

Statutory Instrument 175 of 2008.

Bank Use Promotion and Suppression of Money Laundering (Acceptance of Cheques and Alternative Modes of Payment) Regulations, 2008

IT is notified that the Minister of Finance has, in terms of section 48 of the Bank Use Promotion and Suppression of Money Laundering Act [Chapter 24:24] (No. 2 of 2004), made the following regulations:—

1. Title

These regulations may be cited as the Bank Use Promotion and Suppression of Money Laundering (Acceptance of Cheques and Alternative Modes of Payment) Regulations, 2008.

2. Interpretation

In these regulations—

“alternative mode of payment” means any mode of payment, other than a cheque, mediated by a banking institution registered or required to be registered in terms of the Banking Act [Chapter 24:20], including payment by means of a bank card, a point of sale transaction, Real Time Gross Settlement, inter-account transfers and other bank-mediated electronic payment method;

“educational institution” means a pre-school, school, technical college, university college, university or similar institution—

- (a) registered or required to be registered or chartered under—
 - (i) the Children’s Act [Chapter 5:06];
 - (ii) the Education Act [Chapter 25:04];
 - (iii) the Zimbabwe Council for Higher Education [Chapter 25:27];
- (b) incorporated by Act of Parliament;

“health institution” means—

- (a) any Government hospital listed in the First Schedule to the Health Service Act [Chapter 15:16];
- (b) any other health institution registered or required to be registered in terms of the Medical Services Act [Chapter 15:13];

“health practitioner” means any person in respect of whose profession or calling a register is kept in terms of the Health Professions Act [Chapter 27:19].

3. Acceptance of cheques and alternative modes of payments

(1) Every trader, health practitioner, parastatal, educational institution or health institution shall accept in settlement of any sum due to the trader, practitioner, parastatal or institution payment in the form of a cheque unless— (a) the person tendering the same has previously—

- (i) dishonoured any cheque in circumstances where he or she is at fault; or
- (ii) fraudulently drawn any cheque; or

(b) the trader, practitioner, parastatal or institution concerned has some other good cause for not accepting the cheque in question.

(2) Every trader, health practitioner, parastatal, educational institution or health institution shall accept in settlement of any sum due to the trader, practitioner, parastatal or institution payment by means of an alternative mode of payment unless—

- (a) on any previous occasion—
 - (i) the person has fraudulently tendered the same or a similar mode of payment; or
 - (ii) the banking institution mediating the mode of payment on behalf of that person has refused to honour the payment on account of any default on the part of that person; or
- (b) the trader, practitioner, parastatal or institution concerned has some other good cause for not accepting the alternative mode of payment in question.

(3) A trader, health practitioner, parastatal, educational institution or health institution shall have the burden of proving, to the satisfaction of an inspector, police officer or any court, that it has good cause for not complying with subsection (1) or (2).

4. Offence and penalty

(1) Any trader, health practitioner, parastatal, educational institution or health institution who, without good cause, fails to comply with section 3(1) or (2) shall be guilty of an offence.

(2) Where the offence referred to in subsection (1) is committed by—

- (a) an individual trader or health practitioner, he or she shall be liable to a fine of level eight or imprisonment for a period of six months or both such fine and such imprisonment; or
- (b) a parastatal, educational or health institution, or corporate trader or health practitioner—
 - (i) it shall be liable to a fine of level eight or imprisonment; and
 - (ii) every director or member of the governing body of the trader, practitioner, parastatal or institution shall be liable to a fine of level eight or imprisonment for a period of six months or both such fine and such imprisonment.