

**THE SECURED TRANSACTION ON MOVABLE PROPERTY
ACT, NO. 4 OF 2011**

**THE SECURED TRANSACTION ON MOVABLE PROPERTY
REGULATIONS, 2018
(Made under section 34)**

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(Made under section 34)**

IN EXERCISE of the powers conferred upon me under section 34 of the Secured Transaction on Movable Property Act, No.4 of 2011, **L.N 97 of 2018**
I, AMINA SALUM ALI, Minister for Trade and Industries, do hereby make the following Regulations:

**PART ONE
PRELIMINARY PROVISIONS**

1. These Regulations may be cited as the Secured Transaction on Movable Property Regulations of 2018 and shall come into operation after being signed by the Minister and published in the Gazette. Short title and Commencement.

2. In these Regulations, unless the context requires otherwise: Interpretation.

“Act” means the Secure Transaction on Movable Property Act, No. 4 of 2011;

“Collateral” means movable property that is subject to a security right;

“Creditor” means a person that has a security right;

“Debtor” means a person who:

(a) owes payment or performance of a secured obligation, whether or not that person owns or has other rights in the collateral; or

(b) is the owner of movable asset the use of which as collateral he has consented to.

- “Default” means the failure to pay or otherwise perform the obligation secured when due; or the occurrence of an event that, under the security agreement, gives the secured party the right to enforce the security;
- “Electronic form” means a form provided in the secured transaction registration system for the purpose of registration of security right and filing documents electronically with the Registry;
- “Individual” means natural person but shall not include partnership;
- “Minister” means the minister responsible for registration and administration of security right on movable property;
- “Movable property” means any property of every description which is movable;
- “Organization” shall include companies, corporations, government, societies and any type of civil or political association;
- “Priority” means the right of a person to derive the economic benefit of its security right in preference to a competing claimant;
- “Register” means the Register of security rights in movable property;
- “Registrar” means the Registrar of security rights in movable property;
- “secured transaction registration system” means the system managed by the Zanzibar Business and Property Registration Agency for the purpose of registration and administration of Security Right on Movable Property and filing of related documents electronically within the Registry.

PART TWO

NOTICE FOR REGISTRATION OF A SECURITY AGREEMENT ON MOVABLE PROPERTY

3.-(1) Subject to the provision of section 17 of the Act, registration of a security agreement on movable property and any amendment thereto shall be effectuated by the filing a notice, to the Registrar, in the electronic form by either party to the security right or his representative.

Notice for registration of a security agreement on movable property.

(2) The filing of a notice for registration of security agreement on movable property shall be made online in the electronic form of the secured transaction registration system.

4. The contents of a notice for registration of a security agreement shall be as prescribed under Part I of the First Schedule of these Regulations and accompanied with:

Contents of a notice for registration of a security agreement.

- (a) a copy of the identity card or the passport of the person who signed the application form, as the case might be;
- (b) a copy of the security agreement; and
- (c) evidence of the ownership of collateral.

5.-(1) The rank of priority of the security right shall be established on the date and time where the notice for registration of a security agreement on movable property is filed to the secured transaction registration system.

Rank of priority of the security right.

(2) The notice shall be processed by officers of the register as set forth by the Registrar and forwarded to the Registrar for decision on the security right registration.

6.-(1) Subject to section 25 of the Act, a debtor or creditor, with the written consent of either party, shall provide to the Registrar for registration of all changes to information relating to a registered security agreement.

Amendments to a security agreement.

(2) Any change shall be notified to the Registrar in a notice contains particulars as prescribed under Part II of the First Schedule of these Regulations.

Certificate
of
registration

7.41) Subject to the provision of section 18 of the Act, upon registration of the security agreement in movable property or amendments thereto, the Registrar shall issue a certificate of registration to the debtor and send a copy thereof to the creditor.

(2) The certificate of registration shall contain particulars as prescribed under Part I of the Second Schedule of these Regulations.

(3) A certificate of amendment of a register of a security agreement on movable property shall be as prescribed under Part II of the Second Schedule of these Regulations.

Refusal to
register a
notice of
security
agreement
or its
amendment

8.-(1) The Registrar shall, within ten (10) days after the receipt of a notice of registration of security agreement on movable property or its amendment where the notice does not comply with the requirements of the Act or these Regulations, direct the applicant through registered email to make correction or supplement any particulars within a period of thirty (30) days.

(2) The Registrar shall refuse to register the notice where the applicant failed to respond within the period given under sub-regulation (1) of this regulation.

The register
of security
right

9.-(1) Subject to the provision of section 4(3) of the Act, the register of security right on movable property shall be kept in the electronic form and contains the:

- (a) name and address of the debtor and creditor;
- (b) name of the legal representative of the debtor or creditor;
- (c) nature and description of the collateral sufficient for the purpose of its registration, and where the collateral is motor vehicles the chassis number shall also be included in the description;

- (d) maximum amount of the security right; and
- (e) date of registration.

(2) Information held by electronic means by the register of security right in movable property has the legal value of original information.

10.-(1) Subject to the provisions of section 15 of the Act, where the collateral is transferred, the debtor shall submit a notice to the Registrar within fourteen (14) days after the transfer was made. Notice of transfer of collateral.

(2) The notice under sub-regulation (1) of this regulation shall be as prescribed under Part III of the First Schedule of these Regulations.

(3) The transfer of collateral or security right shall be effective once the transfer has been registered as an amendment to the security agreement.

11. Subject to section 23 of the Act, the notice of transfer of security right shall be as prescribed under Part IV of the First Schedule of these Regulations. Transfer of security right.

12. The subordination of security right shall be effective once it has been registered as an amendment to the security agreement. Subordination of security right.

13.-(1) A termination or removal of a security agreement shall be effective once the termination has been registered as an amendment to the security agreement. Termination of a security agreement and its removal from the Register

(2) The full or partial removal of a security agreement from the register shall be performed upon the filing of a notice for amendment by an interested party with the written consent of either party.

(3) The registration number needs to be filled in the notice and the signature of the filing party or his legal representative and the evidence that the property is no longer used as collateral.

14.-(1) The certificate of disposal of collateral shall be as prescribed under Part III of the Second Schedule of these Regulations. Certificate of disposal.

(2) A request of a certificate of disposal of collateral shall be made to the Registrar in a notice as prescribed under Part V of the First Schedule of these Regulations and accompanied with:

- (a) evidence of the priority of the creditor making the request;
- (b) evidence that the debtor is in default under the security agreement; and
- (c) confirmation the payment of the registration fee.

Certificate
of
satisfaction.

15.-(1) Subject to section 19 of the Act, the particulars of certificate of satisfaction shall be as prescribed under Part IV of the Second Schedule of these Regulations.

(2) The Registrar shall issue a certificate of satisfaction only where the debt secured is evidenced under written obligation sufficiently described.

Fees.

16.-(1) The fees specified in the Third Schedule of these Regulations shall be payable to the Registrar at the time where the notice or other document is lodged for registration.

(2) Failure to pay the fee required under these Regulations shall render the application or document to be void.

(3) The fees paid under these Regulations shall be non-refundable.

Mode of
payment

17. The fees payable under these Regulations shall be paid to the bank account of the Registrar through:

- (a) Bank cards acceptable by payment gateway;
- (b) Mobile money payment;
- (c) Cash to the bank; or
- (d) any other mode where the Registrar may, from time to time, deems appropriate.

18. The Registrar may, with a view of resolving any dispute over ^{Mediation} the security agreement on movable property, refer the parties to the agreement for mediation before giving any direction.

19.-(1) A person who is aggrieved by any decision in accordance ^{Appeal} with Act or these Regulations may, within ten (10) days from the date of decision of the Registrar, appeal in writing to the Minister.

(2) For the purpose of implementing the provision of the sub regulation (1) of this regulation, the aggrieved applicant shall be required to:

- (a) notify the Registrar his intention to appeal;
- (b) write a letter to the Minister and stating the grounds for his appeal; and
- (c) submit to the Minister all necessary documents to support his appeal.

(3) The Minister upon receiving the appeal lodged to him shall call both the Registrar and the aggrieved person.

(4) The parties of the dispute shall be given a right to express his concern relating to the dispute.

(5) The Minister shall determine the dispute and provide his decision within fourteen (14) days from the date of receipt the letter of appeal.

(6) The decision of the Minister provided under sub regulation (5) of this regulation, may be appealed to the High Court.

PART I
CONTENTS OF A NOTICE FOR REGISTRATION OF
A SECURITY
AGREEMENT ON MOVABLE PROPERTY

(Made under regulation 4)

1. The notice for Registration of Security Agreement shall contain the following particulars:

- (a) Name of the debtor or his representative;
- (b) Residential address of the debtor who is an individual;
- (c) Registered address of the debtor which is an organization;
- (d) Identification of the debtor which may include Zanzibar Identification Card or National Identity, and Passport for Foreigners;
- (e) Name of identification of the representative of the debtor which is an organization;
- (f) Consent from the spouse of the debtor in case of an individual;
- (g) Name of the creditor or his representative;
- (h) Residential address of the creditor who is an individual;
- (i) Registered address of the creditor which is an organization;
- (j) Identification of the creditor;
- (k) Nature and description of the collateral sufficient for the purpose of its registration;
- (l) For motor vehicles, the chassis number shall be included in the description;

- (m) Maximum amount of the security right;
- (n) Date of the notice;
- (o) Signature of the debtor and creditor, or, in case of an organization, the representative; and
- (p) Any other particular or information as Registrar deems necessary.

PART II

THE PARTICULARS OF NOTICE OF AMENDMENT OF SECURITY AGREEMENT ON MOVABLE PROPERTY

[Made under regulation 6 (2)]

2. The Notice of Amendment of Security Agreement on Movable Property shall contain the following particulars:

- (a) Registration number of the security agreement;
- (b) The amendment specified in detail;
- (c) Consent of the debtor or creditor;
- (d) Signature of the party applying for registration of amendment or his representative; and
- (e) Any other particular or information as Registrar deems necessary.

PART III

THE PARTICULARS OF NOTICE OF TRANSFER OF COLLATERAL UNDER SECURITY AGREEMENT ON MOVABLE PROPERTY

[Made under regulation 10(2)]

3. The Notice of Transfer of a Collateral under Security Agreement on Movable Property shall contain the following particulars:

- (a) Registration number of the security agreement;

- (b) Names of the parties requesting the issuance of the notice;
- (c) Addresses of the parties;
- (d) Identification of the parties;
- (e) Consent of creditor on transfer where the transfer is not subject to Court order;
- (f) Description of the collateral as recorded in the register of security agreement;
- (g) Date of transfer;
- (h) Date and time when the notice was issued; and
- (i) Any other particular or information as Registrar deems necessary.

PART IV
THE PARTICULARS OF NOTICE OF TRANSFER OF
SECURITY RIGHT UNDER SECURITY AGREEMENT ON
MOVABLE PROPERTY

(Made under regulation 11)

4. The Notice of Transfer of a Security Right under Security Agreement on Movable Property shall contain the following particulars:

- (a) Name of the creditor;
- (b) Registration number of the security agreement;
- (c) Date of registration;
- (d) Names of the parties of security of agreement;
- (e) Name, Address and identification of transferee;
- (f) Identification of the parties;
- (g) Consent of creditor on transfer where the transfer is not subject to Court order;

- (h) Description of the collateral as recorded in the register of security agreement;
- (i) Date of transfer;
- (j) Date and time when the notice was issued; and
- (k) Any other particular or information as Registrar deems necessary.

PART V
THE PARTICULARS OF NOTICE TO REQUEST
CERTIFICATE OF DISPOSAL OF COLLATERAL
UNDER SECURITY AGREEMENT
ON MOVABLE PROPERTY
[Made under regulation 14(2)]

5. The Notice to request certificate of disposal of a collateral under security agreement on movable property shall contain the following particulars:

- (a) Registration number of the security agreement;
- (b) Name of the creditor requesting the certificate;
- (c) Address of the creditor;
- (d) Identification of the creditor;
- (e) Purpose of disposal;
- (f) Signature of requesting party or his legal representative;
and
- (g) Any other particular or information as Registrar deems necessary.

SECOND SCHEDULE**PART I****THE PARTICULARS OF CERTIFICATE OF REGISTRATION
OF A SECURITY AGREEMENT ON A MOVABLE PROPERTY
[Made under regulation 7(2)]**

1. The certificate of registration of a security agreement on a movable property shall contain the following particulars:

- (a) Name of the debtor;
- (b) Name of the creditor;
- (c) Description of the collateral sufficient to identify it for the purpose of its registration, a serial number shall be included in the description;
- (d) Maximum amount of the security right, stated in words, digits and currency abbreviated as applied internationally;
- (e) Registration number of the security agreement;
- (f) Any other registered security right or registered encumbrance existing in the collateral;
- (g) Date and time of the registration of the security agreement;
- (h) Date when the certificate was issued; and
- (i) Any other particular or information as Registrar deems necessary.

PART II**THE PARTICULARS OF CERTIFICATE OF AMENDMENT OF
A SECURITY AGREEMENT ON A MOVABLE PROPERTY
[Made under regulation 7(3)]**

2. The certificate of registration of a security agreement on a movable property shall contain the following particulars:

- (a) Registration number of the security agreement;
- (b) The amendment for registration of security agreement;
- (c) Amount security right;
- (d) The consent of the party who does not file for registration of amendment;
- (e) Signature of the party filing for registration;
- (f) Date of registration of amendment; and
- (g) Any other particular or information as Registrar deems necessary.

PART III

THE PARTICULARS OF CERTIFICATE OF DISPOSAL OF COLLATERAL UNDER SECURITY AGREEMENT ON A MOVABLE PROPERTY

[Made under regulation 14(1)]

3. The certificate of disposal of collateral under security agreement on a movable property shall contain the following particulars:

- (a) Registration number of the security agreement;
- (b) Name of the creditor requesting the issuance of the certificate;
- (c) Situation of address of the creditor;
- (d) Identification of the creditor;
- (e) Name of the debtor;
- (f) Situation of address of the debtor;
- (g) Decision of the Registrar on the issuance of the certificate of disposal;
- (h) Description of the collateral as recorded in the Register;

- (i) Amount of the collateral;
- (j) Date and time when the certificate was issued; and
- (k) Any other particular or information as Registrar deems necessary.

PART IV
THE PARTICULARS OF CERTIFICATE OF SATISFACTION
OF SECURITY AGREEMENT ON A MOVABLE PROPERTY
[Made under regulation 15(1)]

4. The certificate of satisfaction of security agreement on a movable property shall contain the following particulars:

- (a) Registration number of the security agreement;
- (b) Name of the creditor;
- (c) Situation of address of the creditor;
- (d) Identification of the creditor;
- (e) Name of the debtor;
- (f) Situation of address of the debtor;
- (g) Description of the collateral as recorded in the Register;
- (h) Amount of the collateral;
- (i) Date and time when the certificate was issued; and
- (j) Any other particular or information as Registrar deems necessary.

THIRD SCHEDULE

FEES [Made under regulation 16(1)]

S/N	DESCRIPTION	AMOUNT
1	Notice of registration of a Security Agreement	40,000
2	Notice of amendment of a Security Agreement	25,000
3	Notice to request Certificate of Disposal	35,000
4	Notice of discharge or cancelation	20,000
6	Short information search results	10,000
7	Detailed information search results	15,000
8	Certified copy of a document	10,000
9	Tailor-made search results	25,000
10	Perusal	10,000

SIGNED on this 27 day of September, 2018

**AMB. AMINA SALUM ALI
MINISTER FOR TRADE AND INDUSTRIES
ZANZIBAR**

