



## **A GUIDE TO INVESTING ON THE VICTORIA FALLS STOCK EXCHANGE**



## **1 Introduction**

The Victoria Falls Stock Exchange (VFEX), is a wholly owned subsidiary of the Zimbabwe Stock Exchange (ZSE) established to kick start the Offshore Financial Services Centre (OFSC) earmarked for the special economic zone in Victoria Falls.

## **2 What currency is used for trading on VFEX?**

The trading currency on VFEX is the United States Dollars (USD).

## **3 Who can Trade on VFEX?**

The Victoria Falls Stock Exchange is open to both local and foreign investors.

## **4 How to participate on VFEX**

Investors are required to follow the steps below in order to participate on VFEX.

### **a) Opening a securities custodial account**

A securities custodial account also known as the CSD account is an account opened by an investor through a Depository Custodian (Custodian) in the CSD System. The account, when opened, will hold all the securities owned or held by an investor and through which all transactions (such as trades, transfers) will be effected. To open a securities account (CSD account), an investor can approach any of the VFEX registered custodians. Refer to page 12 for the contact details of VFEX registered custodians.

### **b) Opening an FCA (Investment) Account**

An investor must open an FCA (Investment)/ FCA Account as advised by the selected custodian which will be used to credit the investor's dividends and also acts as a cash account for trade settlements. In the case that an investor already has an FCA account the investor has to check with their custodian if the account is eligible to participate on the VFEX.

### **c) Opening a Trading account**

An investor will also need to open a trading account for the purposes of trading on VFEX. The trading account can be opened through any of the registered VFEX stockbrokers. Refer to page 6 for the contact details of VFEX registered stockbrokers.

## **5 Trading Account opening requirements**

### **a) Individuals**

*Individual over 18 years*

- National ID
- 2 x Passport Size Pictures
- Proof of Residence

## *Minors*

- Minor Birth Certificate or any applicable National ID of Minor
- 2 x Passport Size Pictures of the minor
- The National ID of Parent or Guardian
- Proof of Residence of Parent or Guardian
- Proxy Power of Attorney
- National ID of Proxy
- 2 x Passport Size Pictures of the Proxy

### **b) Companies**

- Certificate of Incorporation
- Memorandum and Articles of Association
- CR 14
- Board Resolution
- 2 x passport pictures of authorised signatories.
- Foreign companies to submit documents acceptable in their respective jurisdictions.

### **c) Trusts**

#### *Trustees administered by natural persons*

- National IDs of the Trustees
- 2 x passport size pictures of Trustees
- Proof of Residence of Trustees
- Trust Deed

#### *Trustees administered by entities*

- Incorporation documents
- Memorandum and Articles of Association
- CR 14
- Trustee agreement
- 2 x passport pictures of authorised signatories.

#### *Societies, Investment Clubs & Churches*

- Constitution/Certificate of Registration
- Resolution of Governing body
- 2 x passport size pictures of authorised signatories.
- Proof of Residence of authorised signatories

## **6 Trading on VFEX**

### **a) Sell orders**

- i. An investor submits a sell order through a VFEX registered stockbroker.
- ii. The Stockbroker will, upon receipt of trade orders from the client, verify availability of the securities in the CSD System before entering the orders in the VFEX Automated Trading System.
- iii. When the order is matched the client will receive a broker's note through their broker to confirm the deal.

### **b) Buy orders**

- i. The investor has to fund or transfer money to the custodial account then submits a buy order through a VFEX registered stockbroker.
- ii. The Stockbroker will, upon receipt of trade orders from the client confirm with the custodian if the funds have been transferred to the custodial account then, enter the orders in the VFEX Automated Trading System (ATS).
- iii. When the order is matched the client will receive a broker's note through their broker to confirm the deal.

## **7 Settlement**

Settlement is the process of transferring securities into the account of a buyer and cash into the seller's account. VFEX uses a T+3 settlement cycle. This means it takes 4 days for the securities bought to reflect under one's portfolio (CSD account) or the funds for sell orders to reflect in the FCA (Investment)/FCA Account. For example, if the order matches on Monday then settlement will be on Thursday.

## **8 Key incentives applicable to VFEX include:**

- Lower trading fees
- Trading in hard currency
- No capital gains withholding tax
- lower dividend withholding tax for foreign investors

## **9 Trading fees**

The transaction costs levied on trading are currently as follows:

### a) Equities

Type of charge	Buying	Selling
Dealers Commission	0.6000%	0.6000%
VAT (14.5% of brokerage)	0.0870%	0.0870%
Central Securities Depository Levy	0.0400%	0.0400%
Stamp Duty	0.2500%	Nil
VFEX Levy	0.1500%	0.1500%
SECZ	0.0500%	0.0500%
Investor Protection Fund	0.0100%	0.0100%
<b>Total</b>	<b>1.1870%</b>	<b>0.9370%</b>
<b>Grand Total</b>	<b>2.1240%</b>	

### b) Depository Receipts

Type of charge	Buying	Selling
Dealers Commission	0.1000%	0.1000%
VAT (14.5% of brokerage)	0.0145%	0.0145%
SECZ	0.0500%	0.0500%
VFEX Levy	0.1500%	0.1500%
Central Securities Depository Levy	0.0400%	0.0400%
Stamp Duty	0.2500%	Nil
<b>Total</b>	<b>0.6045%</b>	<b>0.3545%</b>
<b>Grand total</b>	<b>0.9590%</b>	

### c) Debt Instruments

Type of charge	Buying	Selling
Brokers Commission	0.065%	0.065%
VAT (14.5% of brokerage)	0.009425%	0.009425%
Central Securities Depository Levy	0.01%	0.01%
VFEX Levy	0.012%	0.012%
SECZ Levy	0.01%	0.01%
Investor Protection Levy	0.003%	0.003%
<b>Total</b>	<b>0.109425%</b>	<b>0.109425%</b>
<b>Grand Total</b>	<b>0.21885%</b>	



## 10 VFEX Stockbrokers

The following is the list of currently licensed stockbrokers/securities dealers

Name	Physical Address	Contact Details
<b>ABC Stockbrokers (Private) Limited</b>	<b>Physical:</b> 1st Floor Heritage House, 67 Samora Machel Avenue, Harare, Zimbabwe	<b>Tel:</b> +263 242 703 071-9 / 701 906 <b>Fax:</b> +263 242 250 269 <b>Email:</b> <a href="mailto:sgumbo@bancabc.co.zw">sgumbo@bancabc.co.zw</a> ; <a href="mailto:kudzai.gambinga3@gmail.com">kudzai.gambinga3@gmail.com</a>
<b>Akribos Securities (Private) Limited</b>	<b>Physical:</b> 62 Quorn Avenue, Mount Pleasant, Harare, Zimbabwe	<b>Tel:</b> +263 242 301 422 / 301 201/3 <b>Fax:</b> +263 24 2250269 <b>Email:</b> <a href="mailto:edmond@akriboscapital.com">edmond@akriboscapital.com</a> <a href="mailto:mashoko@akriboscapital.com">mashoko@akriboscapital.com</a> <b>Website:</b> <a href="http://www.akriboscapital.com">www.akriboscapital.com</a>
<b>Bethel Equities (Private) Limited</b>	<b>Physical:</b> 23 Boundary Road, Eastlea, Harare, Zimbabwe	<b>Tel:</b> +263 24 2776828, 776898 <b>SIP line:</b> +263 (0) 8677007546 <b>Email:</b> <a href="mailto:mhlangags@bethel-equities.com">mhlangags@bethel-equities.com</a> <a href="mailto:cmurandu@bethel-equities.com">cmurandu@bethel-equities.com</a> <b>Website:</b> <a href="http://www.bethel-equities.com">www.bethel-equities.com</a>

<p><b>EFE Securities (Private) Limited</b></p>	<p><b>Physical:</b> 26 Cork Road, Belgravia, Harare, Zimbabwe</p>	<p><b>Tel:</b> +263 24 2799132-5</p> <p><b>Email:</b> edgetont@efesecurities.co.zw pheniasm@efesecurities.co.zw dealing@efesecurities.co.zw</p> <p><b>Website:</b> <a href="http://www.efesecurities.com">www.efesecurities.com</a></p>
<p><b>FBC Securities (Private) Limited</b></p>	<p><b>Physical:</b> 2nd Floor, Bank Chambers, 76 Samora Machel Avenue, Harare, Zimbabwe</p>	<p><b>Tel:</b> +263 (24) 2797760-78 / 2700312 / 2704627</p> <p>Dealing:+263 (24) 279775</p> <p><b>Fax:</b> +263 (24) 2704492</p> <p><b>Email:</b> benson.gasura@fbc.co.zw manatsa.tagwireyi@fbc.co.zw richard.mashava@fbc.co.zw</p> <p><b>Website:</b> <a href="http://www.fbc.co.zw/stockbroking">www.fbc.co.zw/stockbroking</a></p>
<p><b>Fincent Securities (Private) Limited</b></p>	<p><b>Physical:</b> 8th Floor, ZB Life Tower, 77 Jason Moyo Avenue, Harare Zimbabwe</p>	<p><b>Tel:</b>+263 (24) 2255323</p> <p><b>Email:</b> <a href="mailto:ranga@fincent.co.zw">ranga@fincent.co.zw</a> rufaro@fincent.co.zw</p>



<p><b>Imara Edwards Securities (Private) Limited</b></p>	<p><b>Physical:</b> Block 2 Tendeseka Office Park, Samora Machel Avenue, Eastlea, Harare, Zimbabwe</p> <p>4 Fanum House, Leopold Takawira/Josiah Tongogara, Bulawayo</p>	<p><b>Tel:</b> +263 (24) 2790790 / 164 / 888 (29) 274554 / 267368 / 2880747</p> <p><b>Fax:</b> +263 (24) 2791235 / 875</p> <p><b>Email:</b> <a href="mailto:thedias.kasaira@imaracapital.com">thedias.kasaira@imaracapital.com</a> info@imaracapital.com</p> <p><b>Website:</b> <a href="http://www.imaracapital.com">www.imaracapital.com</a></p>
<p><b>Interhorizon Securities (Private) Limited</b></p>	<p><b>Physical:</b> 4 Fleetwood Road, Alexander Park, Harare, Zimbabwe</p>	<p><b>Tel:</b> +263 (24) 2745119/ 2745133/2745937</p> <p><b>Dealing Desk:</b> +263 (24) 2745879</p> <p><b>Email:</b> info@ihsecurities.com dchigariro@ihsecurities.co.zw kmachuma@ihsecurities.co.zw</p> <p><b>Website:</b> <a href="http://www.ih-group.com">www.ih-group.com</a></p>
<p><b>Invictus Securities Zimbabwe (Private) Limited</b></p>	<p><b>Physical:</b> 37 Victoria Drive, Newlands, Harare, Zimbabwe</p>	<p><b>Tel:</b> +263 (24) 2788257/8/2782770 / 2776607</p> <p><b>Email:</b> info@invictus-securities.com wellington@invictus-securities.com t.magodora@invictus-securities.com</p> <p><b>Website:</b> <a href="http://www.invictus-capital.com">www.invictus-capital.com</a></p>

<p><b>Lynton-Edwards Stockbrokers (Private) Limited</b></p>	<p><b>Physical:</b> 129 Kwame Nkrumah Avenue, Harare, Zimbabwe</p>	<p><b>Tel:</b> +263 (24) 2796477 / 86</p> <p><b>Email:</b> wafa@lynton-edwards.co.zw</p> <p><b>Website:</b> <a href="http://www.lynton-edwards.com">www.lynton-edwards.com</a></p>
<p><b>Mast Stockbrokers (Private) Limited</b></p>	<p><b>Physical:</b> Samuel Leon Building, 52 Josiah Chinamano Avenue Harare, Zimbabwe</p>	<p><b>Tel:</b> +263 (24) 2252893, 2794091,2794096,2794135</p> <p><b>Email:</b> arnold@quinvex.co.zw plmarriott@gmail.com</p> <p><b>Website:</b> <a href="http://www.maststockbrokers.com">www.maststockbrokers.com</a></p>
<p><b>MMC Capital (Private) Limited</b></p>	<p><b>Physical:</b> Block D, Smatsatsa Office Park Borrowdale Road Harare, Zimbabwe</p>	<p><b>Tel:</b> +263 (24) 2783069-71</p> <p><b>Email:</b> research@mmccapital.co.zw edward@mmccapital.co.zw itai@mmccapital.co.zw</p> <p><b>Website:</b> <a href="http://www.mmccapitalzim.com">www.mmccapitalzim.com</a></p>

<p><b>Morgan &amp; Co (Private) Limited</b></p>	<p><b>Physical:</b> Smatsatsa Office Park, First Floor Block D, Stand 10667, Borrowdale, Harare Zimbabwe</p>	<p><b>Tel:</b>+263 (24) 2883994-8 / +263774706706 / +263783517517</p> <p><b>Email:</b> lungani@morganzim.com  davide@morganzim.com</p>
<p><b>Old Mutual Securities (Private) Limited</b></p>	<p><b>Physical:</b> Fourth Floor CABS 1<sup>st</sup> Street, Corner 1<sup>st</sup>/G. Silundika Avenue, Harare, Zimbabwe</p>	<p><b>Tel:</b> +263 (24) 2779473/ 2775641/2773134</p> <p><b>Fax:</b> +263 (24) 2759448</p> <p><b>Email:</b>  reggiesm@oldmutual.co.zw  tevianc@oldmutual.co.zw</p> <p><b>Website:</b> <a href="http://www.oldmutual.co.zw/corporate/securities">www.oldmutual.co.zw/corporate/securities</a></p>
<p><b>Platinum Securities (Private) Limited</b></p>	<p><b>Physical:</b> 23 Quorn Avenue, Mount Pleasant, Harare, Zimbabwe</p>	<p><b>Tel:</b> +263 (24) 2307736, 2308157, 2308153, 08644122131-5</p> <p><b>Fax:</b> +263 (24) 2336265-107</p> <p><b>Email:</b> tonderaim@platinumgroupe.com</p> <p><b>Website:</b> <a href="http://www.platinumgroupe.com">www.platinumgroupe.com</a></p>

<p><b>Remo Investment Brokers (Pvt) Ltd</b></p>	<p><b>Physical :14 Samora Machel Avenue, Harare</b></p>	<p><b>Tel:+263 (24) 2798725</b> <b>Fax:+263 (24) 2798731</b></p> <p><b>Email: Mimahmed35@gmail.com</b> anota@remo.co.zw john@remo.co.zw</p>
<p><b>Wealth Access Securities (Private) Limited</b></p>	<p>Physical: Suite 609 &amp;610, Nicoz Diamond House, 30 Samora Machel Avenue, Harare</p>	<p>Tel:+263 8677179179216/7</p> <p>Email: <a href="mailto:trading@wealthaccess.co.zw">trading@wealthaccess.co.zw</a> <a href="mailto:fidelis@wealthaccess.co.zw">fidelis@wealthaccess.co.zw</a> <a href="mailto:don@wealthaccess.co.zw">don@wealthaccess.co.zw</a> <a href="mailto:siso@wealthaccess.co.zw">siso@wealthaccess.co.zw</a> <a href="mailto:lloyd@wealthaccess.co.zw">lloyd@wealthaccess.co.zw</a></p>

## 11 VFEX custodians

Name	Physical Address	Contact Details
CABS Custodial Services (Private) Limited	Physical Address: Northend Close Northridge Park Highlands, Harare	Telephones: +263 (24) 2883823/33 Email: <a href="mailto:custodialservices@cabs.co.zw">custodialservices@cabs.co.zw</a> Website: <a href="http://www.cabs.co.zw">www.cabs.co.zw</a>
CBZ Bank Limited	Physical Address: Fanum House Ground Floor 57 Samora Machel Avenue  P. O. Box 3313  Harare, Zimbabwe	Telephones: +263 (24) 2748050-79/2798915-27/2756233-5 Email: <a href="mailto:custodialservices@cbz.co.zw">custodialservices@cbz.co.zw</a> Website: <a href="http://www.cbz.co.zw">www.cbz.co.zw</a>
FBC Bank Limited	Physical Address: FBC Insurance House, 2nd Floor, 105 Jason Moyo Avenue Cnr 4th Street, Harare, Zimbabwe	Telephones: +263 24 2704145-7 Email: <a href="mailto:CustodialServices@fbc.co.zw">CustodialServices@fbc.co.zw</a> Website: <a href="http://www.fbc.co.zw">www.fbc.co.zw</a>
Stanbic Bank Zimbabwe Limited	Physical Address : Stanbic Centre , 3rd Floor , 59 Samora Machel Avenue , Harare , Zimbabwe	Telephones : + 263 (24) 2759471-9 Email: <a href="mailto:custodyzim@stanbic.com">custodyzim@stanbic.com</a> Website : <a href="http://www.stanbicbank.co.zw">www.stanbicbank.co.zw</a>
Standard Chartered Bank Zimbabwe Limited	Physical Address Standard Chartered Bank Africa Unity Square 68 Nelson Mandela Avenue, 1st Floor, P.O. Box 2472, Harare, Zimbabwe	Telephones: +263 (24) 2252060 /2708585-9 Email: <a href="mailto:zw.securities-services@sc.com">zw.securities-services@sc.com</a> Website: <a href="http://www.sc.com/zw">www.sc.com/zw</a>

## **12 Contact details**

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