

Agricultural Marketing Authority (Zimbabwe Mercantile
Exchange) Rules, 2021

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IT is hereby notified that the Minister of Lands, Agriculture, Fisheries, Water and Rural Resettlement has, in terms of section 50 of the Agricultural Marketing Authority Act [*Chapter 18:24*], as read with sections Part VI the Warehouse Receipt Act [*Chapter 18:25*], made the following regulations:—

PART I

PRELIMINARY

Title

1. These regulations may be cited as the Agricultural Marketing Authority (Zimbabwe Mercantile Exchange) Rules, 2021.

Object

2. (1) The Exchange, through these rules has set up an end-to-end and fully automated commodities market to enable the trading and settlement of commodity-based warehouse receipts such as, but not limited to, warehouse receipts.

(2) These rules set out the manner in which the Exchange shall also govern an efficient, orderly, fair, and transparent market for the trading of commodities and protect the integrity of the market, the functioning of the Central warehouse receipt registry, issuance of dematerialised warehouse receipts, the trading and settlement thereof and or the pledging of such warehouse receipts.

Interpretation

3. In these rules—

“Authority” means the Agricultural Market Authority established in terms of the Agricultural Market Authority Act [*Chapter 18:04*];

“authorised officer” means a person authorised by the participant to act on its behalf and includes the Principal Officer, Authorised User and System Administrator;

“Automated Trading System” or “ATS” means a computer system on which buy and sell orders are entered and matched on the Exchange;

“beneficial owner” has the same meaning provided for in section 13 of the Money Laundering and Proceeds of Crime Act [*Chapter 9:24*] as may be amended from time to time;

“centralised system platform” means a platform that provides order management, matching, trading, clearing,

- settlement and ownership transfer of warehouse receipts which belongs to the Exchange;
- “clearing” means the presenting and exchanging of information relating to the transfer of warehouse receipts and or funds;
- “conditioning” means but is not limited to the cleaning or drying of commodities;
- “directive” means any instruction issued by the Exchange to a participant, the investing public or any other person whose interaction with the Exchange is governed by these rules;
- “Exchange” means the Zimbabwe Mercantile Exchange;
- “fees” means fees that shall be prescribed and published by the Exchange from time to time through its website or any other means of communication as the Exchange deems appropriate;
- “Form” means a form prescribed in the First Schedule;
- “fungible goods” means goods of which any unit is, from its nature or by mercantile custom, treated as equivalent of any other unit;
- “issuer” means an entity that issues a warehouse receipt, being a licensed warehouse operator;
- “market maker” means a participant who enhances the liquidity of a particular commodity by quoting bids and offers in a commodity at all times;
- “material information” means but is not limited to information on—
- (a) a merger, acquisition or joint venture;
 - (b) the acquisition or loss of a significant contract;
 - (c) a significant new product or discovery;
 - (d) a change in control or significant change in management;
 - (e) a call of warehouse receipts for redemption;
 - (f) the public or private sale of a significant amount of additional warehouse receipts;

- (g) the purchase or sale of a significant asset;
- (h) a significant lawsuit;
- (i) a significant labour dispute;
- (j) significant alteration of the constitutive documents of the participant;
- (k) significant borrowings; or
- (l) any other peculiar circumstances that may prevail with respect to the Issuer or environment in which the Issuer operates.

“official list” means a list specifying all warehouse receipts which have been admitted for listing on the Exchange;

“open market” means an unrestricted market with free access by and competition of buyers and sellers;

“participant” means a person or entity entitled, through admission on the Exchange, to use the services and facilities thereof;

“Registry” means the Central Warehouse Receipt Registry of the Exchange;

“settlement” means the discharge of obligations by the payment of funds or delivery warehouse receipts.

“wholesale market” means a buyers’ market for strategic commodities declared by law or by the Exchange.

PART II

ZIMBABWE MERCANTILE EXCHANGE

Establishment of Zimbabwe Mercantile Exchange

4. The Zimbabwe Mercantile Exchange, is a body corporate registered under the Companies and Other Business Entities Act [*Chapter 24:31*] capable of suing and being sued in its own name and, subject to these regulations, of performing all acts that bodies corporate may by law perform.

Functions of the Exchange

5. (1) The objectives of the Exchange shall be—
- (a) to provide a marketplace and associated facilities for producers; commodities traders and other participants to trade in an efficient, transparent, and orderly manner;
 - (b) to reduce systemic risk, that is to say, a risk that a failure on the part of one or more admitted participants to meet their obligations may result in other admitted participants and other commodity traders unable to meet their respective obligations;
 - (c) to promote market integrity and public confidence;
 - (d) to promote public education;
 - (e) to disseminate market information and price information;
 - (f) to deploy mechanisms for dispute resolution.
- (2) To achieve its objectives, the Exchange shall have the following functions, subject to these rules—
- (a) to monitor and regulate trading and dealing of warehouse receipts;
 - (b) to admit, train, supervise and regulate admitted participants in order to ensure high standards of professionalism and integrity on their part;
 - (c) to certify warehouses for the purposes of receiving commodities, testing, grading, weighing, re-bagging and storing;
 - (d) to undertake surveillance on all warehouses;
 - (e) to accept lawfully issued warehouse receipts for the purpose of trading and financing commodities using the Exchange facilities;
 - (f) to encourage the development of free, fair and orderly commodities markets in Zimbabwe; and
 - (g) to exercise any other function that may be conferred or imposed upon the Exchange by or under these rules or any other enactment.

(3) For the fulfilment of its objectives and in the exercise of its functions, the Exchange shall have power to do or cause to be done, by itself or through agents, all or any of the things specified herein in these rules, either absolutely or conditionally and either alone or jointly with others.

Responsibilities of the Board of Directors of the Exchange

6. Without derogation from any other provision of these rules or any other law, in the Exchange exercising its functions under these rules, the responsibilities of the Board shall include—

- (a) formulating policies to ensure the efficient achievement of the Exchange's objectives;
- (b) supervising all the activities engaged in by the Exchange;
- (c) ensuring that the Exchange has adequate control systems to monitor and manage risk;
- (d) ensuring efficient and economic use of the Exchange's resources; and
- (e) formulating and enforcing rules of corporate governance and ethical practice for observance by the directors and staff of the Exchange.

PART III

EXCHANGE PARTICIPANTS AND BUSINESS CONDUCT

Matters preliminary to participation on Exchange

7. (1) Prior to trading in commodity warehouse receipts on the Exchange, a holder of a physical warehouse receipt is required to open a commodities warehouse receipt account with the Central warehouse receipt registry of the Exchange through a participant.

(2) Upon depositing the physical commodity with the warehouse operator, a physical warehouse receipt shall be issued which may be lodged with the Exchange to be dematerialised into electronic form.

(3) The account holder shall continue to be registered in the respective commodity register in respect of the physical commodity

deposited and shall continue to enjoy all such rights and privileges and be subject to all such duties and obligations as a registered holder of the commodity or commodities would be entitled to, or subject to, under these Rules.

(4) The consolidated register shall consist of both dematerialised and physically held warehouse receipts.

(5) The main services of the Exchange with regards to its commodities market shall include but are not limited to—

- (a) facilitating and enforcing of quality inspections and collateral management to maintain consistent grading mechanisms and to reduce credit risk;
- (b) enforcing best practice in the provision of testing, grading, weighing, re-bagging, drying of commodities and storage services;
- (c) recording transactions in commodity-based warehouse receipts in the dematerialised form to facilitate their trading on the Exchange;
- (d) clearing of commodity-based warehouse receipts on account of trades carried out through the Exchange;
- (e) co-ordinating the settlement of funds between participants through the settlement bank admitted on the Exchange;
- (f) facilitating the opening and maintenance of central warehouse receipt registry accounts for beneficial owners, the deposit of warehouse receipts in such accounts, the withdrawal of warehouse receipts and the transfer of warehouse receipts between central warehouse receipt registry accounts in the Central Warehouse Receipt Registry;
- (g) the provision of entitlement schedules and other reports in respect of central warehouse receipt registry account holders to issuers and transfer secretaries in respect of warehouse receipts listed on the Exchange;
- (h) the periodic provision of account statements to warehouse receipts central warehouse receipt registry account holders;

- (i) the issuance of directives, circulars or operational instructions to participants, Issuers or the general investing public about any subject matter provided for in terms of these rules.

Categories of participants

8. The Exchange may admit the following participants—
- (a) settlement banks;
 - (b) custodians;
 - (c) warehouse operators;
 - (d) warehousepersons;
 - (e) commodities brokers;
 - (f) quality inspectors;
 - (g) collateral managers; or
 - (h) any other such persons licensed in terms of the—
 - (i) Securities and Exchange Act [*Chapter 24:25*];
 - (ii) Warehouse Receipt Act [*Chapter 18:25*];
 - (iii) Warehouse Receipt (General) Regulations, 2020;
 - (iv) Agricultural Marketing Authority Act [*Chapter 18:04*];
 - (v) Collective Investment Schemes Act [*Chapter 24:19*];
 - (vi) Banking Act [*Chapter 24:20*].

Application for admission as participant

9. (1) For purposes of admission as a participant, applicants shall submit the following to the compliance officer for onwards transmission to the admissions committee—
- (a) a participants' application form, **Form ZMX1** ("Participants' application form") together with an application fee;
 - (b) certified copy of the operating licence issued by the relevant regulatory authority;

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- (c) certified copy of identity documents for each director, principal, authorised and administrative officers of the applicant;
- (d) certified proof of particulars of directors;
- (e) constitutive documents of the participant;
- (f) in the case of a warehouse operator—
 - (i) certificate of registration of the warehouse operator;
 - (ii) the specimen of signature of each warehouseperson being the authorised person to sign warehouse receipts;
 - (iii) warehouseperson licence;
 - (iv) Certificate of registration for each registered warehouse;
 - (v) proof of insurance;
 - (vi) proof of appointment of a commodity grader from the list of registered commodity quality inspectors by the Exchange; and
 - (vii) a delivery logistics scheme;
- (g) in the case of a commodities broker—
 - (i) a company registered in Zimbabwe;
 - (ii) audited financial accounts for the previous financial year;
 - (iii) official bank reference letter not more than three months old at the time of submission;
 - (iv) proof of professional indemnity cover;
 - (v) proof of fidelity insurance cover;
 - (vi) police clearance certificates for its directors; and
 - (vii) a Certificate of Good Standing issued by the Agricultural Marketing Authority not more than twelve (12) months old from the date of submission;
- (h) proof of payment of the applicable fees; and
- (i) any other information deemed appropriate and reasonable.

(2) The compliance officer shall, no later than 48 hours (or if the application is received on a Friday, not later than 96 hours) after receiving an application for admission on the Exchange—

- (a) satisfy himself or herself that **Form ZMX 1** has been properly completed; and if so satisfied;
- (b) transmit a copy of the application to the admissions committee, specifying whether the compliance officer recommends—
 - (i) approval of the application unconditionally; or
 - (ii) approval of the application subject to specified conditions; or
 - (iii) rejection of the application for specified reasons.

(3) Subject to subsections (4) and (5), upon receipt of an application for admission on the Exchange, the admissions committee consider the application within 14 days from the date indicated on **Form ZMX 1** as the date of application, and shall within that period, make a decision on the application by remitting to the compliance officer a copy of the application whereon it shall be indicated whether the admissions committee—

- (a) approves the application unconditionally; or
- (b) approves the application subject to specified conditions; or
- (c) rejects the application for specified reasons.

(4) If within the prescribed period the admissions committee find that **Form ZMX 1** has not been properly completed or it requires further information in connection with an application, it must remit a copy of the application back to the compliance officer to request the additional information requested from the applicant (in which event the 14 calendar day period shall run from the date when the compliance officer retransmits the application back to the admissions committee having taken the remedial action or furnished the additional information requested).

(5) If the admissions committee fails within the prescribed period to indicate to the compliance officer that it approves with or without conditions or rejects an application, the compliance officer shall

be entitled to assume that the application has been approved, with or without conditions, or rejected, in accordance with the recommendations made by the compliance officer under subsection (2)(b).

(6) As soon as possible after a decision on an application is made, the compliance officer shall notify the applicant of the granting or rejection of the application for admission on the Exchange by giving the applicant a copy of the application whereon it is indicated whether the application is granted or rejected and, if rejected the reasons for the rejection:

Provided that where an application is rejected or granted with conditions the compliance officer shall inform the applicant of its right of appeal under section 74.

(7) All application fees shall be non-refundable.

Issuance, duration, surrender and renewal of certificate of admission

10. (1) Every certificate of admission shall be valid for a period of one year from date of issuance, unless it is earlier surrendered to or cancelled by the admissions committee.

(2) If an application for a certificate of admission is successful (whether approved with or without conditions by the admissions committee or deemed to have been approved by it in terms of section 6(5)), the compliance officer shall—

- (a) inform the applicant accordingly in accordance with section 9(6); and
- (b) issue to the applicant a certificate of admission in **Form ZMX 2** (Certificate of admission) or, upon payment by the applicant of the prescribed issuance fee; and
- (c) make an appropriate entry in the Participants' Register.

(3) If a participant ceases the registered operations or ceases to be licensed or certified under the Acts referred to section 5, it shall, within thirty (30) days of ceasing to operate as such, surrender its certificate of admission on the Exchange to the compliance officer.

(4) Any person who contravenes subsection (3) shall be guilty of an offence and liable to a fine not exceeding level 3 or imprisonment

for a period not exceeding one month or both such fine and such imprisonment.

(5) Upon expiry of a certificate of admission, a certificate holder may renew it by making an application therefor no later than thirty-one (31) days after the expiry of the existing certificate of admission by submitting—

- (a) **Form ZMX 3**, where there has been no material change in the details of the application for the existing certificate, together with the prescribed renewal fee:

Provided that if in the opinion of the compliance officer circumstances require that new terms or conditions be imposed on any certificate of admission, the compliance officer may require an applicant for renewal to make an application for a new licence in **Form ZMX 1**; or

- (b) **Form ZMX 1**, where there has been any material change in the details supplied in or together with the original application for the existing certificate, together with the prescribed application fee for an original certificate of admission.

(6) Upon receipt of an application for the renewal of a certificate of admission—

- (a) in terms of subsection 5(a), the compliance officer shall satisfy himself or herself that **Form ZMX 3** has been properly completed and that there has been no material change of the details of the existing certificate of admission, and if so satisfied, shall renew the certificate of admission by endorsing the existing certificate accordingly; or
- (b) in terms of subsection 5(b), the same procedure as is prescribed in section 9 for the issuance of an original certificate of admission shall apply.

Participants' Register

11. (1) The Exchange shall establish and maintain a register of certificates of participant's admission to be known as a Participants' Register, which the following shall be recorded—

- (a) the name and address of every participant; and
- (b) the date of issue of every certificate of admission and of any renewal thereof; and
- (c) any special terms or conditions subject to which any certificate of admission is issued or renewed; and
- (d) the particulars of any suspension or cancellation or amendment of a certificate of admission.

(2) Any person may—

- (a) inspect the register of participants free of charge at all reasonable times at the premises of the Exchange or at such other place that the Exchange may direct; or
- (b) obtain copies of or extracts from the register for a prescribed fee.

(3) The Exchange shall keep and maintain the register in both material and electronic form.

Suspension and expulsion

12. (1) Subject to subsections (2) and (4), the admissions committee may at any time suspend (for a period not exceeding sixty (60) days) or cancel any certificate if the admissions committee has reasonable grounds for believing that—

- (a) the certificate of admission was issued in error or through fraud or misrepresentation or non-disclosure of a material fact by the participant; or
- (b) the participant has contravened any provision of the Act under which their licensed or certified or these regulations or any condition of its certificate of admission; or
- (c) the participant has ceased the registered operations.

(2) The admissions committee shall notify the participant in writing of its intention to suspend its certificate of admission or expel it for the Exchange and the reasons for doing so, and shall call upon the participant to show cause, within 14 calendar days from the date of the notice, why the participant should not be suspended or expelled, as the case may be:

Provided that if in the opinion of the admissions committee the participant needs to be immediately suspended or expelled in the public interest, the admissions committee can issue the notice requiring the participant to show cause after suspending the certificate of admission or expelling the participant from the Exchange.

(3) If, at the expiry of the period specified in the notice given in terms of subsection (2), and after considering any representations made by the participant, the admissions committee is satisfied for any reason specified in subsection (1) that the certificate of admission concerned should be suspended or the participant expelled, the admissions committee shall, by notice in writing to the participant suspend the certificate of admission or expel the participant or take such other action as it considers appropriate.

(4) The penalty of suspension is only available where the participant is in breach of any of the provisions of these rules; and in the opinion of the admissions committee, it is a contravention that can be easily or speedily remediated by the participant:

Provided that—

(a) if after the expiry of the period of suspension the participant admissions committee shall forthwith expel the participant; or

(b) on good cause shown by the participant, the admissions committee may extend the suspension for a period not exceeding thirty (30) calendar days to allow the participant to take the required remedial action.

(5) The admissions committee may expel the participant if—

(a) there is failure of a participant to comply with the requirements or conditions of its registration, licencing or certification as the case maybe;

(b) the participant is found in contravention of the laws of Zimbabwe and any applicable foreign laws.

(6) The admissions committee shall immediately make an appropriate entry in the register of participants where he or she suspends or lifts a suspension of any certificate of admission licence or expels the participant in accordance with this section.

(7) If the warehouse operator is expelled from the Exchange it shall—

- (a) provide the Exchange with a detailed written logistics plan to transfer the goods and identify the affected warehouse receipts;
- (b) submit a draft notice to the public for the approval of the Exchange advising the respective warehouse receipt owners of the expulsion;
- (c) pay the cost of transferring all goods under its safe keeping and storage, to the closest facility having ample space to accept commodity.

Readmission of participant

13. An expelled participant wishing to be re-admitted to the Exchange shall—

- (a) submit a written request to the Exchange to be considered for re-admission;
- (b) demonstrate to the satisfaction of Exchange that it has met the eligibility requirement for participation;
- (c) pay a re-admission fee.

Voluntary termination of participation or withdrawal of registered warehouse

14. (1) Where a participant wishes to terminate its participation, it shall deliver a written notice to the Compliance Officer for onwards transmission to the admissions committee of its intention to terminate its participation not less than ninety (90) calendar days before the proposed date of termination.

(2) If the warehouse operator voluntarily terminates its participation on the Exchange or withdraws the registration of any one of its stations, the warehouse operator shall—

- (a) provide the Exchange with a detailed written logistics plan to transfer the goods and identify the affected warehouse receipts;

- (b) submit a draft notice to the public for the approval of the Exchange advising the respective warehouse receipt owners of the voluntary termination and or withdrawal of the use of a registered warehouse; and
- (c) pay the cost of transferring all goods under its safe keeping and storage, to the closest facility having ample space to accept commodity.

Technical competence

15. (1) To ensure the stable and correct functioning of the warehouse receipting systems, the participant shall have on its staff such a number of persons as the Exchange may specify who are adequately trained or who, in the opinion of, are otherwise sufficiently qualified or have adequate skill and knowledge relating to the operational, functional and technical aspects of the working of the systems of the Exchange.

(2) The Exchange may, therefore, prescribe the appropriate training and shall communicate the contents, conditions and dates of any such training sessions to each participant concerned.

Authorised officers, authorised persons and system administrators

16. (1) Every participant shall appoint a principal officer, authorised user and system administrators to ensure prudential separation of functions.

- (2) A principal officer shall—
 - (a) hold a managerial position at the participant;
 - (b) be responsible for all transactions of the participant;
 - (c) approve the participant's authorised users to act on behalf of the participant;
 - (d) prescribe the rights and access of the authorised users to the central warehouse receipt registry systems;
 - (e) be responsible for the completeness and accuracy of all information that is entered onto the systems of the Exchange by the participant; and

- (f) ensure that all accounts created and transactions executed on the systems are lawful and comply with the applicable laws, regulations and these rules.

(3) Each participant shall have, at all times, at least two authorised users who shall have access to the system and shall carry out the activities of the participant.

(4) System administrators shall maintain authorised user profiles on the Exchange systems and shall not have access to transaction entry facilities or management or enquiry functions.

(5) The Exchange shall have the sole right to approve the creation of profiles for authorised officers.

Standards of integrity

17. A participant must, in the conduct of its business, observe high standards of integrity and fair dealing. In particular, the participant shall—

- (a) not knowingly circulate information which is false or misleading;
- (b) not knowingly condone any attempt to manipulate the market or to influence any persons for such a purpose;
- (c) conduct its activities in a manner that is compatible with the objects of the Warehouse Receipt Act [*Chapter 18:25*] and any other applicable laws as may be amended from time to time;
- (d) not participate in any dealings with other market participants, clients, the media or any other persons in a manner that may bring the Exchange or the market into disrepute;
- (e) in its dealings act honestly and fairly—
 - (i) with due skill, care diligence and in the best interest of its clients;
 - (ii) avoiding conflict of interest and where conflict may not be avoided, ensure fair treatment to clients by full disclosure to the client, maintain confidentiality

of information obtained from clients or declining to act.

Disclosure to clients

18. Any representations made and information provided by a participant to a client must—

- (a) be factually correct;
- (b) be provided in plain and unambiguous language, and not be misleading;
- (c) be adequate and appropriate in the circumstances of the particular service, taking into account the factually established or reasonably assumed level of knowledge of the client;
- (d) disclose full and accurate information about the fees and any other charges that may be levied on the client;
- (e) where any such fee or charge is not reasonably pre-determinable, adequately describe its basis of calculation;
- (f) advise of any material changes affecting the client within a reasonable time; and
- (g) advise of any restriction or limitation that may affect the access of that client to his or her assets.

Ongoing responsibilities warehouse operators

19. (1) The warehouse operator shall immediately advise the Exchange of any changes or additions to the person authorised to sign warehouse receipts and provide the necessary information as required under section 9(1)(f).

(2) As and when applicable, depending on the expiry date of insurance cover, licence or registration for a warehouse operator, warehouseperson or warehouse, the warehouse operator shall submit to the Exchange within thirty (30) calendar days of expiry, the insurance, licence or certificate as proof of the renewal.

(3) On an annual basis, the warehouse operator shall provide the Exchange with copies of its audited financial statements of the

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facility, and its parent company (as applicable) within three months of the firm's year-end.

(4) The Exchange shall conduct regular onsite inspections through appointed independent collateral managers appointed by the Exchange of the admitted warehouses of the warehouse operator to ensure compliance with these rules.

(5) The warehouse operator shall therefore ensure that its offices and admitted warehouses are open to the Exchange, its independent collateral managers, Authority and any other regulatory body as the case may be for both scheduled and *ad hoc* onsite inspections.

(6) The Exchange shall advise the warehouse operator of its intention to inspect at least seven (7) calendar days in advance and the scope of the inspection shall also be shared in advance.

(7) The independent quality inspectors referred to under subsection (4) shall provide the Exchange with a report of their inspection and the Exchange may share such reports registered credit providers on the Exchange to facilitate the issuance of a loan to a client.

(8) The warehouse operator shall make available to the Exchange, during the business hours of the warehouse operator, to examine its books and records.

(9) The warehouse operator shall submit a monthly return by the tenth day of the following month of its daily stock summary (DSS), being a record of goods delivered to, withdrawn from and received, stored, or processed by, the warehouse operator for each such registered warehouse recorded on a daily at the close of each working day.

(10) Warehouse operators shall disclose all material information that may affect its business operations and its responsibilities under these rules or service level agreements with the Exchange such as but not limited to—

- (a) loss or damage to stored goods under its supervision or licensed storage facilities;
- (b) change of ownership of a licensed warehouse, including a change in the members of a partnership, or firm;

- (c) any major structural changes to the storage facility licensed for storage and or to the delivery logistics scheme;
- (d) the destruction or removal of storage facilities, or the leasing of such a facility to any other person;
- (e) change in the name under which the warehouse is licensed for storage; or
- (f) the termination of a lease on a licensed warehouse.

(11) At the sole cost and expense of the warehouse operator and at the reasonable request of the Exchange, shall appoint an independent auditor to carry out an audit the commodity inventory of its warehouses within thirty (30) calendar days of receiving the written request. Each audit report shall be filed with the Exchange within thirty (30) calendar days of the date of the completion of the audit.

(12) The warehouse operator shall only make use of registered and admitted warehouses to store commodities.

Confidentiality

20. A participant may not disclose any confidential information acquired or obtained from a client about such client, unless the written consent of the client has been obtained beforehand or disclosure of the information is required in terms of applicable laws.

Prohibition of anonymous accounts

21. A participant may not open or operate an anonymous or fictitious client account.

Waiver of rights

22. No participant shall waive any right or benefit conferred on the client in terms of these rules. No participant shall recognise, accept or act on any waiver of these rules requested by the client.

Liability of directors and officers

23. Any director, manager, or officer of a participant shall together with such participant be liable for any breach, non-compliance, violation or contravention of these rules, operating guidelines or directives of the Exchange and any other relevant law.

PART IV

WAREHOUSE RECEIPTS

Procedures for booking delivery

24. (1) A depositor shall open and maintain an account on the electronic booking system which shall be identified by a unique client identification number generated by the system.

(2) The depositor shall book his or her commodities for pick-up and delivery to an admitted warehouse of the Exchange and submit the following information, but not limited to the—

- (a) commodity type;
- (b) category of the commodity;
- (c) quantity of the commodity;
- (d) the designated warehouse of choice; and
- (e) the collection location.

(3) Upon receipt of the collection and delivery order, the warehouse operator shall within 24 hours validate the specifications of the commodity submitted by the client. If the specifications of the commodity meet the requirements of the warehouse operator and that of the Exchange, it shall without delay issue a quote of fees and charges that will be incurred by the client to have the specified commodity collected and delivered to the selected warehouse.

(4) Upon acceptance of the quote by the client, the booking system shall automatically book the collection and delivery order for the commodity concerned. The order shall also be immediately shared with the logistics co-ordinator of the warehouse operator. Details of the booking order shall then appear in the depositor's account.

Delivery in and out

25. The warehouse operator shall schedule all deliveries into or out of the warehouse on a first-come, first-served, non-discriminatory basis and that it shall not constrain or promote the movement of a commodity into or out of a particulate warehouse.

Collection process

26. (1) During the collection, the commodities shall be inspected, weighed and conditioned.

(2) Within 48 hours of the arrival and receipt of the collected commodity, the warehouse operator shall issue a goods received note as prescribed by the Exchange.

(3) The goods received note shall detail the following but may not be limited to—

- (a) confirmation of the commodity's eligibility. If warehouse operator determines the collected commodity to be defective in any respect which prevents its eligibility, the warehouse operator shall advise the depositor with reasons and where possible, remedial actions to condition the goods at the cost of the depositor;
- (b) verification and certification of the commodity's grading and weight;
- (c) date and time of delivery; and
- (d) any applicable and deemed necessary repackaging costs incurred by the warehouse operator.

Warehouse receipt issuance

27. (1) Upon successful delivery and deposit of the commodity, the details of the commodity will be entered into the warehouse receipt system, following which, a warehouse receipt shall be issued by the warehouse operator in the name of the depositor and where applicable their nominee.

(2) The warehouse operator shall ensure delivery of the physical warehouse receipt within 24 hours of the issuance of the physical receipt to the appointed custodian of the client for safe-keeping.

(3) Upon receipt of the physical warehouse receipt, the custodian shall approve the issuance of an electronic warehouse receipt that shall be accessible to the client through an electronic device.

(4) All warehouse receipts shall be issued in accordance with the requirements set out by the Warehouse Receipts (General) Regulations, 2020, and contain the minimum following information—

- (a) the name, location and full postal and street address of the warehouse where the goods are stored;
- (b) the warehouse registration number and date up to which it is valid;
- (c) the date of issue of the receipt;
- (d) the serial number of the receipt;
- (e) name and address of the person by whom or on whose behalf the goods are deposited;
- (f) a short description of the goods or of the packages containing them with particulars of the quantity, quality or grade;
- (g) the commodity-based warehouse loss percentage as approved by the Registrar;
- (h) the signature of the registered warehouse operator;
- (i) the nature and fact of ownership of the goods, whether solely or jointly or commonly owned with others;
- (j) whether or not the underlying goods have been charged;
- (k) the shelf life of any goods for which a receipt is issued;
- (l) that the receipt would be valid only till the date of expiry of declared shelf- life of the goods for which it is issued;
- (m) private marks of depositor on the goods or packages, if any;
- (n) name of the insurance company indemnifying for fire, flood, theft, burglary, misappropriation, inherent explosion and employee dishonesty;
- (o) the fact that the warehouse operator holds a lien on the goods deposited for his or her storage and handling charges;

- (p) a statement that the receipt is issued subject to these rules;
- (q) a provision reserving for the warehouse operator the right to terminate storage, conditioning and handling arrangements and collect outstanding charges upon the revocation of the warehouse operator's registration; and
- (r) if several warehouses are operated by one warehouse operator; each such warehouse shall be numbered. This numerical designation shall be on all receipts of the commodities deposited and represented by the warehouse receipt.

(5) All warehouse receipts will be issued in a physical or electronic form.

(6) Not more than one warehouse receipt shall be issued for the same lot of goods, except where partial warehouse receipts have been requested in writing.

(7) The aggregate warehouse receipts shall be recorded with the Central Warehouse Receipt Registry and where the depositor wishes to have the warehouse receipts consolidated, shall make such a request in writing and pay the applicable fees for the issuance of a new consolidated warehouse receipt.

(8) On a daily basis by 15:00hours (GMT), the warehouse operator shall produce and deliver a report of the issued, altered or replaced warehouse receipts to the central warehouse receipt registry. The report shall detail the following—

- (a) with regards to the depositor—
 - (i) name of the depositor;
 - (ii) contact details;
 - (iii) identity number;
 - (iv) residential address;
 - (v) in the case of a corporation, the duly authorised persons to act on behalf of the corporate and their Know Your Client information; and

- (vi) in the case of joint or commonly owned goods, the above under subsection (4) shall be submitted, as applicable;
- (b) name of the warehouse in which the commodities were deposited;
- (c) registration number of the warehouse in which the commodities were deposited;
- (d) location of the warehouse;
- (e) date and time of delivery;
- (f) description of the commodities deposited;
- (g) the grade of the commodities deposited;
- (h) the weight of the commodities deposited; and
- (i) the value of the commodities deposited and represented by the warehouse receipt.

(9) A warehouse operator shall be solely responsible for ensuring that no duplicate warehouse receipts are issued, printed or released by it.

(10) In the event that any paper or another tangible document that supports a warehouse receipt has been damaged, lost, stolen or destroyed, the facility shall issue a replacement document upon completion of its procedures for the replacement thereof.

(11) The warehouse operator shall keep the records of the issued warehouse receipts in accordance with the Warehouse Receipt Act [*Chapter 18:25*] for a period of seven (7) years.

(12) All validly issued warehouse receipts shall remain valid until cancelled by the warehouse operator.

Commodity grading

28. (1) Through a grading agent registered by the Exchange, the warehouse operator shall grade each delivered commodity to the warehouse as per the prescribed standard set for each commodity by law, regulations, the Exchange and or these rules. Grading shall take into account—

- (a) moisture content;
- (b) heat damage;
- (c) sprout damage;
- (d) shrunken or broken crop;
- (e) pesticide residues;
- (f) existence of foreign material within the commodity;
and
- (g) any other factors that may affect the economic value of the commodity.

(2) Whilst the Exchange shall take proper care to ensure that commodities are graded fairly and properly, the depositor may apply for a second grading at an additional fee and published by the Exchange from time to time through its website or any other means of communication as the Exchange deems appropriate.

(3) A request for re-grading and payment of the necessary fee shall be made within 24 hours of receipt of the goods received note, thereafter, once a warehouse receipt is issued, the grading of the deposited commodity shall be final.

Storage and handling charges

29. Each admitted warehouse operator shall provide the Central warehouse receipt registry with its up-to-date schedule of warehouse storage and handling fees or charges.

Packaging and re-packaging of commodities

30. (1) All commodities must be packaged in a manner and material specified by the warehouse operator and or the Exchange with the certified packing approved by the commodity specifications in these rules, or any other relevant law.

(2) Each commodity depositor shall ensure that his or her commodity packaging meets the required standards for the specific commodity type to ensure that the commodity maintains its integrity as it is handled and subsequently stored.

(3) Unless otherwise stated, the weight of the commodity deposited into the warehouse shall include the weight of the packaging material used.

Procedures for the cancellation of a warehouse receipt

31. (1) Warehouse receipts shall only be cancelled by the warehouse operator.

(2) The daily update report to be shared with the Exchange in accordance with section 24(8) shall include all warehouse receipts cancelled.

(3) The cancelling of a warehouse receipt shall be as a result of—

- (a) the withdraw of the deposited commodity from the warehouse in terms of section 33; or
- (b) the replacement of a lost, stolen or damaged warehouse receipt.

PART V

THE CENTRAL WAREHOUSE RECEIPT REGISTRY

Central warehouse receipt registry system

32. (1) The Exchange shall establish a central warehouse receipt registry which shall be the depository system the Exchange will use to—

- (a) facilitate the dematerialisation of physical warehouse receipts into electronic form and the subsequent book entry of record;
- (b) administer the book entry transfer of warehouse receipts;
- (c) record transactions in electronic warehouse receipts to facilitate their trading on the Exchange;
- (d) clearing of warehouse receipts on account of trades carried out through the Exchange;
- (e) coordinating the settlement and change of ownership in the central warehouse receipt registry;
- (f) facilitating the opening and maintenance of accounts for beneficial owners, the deposit of warehouse receipts in such accounts, the withdrawal of warehouse receipts and the transfer of warehouse receipts between accounts in the central warehouse receipts registry;

- (g) facilitate the registration of a pledge or lien on a warehouse receipt; and
- (h) the blocking of a warehouse receipt from being traded on the Exchange or being withdrawn from the central warehouse receipts registry due to an active pledge or lien.

(2) Subject to the relevant information submitted upon application for admission all participants and their authorised users and system administrators will have access to the Registry upon admission in terms of section 10.

(3) The participant shall be deemed to authorise the Exchange to act in reliance on the input by the participant's selected authorised users and system administrators in executing instructions.

(4) Any change in the name or other relevant information about principal officers, authorised users and system administrators shall be acted upon within at least five (5) working days of receiving instructions.

Electronic Warehouse Receipts Register

33. (1) Pursuant to the above section, the Exchange shall maintain and continuously update information of—

- (a) existing warehouse receipts and their respective holders, and the respective balance of their registered holdings, such information shall include the following—
 - (i) name of the account holder;
 - (ii) identity number or Company Registration Number;
 - (iii) residential address;
 - (iv) nationality or place of incorporation in the case of corporates;
 - (v) bank details of the account holder;
 - (vi) quantities and description of warehouse receipts held;
 - (vii) the Account Holder's Central Warehouse Receipt Registry ("WRR") number;

(b) information of beneficial owners and their holdings of the physical commodity or commodities represented by the deposited warehouse receipts with the Central warehouse receipt registry shall constitute the authentic and definitive record of the holdings deposited or lodged with the warehouse and shall represent the final legal title of ownership.

(2) Where any discrepancies exist between another register of holdings for warehouse receipts outside the Central Warehouse Receipt Registry, the Central Warehouse Receipt Registry's Register shall be definitive.

(3) The Registry shall not mortgage, charge, hypothecate, pledge or deposit as collateral the deposit warehouse receipts unless otherwise provided by these Rules or mandated by a competent Court of law.

(4) The Central Warehouse Receipt Registry shall send electronically updated registers of warehouse receipts holders to facilities, registrars and Central Warehouse Receipt Registry account holders, subject to any applicable charges.

(5) To inspect the Registers, interested parties shall contact the Registry or any other premises designated by Registry during business hours.

Matters relating to beneficial owners

34. (1) Beneficial owners of warehouse receipts who wish to buy and or sell their commodity warehouse receipts on the Exchange shall open an account, appoint a custodian and deposit said receipts with the Central warehouse receipt registry.

(2) The account holder is permitted to transfer their warehouse receipts in one account with a custodian to another custodian registered in terms of these rules.

(3) By depositing warehouse receipts into the Registry, the beneficial owner acknowledges that the Registry shall convert the physical receipts into electronic form ("dematerialised form") and recorded into an electronic register that shall be maintained by the Registry.

(4) Upon depositing the warehouse receipt in the Registry and converting such warehouse receipts in electronic form, the account holder's central warehouse receipt registry account shall continue to be maintained by the custodian in respect to the commodity or commodities so deposited or lodged with the warehouse.

(5) The beneficial owner shall continue to enjoy all such rights and privileges and be subject to all such duties and obligations as a registered holder of the physical commodity or commodities would be entitled to, or subject to, under the Warehouse Receipt Act [*Chapter 18:25*] and the Warehouse Receipt (General) Regulations, 2020.

(6) Beneficial owners shall pay the applicable fees, charges or deposits to the Registry and the custodian as may be agreed to for opening and maintaining his or her or its account, for carrying out the instructions and for rendering such other services.

(7) The holding of warehouse receipts in the Registry account shall be subject to the Confidentiality Rules of the Exchange.

(8) No participant shall be under disclose any information on their principal or clients' accounts to third parties without the written consent of the Registry or the clients respectively.

Client holding statements

35. (1) The Registry shall send to the beneficial owner at the end of a period not exceeding six (6) months, a statement showing the number of book-entry warehouse receipts held in his or her central warehouse receipt registry account at the date of the statement, at no charge.

(2) On request by a custodian or beneficial owner, the Registry shall produce and maintain a client holding statement on all central warehouse receipt registry accounts opened by the beneficial owner holder at a charge.

(3) A client holding statement shall contain the following information—

- (a) the name of the account holder;
- (b) the name and quantity of the warehouse receipts held in deposit;

- (c) any movements over the period requested; and
- (d) any holdings that may have been pledged, hypothecated, mortgaged and or suspended;

(4) The ledger balance report shall be available to all account holders through the Registry participant or the Registry itself on request.

Withdrawal of warehouse receipts from Registry

36. An account holder may withdraw both the warehouse receipt and its underlying commodity or commodities for custody of their own choice subject to payment of the relevant withdrawal fees, the Exchange shall lodge with the warehouse operator and the custodian such documents as may be required to withdraw and transfer the warehouse receipt and the underlying commodity or commodities to the beneficial owner.

Withdrawal (rematerialisation) procedure

37. (1) A beneficial owner who wishes to withdraw his or her warehouse receipts from the Registry shall complete and sign a **Form ZMX 5** (“Withdrawal Request”) prescribed in the First Schedule and submit it through its custodian to the Exchange.

(2) A separate **Form ZMX 5** (“Withdrawal Request”) Form shall be completed for each category of warehouse receipt the beneficial owner may have lodged with the Registry.

(3) The custodian shall verify that the withdrawal request by its client has been duly authorised by the beneficial owner and is properly made.

(4) The custodian shall verify whether the sufficient relevant security balance is available in the Registry account of the beneficial owner.

(5) Complete and duly signed forms shall be delivered by the custodian to the Registry before 1200 hours (GMT) to be effected on the following business day.

(6) If **Form ZMX 5** is defective in any respect the Exchange shall notify the participant concerned of such deficiency, whereupon the custodian and its client shall take the necessary action to remedy the deficiency prior to re-submission.

(7) Upon receipt of a duly completed **Form ZMX 5**, the Exchange shall freeze the portion of warehouse receipt to be withdrawn within the account.

(8) If there is a sufficient balance in the Central Warehouse Receipt Registry Account, the Exchange shall advise electronically all such accepted rematerialisation requests to the custodian, warehouse and transfer secretary immediately to block the balance of the relevant portion of warehouse receipts to be withdrawn, following which the Exchange shall reduce the security balances to the extent of the rematerialised warehouse receipts in the respective custodian's or the respective beneficial owner's account as the case may be.

Hypothecation and pledging of warehouse receipts

38. (1) Only available warehouse receipts registered on the Registry and whose underlying commodity or commodities are warehoused with an admitted warehouse and warehouse operator or person may be hypothecated or pledged as collateral to a lender by the beneficial owner.

(2) Warehouse receipts hypothecated or pledged as collateral at the Exchange shall remain encumbered and shall not be available to trade or transfer to another person.

(3) A beneficial owner with a central warehouse receipt registry account wishing to hypothecate or pledge their warehouse receipts deposited with the Exchange as collateral shall approach a custodian who shall provide **Form ZMX 6** ("Hypothecation or Pledge Request Form") and **Form ZMX 7** ("Transfer of Entitlement Form") prescribed in the First Schedule, which forms shall be filled in accordingly and submitted to the Exchange in triplicate accompanied by—

- (a) written confirmation by the custodian of the beneficial owner that the latter is entitled, in its name, to such a number of warehouse receipts and the value of the underlying commodity or commodities as requested to be hypothecated or pledged;
- (b) the original loan agreement or any copy agreement giving rise of the hypothecation or pledge; and
- (c) any other documentation the Exchange may request from time to time.

(4) The Exchange shall process **Form ZMX 6** (“Hypothecation or Pledge Request Form”) and **Form ZMX 7** (“Transfer of Entitlement Form”) and the Transfer of Entitlement Form within five (5) business days of receipt of the application documents.

(5) Once the creation of the hypothecation or pledged warehouse receipt has been approved, the Exchange shall electronically lock or freeze the warehouse receipts and shall advise the beneficial owner (borrower), his or her custodian and the lender. A copy of **Form ZMX 6** and **Form ZMX 7** shall be delivered to the lender through the custodian of the beneficial owner.

(6) The Exchange may reject an application to for hypothecation or pledge of the warehouse receipts subject to the application as a result of any regulatory directive and shall advise the beneficial owner, his or her custodian and the lender of the reasons for the rejection.

(7) The lender shall be responsible for continuously appraising the quality of collateral value to support credit.

Liens

39. (1) An admitted credit provider shall register all liens against a client and his or her warehouse receipts with the Exchange.

(2) Where a stop-order is in place, the admitted credit provider shall indicate and provide the Exchange with proof of the existence of a stop-order against a warehouse receipt.

Invocation of hypothecation or pledge

40. (1) Subject to the provisions of the hypothecation or pledge documents, the pledgee may invoke the hypothecation or pledge as the case may be through his or her custodian.

(2) On receipt of such invocation and supporting documents as required, the Exchange shall register the hypothecate or pledgee as the beneficial owner of the warehouse receipts concerned and where necessary transfer the said warehouse receipts to the central warehouse receipt registry account of the hypothecate or pledgee.

(3) The Exchange shall amend its records accordingly and immediately advise the custodian and the warehouse operator concerned.

Cancellation of hypothecation or pledge

41. (1) Where the beneficial owner meets his obligations under the hypothecation or pledge agreement, the custodian shall notify the Exchange of a cancellation of a hypothecation or pledge on warehouse receipts of its clients.

(2) Upon receipt notice of cancellation of the hypothecation or pledge from the custodian the Exchange shall unlock or release the warehouse receipts concerned, following which, the Exchange shall advise the beneficial owner, his or her custodian and the lender of the availability of the warehouse receipt for trading.

PART VI

TRADING AND SETTLEMENT

Opening of central warehouse receipt registry account

42. Any person wishing to trade in warehouse receipts shall open a central warehouse receipt registry account, appoint a custodian and ensure that the following is submitted to the Central Warehouse Receipt Registry—

- (a) a completed and signed **Form ZMX 8** (“Account Opening”);
- (b) certified copy of identity (local residents) or a certified copy of passport and two passport sized photos in the case of foreigners;
- (c) proof of residence (not more than 3 months old from the date of submission);
- (d) in the case of corporates—
 - (i) legal status and certified copies of the incorporation documents;
 - (ii) the ownership and control structure of the entity and the ultimate beneficial owners;
 - (iii) identity of the directors and their proof of residence;
 - (iv) identity of any person purporting to act on behalf of the entity;

- (v) a resolution by the Board of directors to open a Central Warehouse Receipt Registry Account and trade in the warehouse receipts, and identification of those who have authority to operate the investment account; and
- (e) proof of payment of the applicable fee.

Closing of central warehouse receipt registry account

43. Upon the withdrawal of the warehouse receipt and commodities from the warehouse under section (withdrawal from central registry) and has no outstanding payments due to the Exchange, the beneficial owner may at any time terminate his or her account.

Wholesale market

44. (1) The wholesale market shall be for the buying of strategic commodities whose eligibility for the wholesale market shall be guided by the relevant enactments or by the Exchange in consultation with the Authority.

(2) The Exchange shall approve and register admitted participants permitted to participate during the pre-auction and the commodity type the participant is eligible to trade in.

(3) The Exchange shall publish any registration or cancellation of registration of a wholesale market participant and its eligible commodities through its website or any other means of communication as the Exchange deems appropriate.

(4) The eligibility of commodities to be bought and sold on the wholesale market shall be determined by law and or by the Exchange in consultation with the regulator from time to time. The Exchange shall publish the official list of eligible wholesale market commodities through its website or any other means of communication as the Exchange deems appropriate.

(5) The Exchange shall authorise admitted participants to participate in the wholesale market on a case-by-case basis.

Trading periods and sessions in wholesale market

45. (1) Trading on the Exchange wholesale market shall be conducted during the sessions set out in the Table A in the Second Schedule—

(2) The wholesale market shall be open for trading on business days in Zimbabwe.

(3) The wholesale market shall be a market for buying of strategic commodities during designated periods of time.

(4) The buying of strategic commodities shall be for a minimum of a four-week period at any given time on a commodity-by-commodity basis. The Exchange shall publish through its website or any other means of communication as the Exchange deems appropriate the annual calendar for the opening and closing periods of the wholesale market for each commodity type as guided by the law and or in consultation with the regulator.

(5) Where the Exchange is satisfied that the buyers have fulfilled their target strategic commodity reserve, the Exchange may at its discretion close the wholesale market ahead of the published closing date.

(6) In consultation with the regulator, and where the buyers have failed to fulfil their target strategic commodity reserve, the Exchange may extend the wholesale trading period and shall publish the revised dates on its website or any other means of communication as the Exchange deems appropriate.

Trading sessions in open market

46. (1) Trading on the Exchange shall be conducted during the sessions set out in the Table B in the Second Schedule.

(2) The Exchange shall be open for trading on business days in Zimbabwe.

(3) For the purpose of trading on the Exchange, the time that shall apply is the time shown on the ATS.

(4) During trading hours, warehouse receipts dealers shall enter orders into a central order book using channels approved by the Exchange.

Official price list and other market data

47. (1) The Exchange shall publish information on the prices, traded volumes, indices and any other market data.

(2) No persons shall be allowed to publish information on prices, trading volumes, indices or other market data without obtaining prior approval from the Exchange.

(3) Any person who is not a participant who contravenes subsection (2) shall be guilty of an offence and liable to fine not exceeding level 4 or to imprisonment for a period not exceeding three months or to both such fine and such imprisonment.

Automated trading system trade matching mechanisms

48. All orders shall be ranked in the order book by reference to price and time as follows—

- (a) priority shall be given to the best bid and best offer;
- (b) when buy or sell orders are entered at the same buy or sell price, priority shall be given to the earliest buy or sell order on a first-in-first-out basis; and
- (c) where a partial execution of an order occurs, the remaining volume will be registered in the order book preserving its original time stamp.

Types of orders

49. (1) An order qualified as immediate or cancel—

- (a) shall be executed immediately upon entry if there is a matching order in the system, otherwise it shall be immediately cancelled;
- (b) If partly executed, the remainder shall be immediately cancelled;
- (c) shall not be entered during the pre-open session.

(2) An order qualified as good till cancelled—

- (a) shall remain in the order book until cancelled by the warehouse receipts dealer responsible for its entry;
- (b) if not matched or cancelled after thirty (30) calendar days, shall be automatically cancelled from the system.

(3) An order qualified as good till day order, requires the warehouse receipts dealer to specify the date on which the order shall be automatically cancelled from the system if it remains unmatched.

(4) An order qualified as day order, shall remain valid until the close of the trading day on which it was entered, after which it shall be automatically cancelled from the system.

(5) An order qualified as limit order, is an order specifying the price and volume.

(6) An order qualified as market order, has no price limit and may be executed either in full or in part against eligible orders, at the price of a new order entered into the central order book or at the last trading price.

Buying and selling procedure in wholesale market

50. (1) The buyers shall determine the price at which the commodities will be bought and sold on the wholesale market and the sellers willing to sell their commodities shall post their sale orders within the approved circuit breaker of the Exchange.

(2) Where there are outstanding buy and or sale orders following the close of the wholesale market trading period, those buy and or sale orders shall automatically be posted by the ATS onto the open market to be matched with a willing seller of buyer unless cancelled by the client or participant.

Buying and selling procedure in open market

51. (1) Every client shall open and maintain a warehouse receipts trading account which shall be identified by a unique client identification number generated by the system.

(2) A client shall buy or sell his or her warehouse receipts by placing a buy or sale order within the permitted price bandwidth as set by the Exchange from time to time.

(3) The warehouse receipts dealer shall send a contract note to the client within 24 hours of a matched deal. The contract note shall provide details of the trade, including but not limited to—

- (a) price;
- (b) volume traded;
- (c) consideration;
- (d) statutory fees;
- (e) trading and settlement fees; and
- (f) brokerage fees.

(4) Every matched trade shall be affirmed by a custodian.

Amendments of trade information

52. A trade may be amended before settlement, with the approval of the Exchange in the following circumstances when—

- (a) made in error;
- (b) the parties to the trade have consented in writing to the amendment; and
- (c) there is no prejudice to the interests of other client.

Commodity brokers

53. (1) The Exchange shall admit licensed commodity brokers in terms of section 9(5) who shall be permitted to—

- (a) trade in warehouse receipts on their own account; and
- (b) broker or deal in warehouse receipts on behalf of a client and provide investment advice.

(2) To be a certified commodities broker on the Exchange, authorised to broker or deal in warehouse receipts on behalf of a client and provide investment advice, an applicant must—

- (a) be under the management of a chief executive or managing director who has practised as a commodities broker for at least two years; and

- (b) have at least two authorised users each of whom must—
 - (i) be at least twenty-one years old;
 - (ii) have the following minimum educational qualifications—
 - A. five passes at “O” Level, or the equivalent, in subjects that include English and Mathematics; and
 - B. two passes at “A” Level or the equivalent;
 - (iii) have undertaken training conducted by the Exchange; and
 - (iv) have worked with a commodity trading environment for at least eighteen months.
 - (v) in lieu of the experience specified in subparagraph (2)(ii), the Exchange may accept a shorter period, provided the person—
 - (vi) possess any of the following degrees or qualifications awarded or issued by a reputable institution of higher learning—
 - A. B.Sc (Agriculture);
 - B. B.Com.;
 - C. B. Acc.;or any other qualification which, in the opinion of the Exchange, is equivalent to any those qualifications.

(3) Where the Exchange deems it necessary, the Exchange may require commodity brokers to receive additional training or partake in continuous training sessions to be offered by the Exchange.

(4) Upon successful completion of the training referred to under subparagraph 2(iii), a commodity broker shall be issued with a commodities broking certificate in **Form ZMX 4** detailing any special terms and conditions of his or her activities in accordance with section 10.

(5) Upon expiry of a commodities broking certificate, a certificate holder may renew it in accordance with section 10(6).

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(6) The list of eligible commodity brokers who have successfully completed the training as under section 51 and are certified by the Exchange to broker or deal in warehouse receipts on behalf of a client shall be published on the Exchange website and through any other means of communication as the Exchange deems appropriate.

Market maker's requirements

54. (1) The Exchange may designate an admitted participant as a market maker on a commodity it is eligible to trade in.

(2) The Exchange shall publish any designation or cancellation of designation of a market maker and its eligible commodities through its website and any other means of communication as the Exchange deems appropriate.

(3) The market maker shall provide the Exchange with proof of ownership of commodities to be used as the market making float; and the availability of funds to be used as the float that may be prescribed by the Exchange from time to time on a commodity-by-commodity basis.

(4) Every market maker shall maintain the cash and commodities float prescribed or approved by the Exchange with its custodian.

(5) The market maker shall provide the Exchange with a report on the balance of its cash and commodities account on a daily basis by the close of each trading session.

(6) Each market maker shall be required to file and keep a current list identifying all accounts for trading in an underlying commodity, related commodity futures or options on commodity futures or any other related commodity derivatives, that the market maker may have or over which it may exercise investment discretion.

(7) Every market maker shall make available to the Exchange such books, records or other information pertaining to transactions in the underlying physical commodity, related commodity futures or options on commodity futures or any other related commodity derivatives, as may be requested by the Exchange from time to time.

(8) In connection with trading the underlying physical commodity, related commodity futures or options on commodity futures or any other related commodity derivatives, a market maker shall not be permitted to use any material non-public information received from any person associated with the market maker or employee of such person regarding trading by such person or employee in the physical commodity, commodity futures or options on commodity futures or any other related commodity derivatives.

Obligations of a market maker

55. A market maker shall at all times maintain a continuous two-sided quote during each trading session.

Deregistration of market maker

56. A market maker may be deregistered as a market maker, without this affecting its prior obligations to the market and to the parties operating in the market in the following cases—

- (a) if the market maker is suspended from the conduct of the activity of a market maker or its licence is cancelled by the Agricultural Marketing Authority; or
- (b) is expelled from the Exchange in terms of section 12.

Market maker trading process

57. (1) The Exchange shall assign a unique trading number to the market maker that shall be distinct from other trading numbers and ensure complete separation between the market making activity and any other activity conducted by the same entity.

(2) The ATS shall identify the deals and classify them as being made by a particular market maker.

(3) The market maker shall post buy or sale orders to the ATS during the closing session and the same matching priorities shall apply.

(4) The market maker shall enter executable buy and sale orders on the commodity types it is eligible to trade in.

(5) In entering such buy and sale orders, the market maker shall observe the following—

- (a) approved minimum order sizes; and
- (b) maximum spread between buy and sale prices set by the Exchange from time to time with regards to market marking.

(6) The market maker shall be exempted from its obligation to enter executable buy and sale order on eligible commodities in the following conditions—

- (a) during suspension or trading halt on the eligible commodity type; or
- (b) if the market maker exceeded the permitted maximum float; or
- (c) if the market maker exceeds the permitted trading ceiling that may be set by the Exchange from time to time.

Clearing process

58. (1) A trade shall not be affected through the Registry if the parties to the trade are not a participant. A non-participant who wishes to effect trades through the Registry shall appoint a participant to act on their behalf as the agent of such non-participant.

(2) Any amendments to trade shall be made in accordance with the rules of the Exchange and shall immediately be reported to the Registry prior to settlement in accordance to section 55 and the settlement of trade rules of the Exchange.

(3) The reporting and confirmation of a trade to the Central Warehouse Receipt Registry from the Exchange shall constitute the agreement between participants on behalf of their clients and the Central Warehouse Receipt Registry to clear and settle the trade through the Registry in accordance with these rules and that of the Exchange.

(4) The seller of the warehouse receipts to the transaction should ensure that the handling and warehouse storage charges are paid and up to date or the Registry may fail to clear the trade.

Settlement of trades

59. (1) The settlement of trades shall be made through the delivery of the warehouse receipts and payment of the funds.

(2) Cash settlements shall be in the legally recognised currency of Zimbabwe.

(3) At the option of the buyer of the warehouse receipts, settlement may include the delivery of the underlying physical commodity or commodities in accordance with Part VI of these rules.

(4) The settlement date, when the available warehouse receipts, sufficient to cover the transaction, are in the central warehouse receipt registry account of the seller and the custodian affirms the availability of the funds with the settlement bank, the trade will automatically be settled by the Exchange.

(5) Upon settlement of a trade, the buyer's central warehouse receipt registry account shall be credited with the warehouse receipts being the object of the trade and seller shall receive the corresponding payment.

(6) Any warehouse storage charges prepaid by the seller of the warehouse receipts for a period extending beyond the delivery day (but not more than 30 calendar days) shall be refunded by the Central Warehouse Receipt Registry or the Facility.

(7) Upon completion and settlement of the warehouse receipts and payment, all such transactions shall be final and irrevocable.

Delayed settlement

60. Where a participant fails to effect payment for traded warehouse receipts by or before 09h00 (GMT) on the day the settlement becomes due, the participant shall be liable to a fine for late settlement prescribed and published by the Exchange from time to time through its website or any other means of communication as the Exchange deems appropriate.

PART VII

COMPLAINTS AND DISPUTE RESOLUTION

Interpretation of Part

61. In this Part—

“complaint” means a complaint in relation to the provision of regulated services, in which the client alleges that he or she has suffered, or is likely to suffer, financial prejudice as a result of the participant—

- (a) contravening or failing to comply with any instruction given by the client, or any agreement or mandate entered into the client;
- (b) contravening or failing to comply with these rules, guideline and the directives of the Exchange;
- (c) acting dishonestly, negligently or recklessly; or
- (d) treating the client unreasonably or unfairly.

Internal complaint handling procedures

62. (1) Every participant must establish and maintain appropriate procedures for the handling of client complaints.

(2) A participant’s internal complaint handling procedures must provide for—

- (a) the receipt of oral or written complaints;
- (b) the appropriate investigation of complaints;
- (c) an appropriate decision-making process in relation to the response to a client complaint;
- (d) notification of the decision to the client; and
- (e) the recording of complaints.

(3) A participant’s internal complaint handling procedures must be designed to ensure that—

- (a) all complaints are handled fairly, effectively and promptly;

- (b) recurring or systemic problems are identified, investigated and remedied;
- (c) the number of unresolved complaints to be referred to the Exchange in terms of the section 66 are minimized;
- (d) complaints are investigated by an employee of sufficient competence who, where appropriate, was not directly involved in the matter which is the subject of a complaint;
- (e) the employee responsible for the resolution of complaints has the necessary authority to resolve complaints or has ready access to an employee who has the necessary authority; and
- (f) relevant employees are aware of the participant's internal complaint handling procedures and comply with them.

Timely response to, and resolution of complaints

63. A participant must acknowledge, to the client, receipt of their complaint within 24 hours. If the complaint is not dealt with, or cannot reasonably be dealt with, within 48 hours the participant must inform the Exchange of the outstanding complaint without delay. In any case, the participant must resolve a client complaint within two weeks of receiving the complaint or, within such period, provide the complainant with an appropriate explanation as to why the participant is not, at that time, in a position to resolve the complaint and must indicate by when the participant will resolve the complaint.

Redress

64. (1) Where a participant decides that redress in the form of compensation is appropriate in resolving a complaint, the participant must provide the complainant with fair compensation and must comply with any offer of compensation made by it which the complainant accepts.

(2) Where a participant decides that redress in a form other than compensation is appropriate in resolving a participant, the participant must provide the redress as soon as practicable.

Recording of complaints

65. (1) A participant must maintain a record of all client complaints. The record of each complaint must for a minimum include—

- (a) the identity and full contact details of the complainant;
- (b) the substance of the complaint;
- (c) all correspondence in relation to the complaint; and
- (d) the resolution where one is reached or the status of the progress in resolving the complaint.

(2) The records referred to in subsection (1) must be retained by the participant for a period of seven (7) years from the date of the receipt of the complaint.

Unresolved client complaints

66. (1) A client complaint will be deemed to be unresolved if the complainant is not satisfied with the resolution of the complaint proposed by the member or if a client complaint is not resolved within 4 weeks of the member receiving the complaint.

(2) A complainant may lodge an unresolved complaint, in writing, with the Exchange giving full particulars of the matter concerned.

(3) In order for an unresolved complaint to be considered by the Exchange, the complaint must be lodged with the Exchange four (4) weeks of the receipt by the complainant of the participant's response referred to in section 59 and within three months of the conduct by the participant giving rise to the complaint.

(4) An unresolved complaint which is lodged subsequent to the period referred to in subsection (3) will be considered, provided that failure to lodge the complaint within the relevant period was through no fault of the client.

(5) The Exchange may request the member and the complainant to provide copies of all relevant correspondence and documentation that is required to review the complaint.

(6) The Exchange will endeavour to facilitate a resolution of the complaint between the participant and the complainant.

(7) If the complaint remains unresolved, it will be dealt with in accordance with section 67 to section 70.

Applicability of dispute resolution rules

67. (1) The dispute resolution provided in terms of this Part is intended to facilitate the equitable and expeditious settlement of disputes that—

- (a) a client has with a member, in respect of an unresolved complaint;
- (b) a participant has with another participant, in respect of transactions on the Exchange; or
- (c) a participant has with a client, in respect of transactions on the Exchange.

(2) Dispute resolution only applies—

- (a) where the amount in dispute is in excess of USD \$100 000,00;
- (b) where the dispute is not the subject of existing litigation;
- (c) in the case of a dispute that a participant has with another participant, if the participants are able to evidence to the satisfaction of the Exchange that reasonable endeavours have been made by the said participants to resolve the dispute, and if the consent of both parties to proceed has been obtained; or
- (d) in the case of a dispute that a participant has with a client, if the consent of the client to proceed has been obtained.

Reporting of a dispute

68. (1) An unresolved client complaint that the Exchange is not able to resolve will be reported as a dispute to the Dispute Resolution Committee (being a committee of the Exchange set up for dispute resolution purposes) if the client elects to pursue the dispute resolution process.

(2) A dispute between two participants in respect of transactions on the Exchange must be reported in writing, by either participant, to the Exchange, within fourteen (14) calendar days of the circumstance giving rise to the dispute having arisen.

(3) A dispute that a participant has with a client in respect of transactions on the Exchange must be reported in writing, by the participant, to the Exchange, within six months of the circumstance giving rise to the dispute having arisen.

(4) The Exchange may, at any time, request any of the parties to a dispute to furnish the Exchange with such further information relating to the dispute as may be required.

Declaration of a dispute

69. A dispute reported in terms of section 63 will, subject to the criteria set out in section 66(3) having been met, be declared a dispute by the Exchange.

Arbitration procedure

70. (1) Any dispute, if not settled mutually between the participants, shall be referred to arbitration under the rules of the Commercial Arbitration Centre in Harare.

(2) The number of arbitrators shall be three (3). In the event of a failure to agree between the Parties on the choice of the arbitration panel within fourteen (14) calendar days, the Chairman of the Commercial Arbitration Centre in Harare shall appoint the arbitrator under its rules.

(3) The language to be used in the arbitral proceedings shall be English.

(4) The proceedings shall take place in Harare.

(5) The arbitrators will report their decision to the Exchange and the disputants. The arbitrators' determination will be final subject to the right of an aggrieved party to appeal to the Exchange within 14 days of the arbitrators' determination.

Costs of the proceedings

71. The parties to the arbitration proceeding in terms of section 66 shall bear equally between them the fees and expenses of the arbitration.

PART VIII

GENERAL

Delivery facilities

72. (1) Each admitted warehouse operator shall provide its delivery logistics scheme to ensure it has the necessary facilities to provide swift in-and-out delivery of the commodities.

(2) The delivery logistics scheme shall comply with the following minimum requirements—

- (a) provide written guarantee by the Board of the warehouse operator to the Exchange to ensure the performance of its obligations according to these Rules and if any conditions are outlined in the approval;
- (b) provide proof of insurance against any loss or damage that may incurred as the warehouse operator carries out its responsibilities;
- (c) disclose any material issues;
- (d) where a third party is contracted by the warehouse operator to cater for the delivery and logistics services, a certified copy of the agreement shall be provided and the warehouse operator shall take full responsibility for that party's actions.

(3) In the event a warehouse operator becomes unable to accept for delivery or make a timeously delivery of any commodity, whether due to capacity limitations or any other reason, it shall immediately notify the Exchange, in writing, of such circumstance, describing in detail the relevant issues. In such an instance, the warehouse operator may face a fine equivalent to that of a delayed settlement fine.

(4) The Exchange, at its discretion can appoint or identify a single delivery and logistics company to deliver commodities in-and-out of the admitted warehouses.

*Voluntary withdrawal or termination of provision of delivery and
logistics services*

73. (1) Where a warehouse operator wishes to terminate its provision of delivery and logistics services, it shall deliver a written notice to the Exchange of its intention to terminate its services to the Exchange not less than ninety (90) calendar days prior to the proposed date of termination.

(2) The Exchange may terminate the provision of delivery and logistics services of a specific warehouse operator if it is in breach of any of the provision of these rules and or in the opinion of the Exchange is no longer adequately capable of providing said services at the standard expected by the Exchange.

Appeals

74. (1) Participants who are aggrieved by a decision of the Exchange taken in terms of section 10 and section 12 shall be entitled to appeal in writing, to an Appeals Committee of the Exchange.

(2) An appeal under subsection (1) must be lodged within fourteen days after the participant was notified of the decision that is the subject of the appeal.

(3) Representatives of the participant and its advisers may attend and address the Appeals Committee during the deliberations of the committee.

(4) The decision of the Appeals Committee in an appeal under this Part shall be final under the Exchange but further appeals may be made in writing to Authority.

FIRST SCHEDULE (Sections 9, 37 and 38)



PARTICIPANTS APPLICATION FORM ZMX 1

For KYC, Registration, Trading and Settlement on ZMX

PART A: APPLICANT DETAILS		
A.1	Name of Legal Entity	
A.2	Trade Name	
A.3	Corporate Registration No	
A.4	Address of Principal Place of Business	
A.5	Postal Address	
A.6	Telephone Number	
A.7	Web Address/URL	
A.8	Primary contact person of the applicant	Name:
		Title:
		Telephone (direct):
		Mobile Number:
		Email:
A.9	Compliance Officer of the applicant	Name:
		Telephone (direct):
		Mobile Number:
		Email:

PART B: PARTICIPATION CLASS		
Please indicate the participant class to which the applicant is seeking admission:		Tick as Preferred
	B1 warehouse	
	B2 warehouse Operator	
	B3 warehouseperson	
	B4 Commodities Broker	
	B5 Custody	
	B6 Clearing & Settlement	

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PART B: PARTICIPATION CLASS			
		B7 Credit Provider	
		B8 Other Specify: _____ _____	

PART C: REGULATORY CLEARANCE				
Please indicate whether the applicant currently holds one or more authorisations to provide commodity warehouse related and financial services				
		*Licence/ Certificate 1	*Licence/ Certificate 2	*Licence/ Certificate 3
C.1.1	The Issuing Authority:			
C.1.2	Type of Licence:			
C.1.2	Licence Certificate Number:			
C.1.2	Date of Issue:			
C.1.2	Date of Expiry (If Applicable):			
		*Please provide a certified copy of each licence/certificate of registration		

PART D: WAREHOUSE PERSON CREDENTIALS	
warehouseperson 1	*Attach a certified copy of identity document and the applicable licence/certificate of registration
First Name(s)	
Surname	
Citizenship	
Identity Number	
Residential Address	
Position	
Telephone	
Mobile	
Email	
IP Address 1 (Office)	
IP Address 2 (Home)	

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warehouseperson 2	*Attach a certified copy of identity document and the applicable licence/certificate of registration
First Name(s)	
Surname	
Citizenship	
Identity Number	
Residential Address	
Position	
Telephone	
Mobile	
Email	
IP Address 1 (Office)	
IP Address 2 (Home)	

PART E: PRINCIPAL OFFICER CREDENTIALS	
PRINCIPAL 1	*Attach a certified copy of identity document and any applicable licence/certificate of registration
First Name(s)	
Surname	
Citizenship	
Identity Number	
Residential Address	
Position	
Telephone	
Mobile	
Email	
IP Address 1 (Office)	
IP Address 2 (Home)	
PRINCIPAL 2	*Attach a certified copy of identity document and any applicable licence/certificate of registration
First Name(s)	
Surname	
Citizenship	
Identity Number	
Residential Address	

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Position	
Telephone	
Mobile	
Email	
IP Address 1 (Office)	
IP Address 2 (Home)	
SYSTEM ADMINISTRATOR	*Attach a certified copy of identity document
First Name(s)	
Surname	
Citizenship	
Identity Number	
Residential Address	
Position	
Telephone	
Mobile	
Email	
IP Address 1 (Office)	
IP Address 2 (Home)	

PART F: AUTHORISED USER CREDENTIALS	
USER 1	*Attach a certified copy of identity document
First Name(s)	
Surname	
Citizenship	
Identity Number	
Residential Address	
Position	
Telephone	
Mobile	
Email	
IP Address 1 (Office)	
IP Address 2 (Home)	
USER 2	*Attach certified copy of identity document
First Name(s)	
Surname	

Citizenship	
Identity Number	
Residential Address	
Position	
Telephone	
Mobile	
Email	
IP Address 1 (Office)	
IP Address 2 (Home)	
USER 3	*Attach copy of identity document and proof of residence
First Name(s)	
Surname	
Citizenship	
Identity Number	
Residential Address	
Position	
Telephone	
Mobile	
Email	
IP Address 1 (Office)	
IP Address 2 (Home)	
USER 4	*Attach certified copy of identity document
First Name(s)	
Surname	
Citizenship	
Identity Number	
Residential Address	
Position	
Telephone	
Mobile	
Email	
IP Address 1 (Office)	
IP Address 2 (Home)	

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PART G: THE APPLICANT'S DECLARATION

I/We, the undersigned, being duly authorised, hereby seek admission of the applicant as a Market Participant of the Zimbabwe Mercantile Exchange (Private) Limited ["ZMX"] and be allowed access to the commodity trading platforms and systems and market of ZMX on the terms set out in the Zimbabwe Mercantile Exchange, Rules, 2021, as may be amended from time to time.

We affirm that the information provided is complete and accurate. We will notify ZMX of any other information which is relevant to the application and we will immediately advise ZMX of any significant changes in the information provided, in this application form, that may occur after the date of submission of the application and prior to receiving notification of ZMX's decision.

I/We allow ZMX to request and obtain information from, and pass information to, regulatory authorities in Zimbabwe and elsewhere as may be required. In particular, ZMX may share information regarding the applicant as is necessary to assess the application.

	Authorised Signatory 1	Authorised Signatory 2
Name		
Designation		
Signature		
Date		

CERTIFICATE OF ADMISSION ZMX 2



**ZIMBABWE MERCANTILE EXCHANGE (PRIVATE)
LIMITED**

CERTIFICATE OF ADMISSION – PARTICIPANT

This is to certify that.....
has been admitted as a in terms of section 9(6) of
the Agricultural Marketing Authority (Zimbabwe Mercantile Exchange) Rules,
2021

This certificate is issued for the year and shall remain in force until the 31st December of that year. The fee for the renewal of participation is

Compliance Officer

Date Stamp

For: ZMX Membership and Business Conduct Committee



PARTICIPANTS RENEWAL APPLICATION FORM ZMX 3

For the renewal of Participation on ZMX

PART A: APPLICANT DETAILS		
A.1	Name of Legal Entity	
A.2	Trade Name	
A.3	Primary contact person	Name:
		Title:
		Telephone (direct):
		Mobile Number:
		Email:

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PART B: REGULATORY CLEARANCE

		Please indicate currently holding one or more authorisations to provide commodity warehouse related and financial services		
		*Licence/ Certificate 1	*Licence/ Certificate 2	*Licence/ Certificate 3
B.1.1	The Issuing Authority:			
B.1.2	Type of Licence:			
B.1.2	Licence/ Certificate Number:			
B.1.2	Date of Issue:			
B.1.2	Date of Expiry (If Applicable):			
		*Please provide a certified copy of each valid licence/ certificate of registration or proof of letter of renewal		

PART C: AUTHORISED USER CONFIRMATIONS

*Kindly confirm list of authorised users. If new user, please attach certified copies of their Identity Documents

USER 1

First Name(s)	
Surname	
Position	
Telephone	
Mobile	
Email	

USER 2

First Name(s)	
Surname	
Position	
Telephone	
Mobile	
Email	

USER 3	
First Name(s)	
Surname	
Position	
Telephone	
Mobile	
Email	
USER 4	
First Name(s)	
Surname	
Position	
Telephone	
Mobile	
Email	
USER 5	
First Name(s)	
Surname	
Position	
Telephone	
Mobile	
Email	
USER 6	
First Name(s)	
Surname	
Position	
Telephone	
Mobile	
Email	
USER 7	
First Name(s)	
Surname	
Position	
Telephone	
Mobile	
Email	

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USER 8	
First Name(s)	
Surname	
Position	
Telephone	
Mobile	
Email	

PART E: THE APPLICANT'S DECLARATION

I/We, the undersigned, being duly authorised, hereby seek renewal as a Market Participant of the Zimbabwe Mercantile Exchange (Private) Limited ["ZMX"] and be allowed to continue to access the commodity trading platforms, systems and market of ZMX on the terms set out in the Agricultural Marketing Authority (Zimbabwe Mercantile Exchange), Rules, 2021, as may be amended from time to time.

We affirm that the information provided is complete and accurate. We will notify ZMX of any other information which is relevant to the application and we will immediately advise ZMX of any significant changes in the information provided, in this participation renewal form, that may occur after the date of submission of the application and prior to receiving notification of ZMX's decision.

I/We allow ZMX to request and obtain information from, and pass information to, regulatory authorities in Zimbabwe and elsewhere as may be required. In particular, ZMX may share information regarding the applicant as is necessary to assess the application.

	Authorised Signatory 1	Authorised Signatory 2
Name		
Designation		
Signature		
Date		

CERTIFICATE OF ADMISSION ZMX 4

For the admission of a Commodities Broker on the Exchange



**ZIMBABWE MERCANTILE EXCHANGE (PRIVATE) LIMITED
COMMODITIES BROKING CERTIFICATE**

This is to certify that has successfully completed the course on commodities broking and trading offered by the Exchange and has been admitted as a ZMX Commodities Broker in terms of section ... of the Agricultural Marketing Authority (Zimbabwe Mercantile Exchange) Rules, 2021

This certificate is issued for the year and shall remain in force until the 31st December of that year. The fee for the renewal of participation is

Compliance Officer

Date Stamp

For: ZMX Membership and Business Conduct Committee

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**CENTRAL WAREHOUSE RECEIPT REGISTRY WITHDRAWAL
REQUEST FORM ZMX 5**

For deposit or withdrawals of commodities and warehouse receipts Zimbabwe Mercantile Exchange (Private) Limited.

PART A: APPLICANT DETAILS

A.1	Full Name	
A.2	Title	
A.3	Telephone	
A.4	Mobile Number	
A.5	Telephone Number	
A.6	Residential Address	
A.7	Email	
A.8	ID Number	
A.9	CSD Number	

PART B: COMMODITY DETAILS

	Commodity/warehouse Receipt	Quantity	Purpose of Deposit
B.1			
B.2			
B.3			
B.4			
B.5			

PART C: APPLICANT SIGNATURE(S)			
		*Attach a certified copy of identity documents	
		Authorised Signatory 1	Authorised Signatory 2/Witness
C.1	Name		
C.2	Designation		
C.3	Signature		
C.4	Date		
PART D: FOR OFFICE USE			
		Central warehouse receipt registry Signatory 1	Central warehouse receipt registry Signatory 2
D.1	Name		
D.2	Designation		
D.3	Signature		
D.4	Date		

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**CENTRAL WAREHOUSE RECEIPT REGISTRY HYPOTHECATION/
PLEDGE FORM ZMX 6**

For the hypothecation or pledging of commodities

PART A: APPLICANT DETAILS (BORROWER)

	Please indicate the transaction to which the applicant is seeking		Tick Preferred
	1. Hypothecation/Pledge Request		
	2. Hypothecation/Pledge Release		
A.1	Name		
A.2	Title		
A.3	Telephone		
A.4	Mobile Number		
A.5	Telephone Number		
A.6	Residential Address *attach proof not more than 3 months old		
A.7	Email		
A.8	ID Number		
A.9	CSD Number		

PART B: COMMODITY DETAILS

	Commodity/ warehouse Receipt Security	Quantity	Purpose of Deposit
B.1			
B.2			
B.3			
B.4			
B.5			

PART C: LOAN DETAILS			
C.1	Lender Details	Name: Surname: ID Number: CSD Number:	
C.2	Loan Amount		
C.3	Currency		
C.4	Tenure of the Loan		
C.4	Effective Interest		
PART D: APPLICANT SIGNATURE(S)			
		Authorised Signatory 1	Authorised Signatory 2/ Witness
D.1	Name		
D.2	Designation		
D.3	Signature		
D.4	Date		
PART E: LENDER'S SIGNATORIES			
		*Attach supporting documents and loan details	
		Signatory 1	Signatory 2
E.1	Name		
E.2	Designation		
E.3	Signature		
E.4	Date		
PART F: FOR OFFICE USE			
		Signatory 1	Signatory 2
F.1	Name		
F.2	Designation		
F.3	Signature		
F.4	Date		
	Application Approved/ Denied Reasons for Denial		

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TRANSFER OF ENTITLEMENT FORM ZMX 7
For transfer of commodities

FOR THE CONSIDERATION stated below the “Transferor(s)” named herein do hereby transfer to the “Transferee(s)” named herein the warehouse receipts, commodities or warehouse receipts specified below subject to several conditions on which the warehouse receipts are now being held.

PART A: APPLICANT DETAILS

A.1	Name	
A.2	Title	
A.3	Telephone	
A.4	Mobile Number	
A.5	Telephone Number	
A.6	Email	
A.7	ID Number	
A.8	CSD Number	

PART B: COMMODITY DETAILS

	Commodity/Warehouse Receipt/ Security	Quantity	Purpose or Reason of transfer
B.1			
B.2			
B.3			
B.4			
B.5			

PART C: TRANSFEREE DETAILS

C.1	Name	
C.2	Title	
C.3	Telephone	
C.4	Mobile Number	
C.5	Telephone Number	
C.6	Email	
C.7	ID Number	
C.8	CSD Number	

PART D: APPLICANT SIGNATURE(S)			
		Authorised Signatory 1	Authorised Signatory 2/ Witness
D.1	Name		
D.2	Designation		
D.3	Signature		
D.4	Date		
PART E: FOR OFFICE USE			
		Signatory 1	Signatory 2
E.1	Name		
E.2	Designation		
E.3	Signature		
E.4	Date		



**CENTRAL WAREHOUSE RECEIPT REGISTRY ACCOUNT OPENING
FORM ZMX 8**

For opening a central warehouse receipt registry account for warehouse receipts on Zimbabwe Mercantile Exchange (Private) Limited

PART A: APPLICANT DETAILS		
A.1	Full Name	
A.2	Title (Mr/Mrs/Miss/Dr/Prof/Hon.)	
A.3	Residential Address *attach proof not more than 3 months old	
A.4	Telephone	
A.5	Mobile Number	
A.6	Telephone Number	
A.7	Email	
A.8	ID Number	
A.8	CSD Number	

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PART B: APPLICANT SIGNATURE(S)			
		*Attach a certified copy of identity documents	
		Authorised Signatory 1	Authorised Signatory 2/Witness
B.1	Name		
B.2	Designation		
B.3	Signature		
B.4	Date		
PART C: FOR OFFICE USE			
		Signatory 1	Signatory 2
C.1	Name		
C.2	Designation		
C.3	Signature		
C.4	Date		

SECOND SCHEDULE (*Section 45*)

TABLES

Table A

Trading Sessions	
(a) Pre-Open [0800 - 0900Hrs]	(i) Volume Order imbalance shall be displayed in the Pre-Order Book during pre-open.
	(ii) The price input for an Order shall be based on the closing price in the previous trading session of the security and shall be within its price spread.

(b) Wholesale Auction[0900Hrs]	(i) The opening price of each security shall be calculated by the ATS during the opening auction.
	(ii) The opening price of each security shall be within the daily allowed price movement limits as prescribed by the Exchange from the closing price of the previous trading session.
	(iii) The opening price of a security shall be the price at which the greatest number of securities is matched.
	(iv) Valid orders from the previous day's trading session shall participate in the auction, preserving their time priority.
	(v) Where there are no trades in a security during the opening auction, the opening price for continuous trading shall be the closing price of the security in the previous trading session.
	(vi) All orders that are not matched during the opening auction shall be automatically transferred to continuous trading and registered in the Order Book in priority of first price and then time.
(c) Trading Session [0900Hrs-1600 Hrs]	Live trading session.

Table B

Trading Sessions	
(d) Pre-Open [0800 - 0900Hrs]	(i) Volume Order imbalance shall be displayed in the Pre-Order Book during pre-open.
	(ii) The price input for an Order shall be based on the closing price in the previous trading session of the security and shall be within its price spread.

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(e) Opening Auction[0900Hrs]	(i) The opening price of each security shall be calculated by the ATS during the opening auction.
	(ii) The opening price of each security shall be within the daily allowed price movement limits as prescribed by the Exchange from the closing price of the previous trading session.
	(iii) The opening price of a security shall be the price at which the greatest number of securities is matched.
	(iv) Valid orders from the previous day's trading session shall participate in the auction, preserving their time priority.
	(v) Where there are no trades in a security during the opening auction, the opening price for continuous trading shall be the closing price of the security in the previous trading session.
	(vi) All orders that are not matched during the opening auction shall be automatically transferred to continuous trading and registered in the Order Book in priority of first price and then time.
(f) Trading Session [0900Hrs-1600 Hrs]	Live trading session.