



## **CIRCULAR TO CLIENTS ON THE PURCHASE OF THE MOSI-OA-TUNYA GOLD COIN**

### **1. INTRODUCTION**

1.1 Pursuant to the Press Statement of 4 July 2022, announced by the Governor on the introduction of the Mosi-oa-Tunya gold coins, the following terms and conditions shall apply.

### **2. SPECIFICATIONS OF THE MOSI-OA-TUNYA GOLD COIN**

2.1 The gold coin shall have the following specifications: -

i. Denomination	1 Oz, for the time being
ii. Material	Gold
iii. Purity	22 carats (91.67%)
iv. Diameter	32 mm
v. Weight	33.93g
vi. Shape	Round
vii. Edge Type	Reeded with serial number engraved
viii. Quality	Proof
ix. Thickness	2.63mm.

### **3. QUALITIES OF THE MOSI-OA-TUNYA GOLD COIN**

3.1 The gold coin shall have the following qualities.

- i. Liquid Asset Status
- ii. Prescribed Asset Status
- iii. Collateral Acceptability
- iv. Tradable
- v. Serial numbering
- vi. Central Bank buy-back when required by the holder of the gold coin.

### **4. SELLING PROCEDURES**

4.1 The Bank will appoint agents that include Authorised Dealers (banks), its subsidiaries and foreign banks that will be responsible for selling the gold coins on its behalf.

4.2 All sales of the gold coin by the agents will be subject to normal Know Your Customer (KYC) principles in line with international best practice, which include declaration of the source of funds (see Annexure 1 – Indicative KYC Documents that may be requested by Agents).



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- 4.3 The gold coins shall be sold at prevailing international price of gold plus 5% to cover the cost of production and distribution of the coin on a Payment vs Delivery basis.
- 4.4 The Bank shall publish the Mosi-oa-Tunya gold coin price by 0800 hours daily, which shall be based on the previous day's London Bullion Market Association (LBMA) PM Fix plus the cost of producing the coin.
- 4.5 The Mosi-oa-Tunya gold coins shall be sold with an accompanying bearer certificate with security features.
- 4.6 Agents shall sell the Mosi-oa-Tunya gold coins in both local currency (ZWL) and United States Dollars (US\$) and other tradable/denominated foreign currencies at the willing-buyer willing-seller exchange rate. Denominated currencies for the purpose of buying gold coins will include the British Pound, the Euro, Australian Dollar, Botswana Pula and Rand.
- 4.7 Upon receipt of the purchase price from the gold coin buyers, the Agent shall transfer to the Reserve Bank within 24 hours, the amounts received from purchasers in the currencies of purchase.
- 4.8 The following selling arrangements shall apply for different buyers: -
  - i. Domestic buyers including individuals may buy in local currency or foreign currency;
  - ii. Domestic corporates including institutional investors will be allowed to buy gold coins in local currency or foreign currency, subject to quantity restrictions where it is deemed necessary;
  - iii. Exporting entities shall buy Mosi-oa-Tunya gold coins in foreign currency, from their retained export portions. Notwithstanding this requirement, exporters whose annual export receipts in 2021 were less than US\$1 million, shall require a specific Exchange Control approval to be permitted to utilise a portion of their surrender portion that is payable in local currency, to purchase the gold coins;
  - iv. Local banking institutions shall not be allowed to buy Mosi-oa-Tunya gold coins for own portfolios up until such a time as the Reserve Bank may grant the permission. Thus for the time being, banks can only receive the coins from the Reserve Bank for onward selling to their customers on behalf of the Reserve Bank; and
  - v. Non-resident (international) buyers shall only buy the Mosi-oa-Tunya gold coins in denominated foreign currencies.

## **5. OWNERSHIP OF THE GOLD COINS**

- 5.1 Once payment has been received by the Agent through normal banking channels, a buyer of the gold coin is allowed to take physical possession and ownership of the gold coin or opt to keep the gold coin through a registered bank (custodial services) on terms and conditions of the service provider.

## **6. OPTIONAL BUY BACK OF MOSI-OA-TUNYA GOLD COINS (COIN REDEMPTION)**



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- 6.1 At the discretion of the holder of the gold coin, the Bank or its Agents will buy back the Mosi-  
oa-Tunya gold coins after a vesting period of 180 days in line with the need to promote a  
savings culture in the country.
- 6.2 All gold coins purchases by the Bank or its Agents shall require the submission of the original  
bearer certificate<sup>1</sup> for the specific coin. Coins shall be purchased at the prevailing  
international price of gold on spot basis.
- 6.3 On redemption, both residents and non-residents (international buyers), will have the option  
to be paid in US Dollars (US\$) or Zimbabwe Dollars (ZWL) depending on their choice.
- 6.4 KYC principles will also be applied on all purchases by the Bank.

## **7. EXPORT OF THE MOSI-OA-TUNYA GOLD COINS**

- 7.1 Residents and non-residents (international buyers) shall be allowed to take out (export) Mosi-  
oa-Tunya gold coins supported by the bearer certificate for each coin.

## **8. GOLD COIN DISBURSEMENT TO AGENTS/BANKS BY THE RBZ**

- 8.1 Disbursements of gold coins to agents of the Bank shall be determined by the rating and size  
of the agent, as well as the demand and supply of gold coins.
- 8.2 Agents are expected to provide daily returns to the Bank for monitoring and compliance. The  
relevant templates shall be provided to the appointed Agents.

## **9. COMPLIANCE WITH GOLD TRADE ACT [CHAPTER 21:03]**

- 9.1 The selling and purchasing of gold coins is in compliance with section 2 of the Gold Trade Act  
[Chapter 21:03] which allows the possession and ownership of gold articles of commerce  
such as gold coins.

## **10. ENQUIRIES ON GOLD COINS**

- 10.1 All enquiries on gold coins shall be directed to: -

The Director  
Financial Markets Division  
Reserve Bank of Zimbabwe  
P. O. Box 1283  
**Harare**

Tel: +263 242 703000; +263 242 703111; +263 8677000477



## **KYC DOCUMENTS FOR GOLD COIN TRANSACTIONS**

All appointed agents should ensure that gold coins are sold to buyers where KYC and CDD assessments have been done. In instances where such an agent does not have the KYC assessment for the buyer, the following guidelines shall apply: -

### **(i) Individual Buyers**

The RBZ shall require Agents to ensure that individual buyers have any of the following documents to purchase the gold coins

- a. national Identity Card;
- b. a valid passport;
- c. a valid driver's license;
- d. a birth certificate for a minor not yet in possession of an identity document.

Proof of address of not less than three months old (e.g. telephone account, rates and taxes account, levy account and retail accounts). If the buyer is unable to provide proof of residential address, an affidavit may be considered instead. An affidavit should be in the form of a sworn statement from a commissioner of oaths such as the police Service attesting to the correctness of the information given under oath.

Bank statements: an original bank statement, not older than three months, or a bank statement not older than three months obtained over the counter and stamped by the issuing branch.

### **(ii) Proxy**

In cases where a buyer is acting on behalf of another person, the identity of the other person will be verified and the client's authority to conclude the transaction on behalf of the other person will be established.

### **(iii) Company**

In the event of the lawful owner being a company, the registered name as well as the trading name should be provided if the two differ. The physical address from which the company operates should also be provided (if there are multiple addresses, the street address of the office wishing to sell the coin and the Head Office address must be obtained and verified). In order to verify the identity of the above, the following documents will be sufficient:-

- i. Company: Certification of Incorporation and Memorandum of Incorporation, and any other forms amending company information, as applicable (e.g. certificate of change of name of company).
- ii. Listed and public companies: No verification documents are required.
- iii. Other legal entities such as organs of state: A valid identity document of the person representing the company must be provided.
- iv. In order to verify the address of the company/close corporation, any of the following documents will be acceptable:



- a. A bank statement on official bank documentation or utility bill (municipal water and electricity account or a letter from a property managing agent);
- b. Recent lease or rental agreement;
- c. Municipal rates and taxes invoice;
- d. Telephone or cellular telephone account; or
- e. Valid ZIMRA Tax clearance certificate.

**(iv) Deceased estate**

For the deceased:

- i. Certified copy of death certificate;
- ii. Confirmation letter of the estate account from the bank.

**(v) For the executor(s)**

- i. A national identity card, a valid passport, a valid driver's license
- ii. Letter of executorship; and
- iii. Proof of address not older than three months.

*For further information on these measures, please contact account relationship managers on 0242750171-8*