

Presidential Powers (Temporary Measures) (Currency Revaluation and Issue of New Currency) Regulations, 2008

THIRD SCHEDULE (Section 4(2) and (3))

ROUNDING-OFF OF CONVERTED SUMS

Example 1: Where third decimal digit resulting from the conversion is equal to five:

$$\$27\,255\,575\,555/10\,000\,000\,000,00 = 2,725 = 2,73$$

Example 2: Where third decimal digit resulting from the conversion is above five:

$$\$7\,355\,664\,222\,333,55/10\,000\,000\,000,00 = 735,566 = \$735,57$$

Example 3: Where third decimal digit resulting from the conversion is below five:

$$\$6\,231\,451\,278,21/10\,000\,000\,000,00 = 0,623 = \$0,62$$

FOURTH SCHEDULE (Section 6(1))

INDICATION OF PRICES FOR GOODS AND SERVICES IN BOTH CURRENCY SYSTEMS

Example 1: \$2,73/\$27 255 575 555,00

Example 2: \$2,73 (\$27 255 575 555,00)

Example 3: \$2,73 ~~\$27 255 575 555,00~~

Example 4: ~~\$27 255 575 555,00~~ \$2,73

Example 5: \$2,73

\$27 255 575 555,00

Example 6: ~~\$27 255 575 555,00~~

\$2,73

FIFTH SCHEDULE (Section 7(3))

WORDS TO BE ENDORSED BY DRAWERS ON ALL CHEQUES DRAWN ON AND BETWEEN 1ST AUGUST, 2008 AND 31ST AUGUST, 2008

The endorsement for the purposes of section 7(3) may be in any one of the following forms:

Revalued

revalued

REVALUED

Supplement to the Zimbabwean Government Gazette Extraordinary dated the 30th July, 2008. Printed by the Government Printer, Harare.

Statutory Instrument 109 of 2008.

[CAP. 10:20

Presidential Powers (Temporary Measures) (Currency Revaluation and Issue of New Currency) Regulations, 2008

ARRANGEMENT OF SECTIONS

Section

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2. Interpretation.
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4. Rounding-off of converted sums.
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12. Regulations to bind the State.
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FIRST SCHEDULE: Design, Form and Material of Banknotes.

SECOND SCHEDULE: Standard Composition and Mass of Ten and Twenty-Five Dollar Coins.

THIRD SCHEDULE: Rounding-Off of Converted Sums.

FOURTH SCHEDULE: Indication of Prices for Goods and Services in both Currency Systems.

FIFTH SCHEDULE: Words or Letters to be Endorsed by Drawers on All Cheques Drawn on and Between the 1st August, 2008, and 31st August, 2008.

HIS Excellency the President, in terms of section 2 of the Presidential Powers (Temporary Measures) Act [*Chapter 10:20*], hereby makes the following regulations:—

Title

1. These regulations may be cited as the Presidential Powers (Temporary Measures) (Currency Revaluation and Issue of New Currency) Regulations, 2008.

Interpretation

2. (1) In these regulations—

“billion” means a thousand million;

“cash” means Zimbabwean coins and banknotes that are currently designated as legal tender, and includes any Reserve Bank bearer cheques issued in terms of section 42A of the Reserve Bank of Zimbabwe Act [*Chapter 22:15*];

“cheque” means a cheque (other than a Reserve Bank bearer cheque) as defined in section 72 of the Bills of Exchange Act [*Chapter 14:02*];

“cheque in transit”, for the purposes of section 7(2)(a), means a cheque—

- (a) in the process of being cleared between two financial institutions; and
- (b) that is stamped by one of the financial institutions on presentation with a date not later than the 1st August, 2008;

“contract” includes—

- (a) an agreement for the settlement of a delictual claim; and
- (b) an employment contract; and
- (c) a contract for the sale, letting or hire of immovable property; and
- (d) a sale effected in any shop in the ordinary course of the business of such shop, or any other consumer contract for the sale or supply of goods or services or both in which the seller or supplier is

(ii) in paragraph (b) by the deletion of “five billion dollars” wherever it occurs and the substitution of “two hundred dollars”;

(f) in section 22 (“Unlawful hoarding of cash”)(1) by the deletion of “five billion dollars” wherever it occurs and the substitution of “two hundred dollars.”.

(2) The Bank Use Promotion and Suppression of Money Laundering (Prescribed Amounts) (Amendment) Notice, 2008 (No. 2), published in Statutory Instrument 73 of 2008, is repealed.

FIRST SCHEDULE (*Section 3(5)*)

DESIGN, FORM AND MATERIAL OF BANKNOTES

Denomination	Composition of Paper	Watermark	Size	Basic colour
\$1	100% Cotton	Zimbabwe Bird	68 x 133 mm	Purple/Blue
\$5	100% Cotton	Zimbabwe Bird	68 x 139 mm	Brown/Green
\$10	100% Cotton	Zimbabwe Bird	70 x 142 mm	Green
\$20	100% Cotton	Zimbabwe Bird	72 x 145 mm	Red
\$100	100% Cotton	Zimbabwe Bird	74 x 148 mm	Blue
\$500	100% Cotton	Zimbabwe Bird	76 x 151 mm	Dark Purple

SECOND SCHEDULE (*Section 3(7)*)

STANDARD COMPOSITION AND MASS OF TEN AND TWENTY-FIVE DOLLAR COINS

Denomination	Standard composition	Standard mass (grams)	Mass per 100 pieces (grams)	Remedy allowance	
				Composition	
				Steel core	Nickel/brass plate
Ten dollars	Nickel plate (25 microns on steel core, that is, 94 per centum steel and 6 per centum nickel.	5,3	10,6	Carbon 0,08 % Manganese 0,045 % Phosphorus 0,045 % Sulphur 0,03 % Iron residue	99,99 % pure nickel
Twenty-five dollars	Nickel plate (25 microns on steel core, that is, 94 per centum steel and 6 per centum nickel.	7,5	15	Carbon 0,08 % Manganese 0,045 % Phosphorus 0,045 % Sulphur 0,03 % Iron residue	99,99% pure nickel

Criminal Law Code may be payable in terms of the old or the new currency system at the rate of ten billion dollars of the old bearer cheques for one dollar of the new currency system (so that, for instance, a fine of level 3 may, during that period, be settled by the payment of twenty dollars of the new currency system or two hundred billion dollars (\$200 000 000 000) of the old bearer cheques).

(3) The Criminal Law Code (Standard Scale of Fines) Notice, 2007, published in Statutory Instrument 134 of 2008, and the Presidential Powers (Temporary Measures) (Amendment of Criminal Law Code) Regulations, 2008, published in Statutory Instrument 51A of 2008, are repealed.

Amendment of Cap. 24:24

14. (1) With effect from the 1st August, 2008, the Bank Use Promotion and Suppression of Money Laundering Act [*Chapter 24:24*] (No. 2 of 2004) is amended—

- (a) in section 11 (“Traders and parastatals to bank surplus cash in an account within a certain time”)(1)(b) by the deletion of “seven hundred and fifty thousand dollars” wherever it occurs and the substitution of “seventy-five dollars”;
- (b) in section 12 (“Traders and parastatals to settle certain trade debts otherwise than in cash”)(2) by the deletion of “seven hundred and fifty thousand dollars” wherever it occurs and the substitution of “five thousand dollars”;
- (c) in section 15 (“Maximum cash to be kept by money-lenders”)(1) by the deletion of “five million dollars” wherever it occurs and the substitution of “five thousand dollars”;
- (d) in section 17 (“Financial institutions to offer deposit facilities on reasonable deposit requirement terms”)(3) (a) and (b) by the deletion of “twenty-five dollars” and “fifty dollars” wherever it occurs and the substitution of “twenty-five dollars” and “fifty dollars” respectively;
- (e) in section 21 (“Temporary restrictions on cash withdrawals from financial institutions”)(1)—
 - (i) in paragraph (a) by the deletion of “five billion dollars” wherever it occurs and the substitution of “two hundred dollars”;

dealing in the course of business and the purchaser or user is not; and

- (e) a policy as defined in the Insurance Act [*Chapter 24:07*]; and
- (f) a pension scheme or arrangement;

“currency” means the coin and paper money of Zimbabwe, including Reserve Bank bearer cheques;

“customer”, in relation to a financial institution, means a person who operates an account with that financial institution;

“debt”, without limiting the meaning of the term, includes anything which may be sued for or claimed by reason of an obligation arising from statute, contract, delict or otherwise;

“negotiable instrument” means any bill of exchange other than a cheque, whether negotiable or not, which has been drawn or issued either inside or outside Zimbabwe and is intended to enable any person to obtain, either directly or indirectly, any sum of money, whether in Zimbabwean or foreign currency, and includes—

- (a) a letter of credit or draft;
- (b) a negotiable certificate of deposit;
- (c) a banker’s acceptance;
- (d) a promissory note;
- (e) a postal order, money order or traveller’s cheque;
- (f) any order or authorisation, whether in writing, by electronic means, or otherwise to a financial institution to credit or debit any account;

“Minister” means the Minister responsible for finance;

“new currency system” means the currency system brought into force in Zimbabwe in accordance with these regulations on and after the 1st August, 2008;

“old bearer cheque” means a Reserve Bank bearer cheque issued before the 1st August, 2008;

“old currency system” means the currency system in force in Zimbabwe immediately prior to the 1st August, 2008;

“pension scheme or arrangement” means any scheme or arrangement established or operating in Zimbabwe the principal object of which is to provide benefits for persons who are or have been members of the scheme or arrangement upon their retirement on account of age or ill-health or other termination of service or on attaining a specified age, whether or not such scheme or arrangement also provides for the payment of benefits in other circumstances, or for dependants or nominees of deceased members;

“Reserve Bank” means the Reserve Bank of Zimbabwe referred to in section 4 of the Reserve Bank of Zimbabwe Act [*Chapter 22:15*];

“Reserve Bank bearer cheque” means a cheque payable to bearer issued in terms of section 42A of the Reserve Bank of Zimbabwe Act [*Chapter 22:15*] and includes Special Agro Cheques;

“revalued currency” means the coins referred to in section 3(3) and the Reserve Bank bearer cheques referred to in section 3(8);

“security” means any of the following—

- (a) shares, stocks, bonds, debentures and debenture stock;
- (b) units under a unit trust scheme;
- (c) a renounceable letter of allotment or a letter of rights;
- (d) a warrant conferring an option to acquire, or a deposit certificate in respect of, any thing referred to in paragraphs (a) to (c);

but does not include a cheque or negotiable instrument;

“trade documentation” means any record of information whatsoever used in connection with the sale or proposed sale of goods or services to a consumer thereof, including—

(5) In addition to any direction specifically provided for in these regulations the Reserve Bank may, after consultation with the Minister, issue any direction that, in its opinion, is in the public interest and will promote the objective of the smooth transition from the old to the new currency system.

(6) Any person who contravenes or fails to comply with any provision of a direction in terms of subsection (5) shall be guilty of an offence and liable to a fine of any amount up to or exceeding level fourteen.

Regulations to bind the State

12. These regulations shall bind the State.

Amendment of Cap. 9:23

13. (1) Notwithstanding anything contained in section 280 of the Criminal Law Code, with effect from the 1st August, 2008, the First Schedule to the Criminal Law Code is repealed and the following is substituted—

“FIRST SCHEDULE (Sections 2(1) and 280)

STANDARD SCALE OF FINES

Level	Monetary Amount
	\$
1	5
2	10
3	20
4	50
5	100
6	200
7	300
8	400
9	500
10	600
11	900
12	1 000
13	2 000
14	5 000.”

(2) On and between the 1st August, 2008, and the 31st January, 2009, the fines payable in terms of the First Schedule to the

any employee of the State, the Reserve Bank or a financial institution in respect of anything done by or on behalf of the Government, the Reserve Bank or a financial institution, with due diligence and in good faith, in the exercise of any power or other performance of any function under these regulations or direction made thereunder.

Issue of directions for purposes of these regulations

11. (1) Directions in terms of these regulations shall be issued by or in the name of the Governor of the Reserve Bank.

(2) Any direction issued in terms of these regulations—

- (a) may be absolute or conditional;
- (b) may be limited so as to expire on a specified date unless renewed;
- (c) may be revoked or varied in the same way as it was issued;
- (d) shall be given to such persons or published in such manner as, in the opinion of the Governor of the Reserve Bank, will give any person affected by it an adequate opportunity of getting to know of it.

(3) The Governor of the Reserve Bank may, in his or her discretion, publish a direction by notice in the *Gazette*, and such publication shall be sufficient notice to any financial institution, person or class of financial institution or person to which it is addressed.

(4) No financial institution or other person shall be convicted of a contravention of these regulations by virtue of a direction which was not published in the *Gazette* unless it is proved that—

- (a) the direction was served on the financial institution or person concerned; or
- (b) the financial institution or person concerned knew or avoided getting to know of the direction:

Provided that, where it is shown that reasonable steps were taken for the purpose of bringing the contents of the direction to its notice, the onus shall lie on the financial institution or person concerned to show that it did not know and did not avoid getting to know of the direction.

- (a) an invoice;
- (b) a receipt;
- (c) a bill of lading;
- (d) a price tag or label;
- (e) any coupon, stamp, ticket or voucher;
- (f) a written estimate or quotation of a price, charge or fee;
- (g) any broker's note, share certificate or other document evidencing title to a security;

“unexpired old bearer cheque” includes a Reserve Bank bearer cheque whose expiry was postponed to the 31st July, 2008, by Statutory Instrument 204 of 2007 and Statutory Instrument 214 of 2007, or whose expiry date was fixed as 30 June, 2008.

(2) Any word or expression to which a meaning has been assigned in the Bank Use Promotion and Suppression of Money Laundering Act [*Chapter 24:24*] shall have the same meaning when used in these regulations.

Issue of new currency, saving in force of certain coins and bearer cheques at revalued rate and expiry of old bearer cheques

3. (1) With effect from the 1st August, 2008, there shall be issued new banknotes in the following denominations—

- (a) one dollar; and
- (b) five dollars; and
- (c) ten dollars; and
- (d) twenty dollars; and
- (e) one hundred dollars; and
- (f) five hundred dollars;

which shall be deemed to have been issued in terms of section 40(1) of the Reserve Bank of Zimbabwe Act [*Chapter 22:15*].

(2) With effect from the 1st August, 2008, there shall be issued new coins in the following denominations—

- (a) ten dollars; and
- (b) twenty-five dollars;

which shall be deemed to have been issued in terms of section 43(1) of the Reserve Bank of Zimbabwe Act [*Chapter 22:15*].

(3) With effect from the 1st August, 2008, the following coins—

- (a) the ten cent coin; and
- (b) the twenty cent coin; and
- (c) the fifty cent coin; and
- (d) the one-dollar coin; and
- (e) the two dollar coin; and
- (f) the five dollar coin;

made and issued by the Reserve Bank under section 43(1) of the Reserve Bank of Zimbabwe Act [*Chapter 22:15*], and whose denominations, designs, forms and material were, pursuant to section 43(5) of that Act, determined by the President in the Reserve Bank of Zimbabwe (Issue of Coins) Notice, 2001, published in Statutory Instrument 111 of 2001, and the Reserve Bank of Zimbabwe (Issue of Five Dollar Coin) Notice, 2001, published in Statutory Instrument 267 of 2001, shall remain in force at their face value and shall circulate alongside the banknotes and coins referred to in subsections (1) and (2).

(4) The design of the banknotes referred to in subsection (1) are as follows—

- (a) in the case of the one dollar banknote—
 - (i) on the front the dominant feature is the logo of the Reserve Bank of Zimbabwe (three balancing rocks), with the value in words and an ornament;
 - (ii) on the back there is an impression of the Victoria Falls and a Buffalo;
- (b) in the case of the five dollar banknote—
 - (i) on the front the dominant feature is the logo of the Reserve Bank of Zimbabwe (three balancing rocks), with the value in words and an ornament;
 - (ii) on the back there is an impression of the Kariba Dam Wall and an Elephant;
- (c) in the case of the ten dollar banknote—
 - (i) on the front the dominant feature is the logo of the Reserve Bank of Zimbabwe (three balancing rocks), with the value in words and an ornament;

tion to pay or right to receive money in terms of the old currency system and which continues to subsist or be valid on the 22nd August, 2008, shall, on and after that date, be construed in accordance with the new currency system.

(3) Debts incurred, contracts entered or securities created or transferred before the 1st August, 2008, shall be deemed to have been incurred, entered, created or transferred in terms of the old currency system and may be settled, discharged, sold or liquidated in terms of the old or the new currency system on and between the 1st August, 2008, and the 16th August, 2008:

Provided that—

- (i) contracts of the type referred to in paragraph (d) of the definition of “contract” in section 2(1) may be settled or discharged in terms of the old or the new currency system on and between the 1st August, 2008, and the 31st January, 2009;
- (ii) on and after the 1st September, 2008, every debt, contract not referred to in proviso (i) or security shall be settled, discharged, sold or liquidated in terms of the new currency system only.

(4) Any person who contravenes proviso (i) or (ii) to subsection (3) shall be guilty of an offence and liable to a fine of any amount up to or exceeding level fourteen or to imprisonment for a period not exceeding five years or to both such fine and such imprisonment.

References to old currency system in enactments

9. (1) Subject to section 13, every enactment in which an amount is expressed in terms of the old currency system shall, on and after the 1st August, 2008, be construed in accordance with the new currency system:

Provided that, on and between the 1st August, 2008, and the 31st January, 2009, all statutory fines (other than ones expressed in the form of a level of a fine referred to in section 13), fees and charges may be payable in terms of the old or the new currency system.

Immunity where official powers or functions exercised in good faith

10. No suit, prosecution or other legal proceedings shall lie against the Government, the Reserve Bank, a financial institution or

cash, cleared, honoured or settled in terms of the old or the new currency system on and between the 1st August, 2008, and the 16th August, 2008.

(6) Any financial institution which contravenes subsection (1)(b), (2) or (3) shall be guilty of an offence and liable to a fine of any amount up to or exceeding level fourteen.

(7) The Reserve Bank may issue such written directions to—

- (a) financial institutions; or
- (b) payment or settlement systems recognised in terms of the National Payment Systems Act [Chapter 24:22] (No. 21 of 2001); or
- (c) traders, parastatals or other persons engaged in the sale of goods or services; with respect to the application of this section, including the clearing of payment instructions and the settlement of obligations arising therefrom, as, in its opinion, are necessary or convenient to be issued for the better implementation of this section.

(8) A direction issued in terms of subsection (7) may exempt for a specified period, whether conditionally or otherwise, any person from the provisions of subsection (1), (2), (3) or (5) if the Reserve Bank is satisfied, after consultation with the Minister, that such an exemption will be in the public interest and will promote the objective of the smooth transition from the old to the new currency system.

(9) Any person who contravenes or fails to comply with any provision of a direction in terms of subsection (7) shall be guilty of an offence and liable to a fine of any amount up to or exceeding level fourteen.

Effect of conversion to new currency system on debts, contracts, securities, etc.

8. (1) The conversion to the new currency system in terms of these regulations shall not prejudice the subsistence or validity of debts, contracts, securities or any other legal act or instrument whatsoever made, done, executed, incurred, entered or created before the 1st August, 2008.

(2) Subject to subsection (3), every debt, contract, security or any other legal act or instrument whatsoever involving any obliga-

(ii) on the back there is an impression of a tractor in the field and grain silos;

(d) in the case of the twenty dollar banknote—

(i) on the front the dominant feature is the logo of the Reserve Bank of Zimbabwe (three balancing rocks), with the value in words and an ornament;

(ii) on the back there is an impression of a coal pile and a miner working underground;

(e) in the case of the one hundred dollar banknote—

(i) on the front the dominant feature is the logo of the Reserve Bank of Zimbabwe (three balancing rocks), with the value in words and an ornament;

(ii) on the back there is the impression of Great Zimbabwe, with a view of the walls surrounding the Conical Tower;

(f) in the case of the five hundred dollar banknote—

(i) on the front side the dominant feature shall be the logo of the Reserve Bank of Zimbabwe (three balancing rocks), with the value in words and an ornament;

(ii) on the back side there shall be the impression of Dairy cows and an Ox head.

(5) The design, form and material of the banknotes shall be as specified in the First Schedule.

(6) The design of the coins referred to in subsection (2) is as follows—

(a) on the obverse side, an impression of the Zimbabwe bird looking to the left, and around it is the inscription “ZIMBABWE” with the year of manufacture; and

(b) on the reverse side—

(i) in the case of the ten dollar coin, an impression of a buffalo;

- (ii) in the case of the twenty-five dollar coin, an impression of the Tomb of the Unknown Soldier; and
- (c) the diameter and thickness—
 - (i) of the ten dollar coin is 21,5 mm and 1,85 mm respectively;
 - (ii) of the twenty-five dollar coin is 24,5 mm and 2 mm respectively;and
- (d) the edge of—
 - (i) the ten dollar coin is milled;
 - (ii) the twenty-five dollar coin consists of five equally spaced milled areas (“interrupted milling”).

(7) The standard composition and standard mass of each coin referred to in subsection (2) and the remedy or variation from the standard composition and standard mass which is allowed in the making of coins shall be as specified in the Second Schedule.

(8) Subject to subsections (9), (10) and (11), with effect from the 1st August, 2008, every unexpired old bearer cheque in circulation and issued by the Reserve Bank under section 42A of the Reserve Bank of Zimbabwe Act [*Chapter 22:15*], shall continue to be legal tender at the revalued rate specified in subsection 8, alongside the banknotes and coins referred to in subsection (1), (2) and (3).

(9) With effect from the 1st August, 2008, to the 31st January, 2009, every financial institution shall accept old bearer cheques at the rate of ten billion dollars of the old bearer cheque for one dollar of the new currency system.

(10) Every old bearer cheque shall expire at 2400 hours on the 31st January, 2009, and financial institutions shall not, on and after that date, accept any old bearer cheques:

Provided that—

- (i) a financial institution shall accept from its customers who are traders or parastatals old bearer cheques

- (a) cheques drawn before the 1st August, 2008, shall be deemed to have been drawn or issued in terms of the old currency system; and
 - (b) on and after the 1st August, 2008, cheques shall not, subject to subsection (3), be cashed, cleared, honoured or settled through a financial institution otherwise than in terms of the new currency system.
- (2) Subject to subsection (7), if a cheque drawn before the 1st August, 2008—
- (a) is presented for payment at a financial institution, and the cheque is a cheque in transit, that cheque shall be cashed, cleared, honoured or settled in terms of the new currency system; or
 - (b) is presented for payment at a financial institution—
 - (i) by any person after that date, the financial institution shall not accept it; or
 - (ii) by way of a cheque deposit or through the post after that date, the financial institution shall return that cheque to the drawer.

(3) Subject to subsection (7), every cheque drawn or purporting to be drawn on or between the 1st August, 2008, and the 31st August, 2008, shall, if presented for payment at a financial institution on or between those dates, be presumed to have been drawn in terms of the old currency system and be rejected or returned to the drawer, unless it is endorsed on the top right-hand corner or bottom left-hand corner of its face with the signature of the drawer and, in close proximity thereto, with any of the words specified in the Fifth Schedule.

(4) After the 31st August, 2008, all cheques shall be presumed to have been drawn in terms of the new currency system, and the onus is on the drawer of any cheque drawn before the 1st August, 2008, and post-dated to a date after 31st August, 2008, to countermand that cheque.

(5) Subject to subsection (7), any negotiable instrument drawn or issued before the 1st August, 2008, shall be deemed to have been drawn or issued in terms of the old currency system and may be

(4) Any person who contravenes subsection (1), (2) or (3) shall be guilty of an offence and liable to a fine of any amount up to or exceeding level fourteen or to imprisonment for a period not exceeding five years or to both such fine and such imprisonment.

(5) No financial institution, trader, parastatal, producer, manufacturer or other person engaged in the sale of goods or services shall, when converting prices from the old to the new currency system in compliance with these regulations, increase the prices of his or her goods or services to a level in excess of the prices which he or she applied to the sale of goods or services in question on the day before the publication of these regulations, unless such financial institution, trader, parastatal, producer, manufacturer or other person has a lawful excuse for so doing, the proof whereof shall lie on him or her.

(6) Any person who sells goods or services at prices which are increased in contravention of subsection (5) shall be guilty of an offence and liable to a fine of an amount equivalent to the excess applied in contravention of subsection (5).

(7) The Reserve Bank may issue such written directions of a general or specific character to all financial institutions, traders, parastatals or other persons engaged in the sale of goods or services or to any such person or class of such persons as, in its opinion, are necessary or convenient to be issued for the better implementation of this section.

(8) A direction issued in terms of subsection (7) may exempt for a specified period, whether conditionally or otherwise, any financial institution, trader, parastatal or other person engaged in the sale of goods or services from the provisions of subsection (1), if the Reserve Bank is satisfied, after consultation with the Minister, that such an exemption will be in the public interest and will promote the objective of the smooth transition from the old to the new currency system.

(9) Any person who contravenes or fails to comply with any provision of a direction in terms of subsection (7) shall be guilty of an offence and liable to a fine of any amount up to or exceeding level fourteen.

Cheques and other negotiable instruments

7. (1) Subject to subsection (7)—

before the close of normal business hours on the 2nd February, 2009;

(ii) the Reserve Bank shall continue to make payment to holders of old bearer cheques up to the 31st March, 2009.

(11) All deposit balances at a financial institution that are denominated in terms of the old currency system on the 1st August, 2008, are automatically converted in accordance with the new currency system.

(12) For all accounting, taxation and other purposes that require a set of financial results for the period of twelve months beginning on the 1st January, 2008, or any other period of twelve months constituting the financial year of the accounting entity during which the new currency system is being introduced, the final balances determined in the financial statements shall be expressed in terms of the new currency system.

(13) No financial institution shall impose any fee, commission or other charge whatsoever in respect of the conversion from the old currency system to the new in terms of subsection (9) or (11).

(14) Any financial institution which contravenes subsection (9), (10), (11) or (13) or accounting entity which contravenes subsection (12) shall be guilty of an offence and liable to a fine of any amount up to or exceeding level fourteen.

Rounding-off of converted sums

4. (1) For the avoidance of doubt, it is declared that one dollar of the revalued currency is equivalent to one hundred cents, corresponding to two decimal places.

(2) Whenever the decimal part resulting from the conversion of old bearer cheques to the revalued currency or new currency contains more than two digits, and the third decimal digit resulting from the conversion is equal to or above five, the second decimal digit shall be rounded upwards to the higher cent, as shown in Examples 1 and 2 set out in the Third Schedule.

(3) Whenever the decimal part resulting from the conversion of old bearer cheques to the revalued currency or new currency contains more than two digits, and the third decimal digit resulting

from the conversion is below five, the effect of the rounding-off shall be that the second decimal digit remains the same, as shown in Example 3 set out in the Third Schedule.

(4) Notwithstanding this section, where the nominal value of any security is denominated in units of less than fifty million dollars of the old currency system, the nominal value shall be expressed in fractions of a cent of the new currency.

(5) For the avoidance of doubt it is declared that marginal losses or gains resulting from rounding-off in accordance with this section shall lie where they fall.

(6) No suit, prosecution or other legal proceedings shall lie against the Government, the Reserve Bank or any financial institution in respect of any losses resulting from rounding-off in accordance with this section.

Operations of financial institutions, traders, etc., to conform to new currency system

5. (1) Subject to subsection (3), every financial institution, trader, parastatal or other person engaged in the sale of goods or services shall, no later than the 31st August, 2008, take all necessary steps to bring its operations into conformity with the new currency system, including—

- (a) the adjustment, redesigning, reconfiguration or, where necessary, replacement of its computer software or hardware or computer networks;
- (b) the adjustment, redesigning or, where necessary, replacement of all relevant machinery, equipment, accessories or systems other than computer software or hardware or computer networks;
- (c) the amendment, redesigning or, where necessary, replacement of its trade documentation, payroll systems, ledgers and books of account.

(2) Any person who contravenes subsection (1) shall be guilty of an offence and liable to a fine of any amount up to or exceeding level fourteen or to imprisonment for a period not exceeding five years or to both such fine and such imprisonment.

(3) The Reserve Bank may issue such written directions of a general or specific character to all financial institutions, traders, parastatals or other persons engaged in the sale of goods or services or to any such person or class of such persons as, in its opinion, are necessary or convenient to be issued for the better implementation of this section.

(4) A direction issued in terms of subsection (3) may exempt, for a specified period, whether conditionally or otherwise, any financial institution, trader, parastatal or other person engaged in the sale of goods or services from the provisions of subsection (1), if the Reserve Bank is satisfied, after consultation with the Minister, that such an exemption will be in the public interest and will promote the objective of the smooth transition from the old to the new currency system.

(5) Any person who contravenes or fails to comply with any provision of a direction in terms of subsection (3) shall be guilty of an offence and liable to a fine of any amount up to or exceeding level fourteen.

Temporary indication of prices for goods and services in both currency systems

6. (1) Subject to subsection (3), every financial institution, trader, parastatal or other person engaged in the sale of goods or services shall, on and between the 1st August, 2008, and the 31st August, 2008, indicate or display the prices for its goods or services in all its trade documentation in terms of the new and the old currency system in writing or in print in any of the ways shown in the examples set out in the Fourth Schedule (where the lower and higher figures represent the new and old currency systems respectively).

(2) On and after the 31st August, 2008, every financial institution, trader, parastatal or other person engaged in the sale of goods or services shall indicate or display the prices for its goods or services in all its trade documentation in terms of the new currency system only

(3) For the avoidance of doubt, it is declared that on and between the 1st August, 2008, and the 31st January, 2009, every financial institution, trader, parastatal or other person engaged in the sale of goods or services shall accept old bearer cheques as payment for its goods and services.