrent expenses and any other expenses approved by the

Trustees incurred in its administration shall be borne by the Endowment Fund.

PROFESSIONAL ADVICE

- (17) The Trustees shall reserve the right to seek and consider written professional advice and opinion in relation to any matter or issue regarding the general administration and management of the Endowment Fund and shall not be held personally responsible for any loss occasioned to the Fund by acting bona fide on the basis of such professional advice or opinion.

DISCLOSURE OF INTEREST

- (18) If a Trustee is directly or indirectly interested in any contract, proposed contract or other matter before the Board and is present at the meeting of the Board at which the proposed contract or other matter is the subject of consideration, he shall, at the meeting and as soon as is practicable after commencement thereof disclose the fact and leave the meeting and shall not take part in the consideration of, or vote on any question with respect to the contract or other matter, or be counted in the quorum of the meeting.

- (ii) A disclosure of interest made under this Clause shall be recorded in the minutes of the meeting of the Board at which it is made.

- (iii) A Trustee who knowingly fails to make disclosure of interest as hereinabove provided shall be considered as being unfit to discharge the functions of a Trustee and shall be referred by the Board to the respective appointing authority for appropriate action.

PROTECTION OF PERSONS DEALING WITH THE TRUSTEES

- (19) No person dealing with the Trustees in good faith shall be unduly concerned to inquire whether any power purported to be exercised by the Trustees is exercisable or as to the necessity or expediency of any term of such dealing or as to the propriety or regularity thereof or to see to the application of any moneys paid to the Trustees and in the absence of fraud on the part of such person such dealing shall so far as regards the safety and protection of such person be deemed to be within the powers of the Trustees and to be valid and effectual accordingly.

GENERAL INDEMNITY

- (20) No Trustees shall be personally liable to any person except in respect of any loss or damage suffered by such person arising from the Trustees' exercise and discharge of their functions and duties with respect to the Endowment Fund except in cases of bad faith on the Trustees' part.

POWER OF AMENDMENT

- (21) The Trustees may at any time and from time to time and with the

consent of the council, amend by deed any of the provisions of this Trust Deed or the Rules. PROVIDED THAT no such alteration or modification except in so far as it may be necessary in order to secure the continued registration of the Trust under statutory re-enactment thereof for the time being in force shall be made which:-

- (a) Varies the main object of the Trust as stated in the rule 5:or
- (b) Authorizes the payment of any part of the assets of this Fund to any person or organisation other than in accordance with the Rules.

CLOSED TRUST

- (22) The Endowment Fund shall become terminated on:
 - (a) Cessation of existence of Makerere University .
 - (b) Recommendation by the Board of Trustees upon approval by the Council.

DISSOLUTION OF THE ENDOWMENT FUND

- (23) (i) Upon the Endowment Fund becoming terminated, the provisions relating to winding up in the Rules shall apply.
- (ii) Subject to the Rules, a liquidator shall be appointed to dissolve the trust in accordance with the provisions of the Rules and the law relating to Trusts in so far as the said provisions are applicable or subject to such modifications to the said provisions as may be directed by the Court.
- (iii) Upon the payment of all costs charges and expenses incurred in winding up the Fund and any other expenses other-wise properly payable the liquidator shall pay the surplus of the Fund Assets, if any, to the Council.

CURRENCY

- (24) The reporting Currency will be the Ugandan Domestic Currency.

LAW APPLICABLE

- (25) This Trust Deed and Rules shall be governed and interpreted in accordance with the Laws of Uganda

TRUST PERIOD

- (26) Unless otherwise terminated under the provisions hereof or the Rules, the Trusts hereof shall continue in perpetuity.

NOTICES

- (27) Any notice which under the provisions of this Trust Deed or the Rules is required to be given to or served on the Trustees shall be in writing addressed to the Trustees and served at the registered office of the Endowment Fund.

MARGINAL NOTES

- (28) The Headings and Marginal Notes to this Deed and Rules are for convenience of reference and are not to be construed as part of this Trust Deed or Rules.

ARBITRATION

- (29) Any dispute arising out of these rules shall be resolved amicably. If this is not possible, the disputes shall be referred to the Centre for Arbitration and Dispute Resolution (CADR)

IN WITNESS whereof the Council's authorised representative and the Trustees have set their respective Seals and hands the day and year first above written.

The Common Seal of Makerere University was affixed in the presence of:

.....
Representative of Makerere University Council

SIGNED, and DELIVERED
Representative of Alumni

DATE.....

In the presence of

DATE.....

SIGNED, and DELIVERED
Representative of Makerere University

DATE.....

In the presence of

DATE.....

SIGNED, and DELIVERED
A Finance professional

DATE.....

In the presence of

DATE.....

SIGNED, and DELIVERED
Representative of Uganda Law Fraternity

DATE.....

In the presence of

DATE.....

SIGNED, and DELIVERED
Representative of Alumni

DATE.....

In the presence of

DATE.....

SIGNED, and DELIVERED
Representative of Private Sector

DATE.....

In the presence of

DATE.....

SIGNED, and DELIVERED
Financial Services Professional Representative

DATE.....

DRAFT