



NOTICE NUMBER: LEGAL 17102023

CHENGETEDZAI DEPOSITORY COMPANY LTD VS SECURITIES AND EXCHANGE COMMISSION OF ZIMBABWE, ZIMBABWE STOCK EXCHANGE LIMITED AND MINISTRY OF FINANCE AND ECONOMIC DEVELOPMENT HH 161-23 (ref: HC7106-21) (SC 549/23)

On 13 December 2021 Chengetedzai Depository Company Limited filed an application for review of Directive no. SS15/10/2021 which was issued by SECZim to the market as guidance on the migration of share registers between central securities depositories. CDC also cited the Zimbabwe Stock Exchange Limited and the Minister of Finance and Economic Development in his official capacity as second and third respondents respectively.

In the application, CDC sought nullification of the directive on the following grounds;

(i) Failure to comply with a mandatory and material procedure and procedural fairness.

(ii) That the Directive is ultra vires the Securities and Exchange Act, the Constitution of Zimbabwe and the Companies and other Business Entities Act [*Chapter 24:31*], alleging it interferes with the proprietary rights of shareholders.

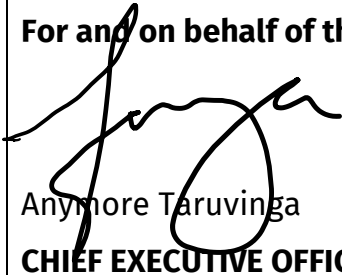
The application was opposed. The matter was heard on 11 July 2022 and judgment was handed down on 1 March 2023 in favor of the Commission and the two other respondents. The application was dismissed with costs. The applicant failed to discharge the onus to prove that the Commission acted outside the law.

On 23 March 2023 CDC filed an appeal in the Supreme Court against the judgement of the High Court. The CDC later filed a notice of withdrawal of that appeal on 29 September 2023 to facilitate filing of a chamber application for condonation and extension of time within which to note an appeal. The CDC had filed the appeal

out of time. The withdrawal of appeal was confirmed by the Supreme Court on 5 October 2023.

The chamber application seeking condonation and extension of time within which to appeal was heard on 10 October 2023 and the application was dismissed with costs. The full reasons will be availed in due course.

For and on behalf of the Securities and Exchange Commission of Zimbabwe

A handwritten signature in black ink, appearing to read 'Anymore Taruvinga', is written over the printed name. The signature is stylized and cursive.

Anymore Taruvinga

CHIEF EXECUTIVE OFFICER