

## CENTRAL BANK OF THE UAE

Notice No.: 223/93

Date: 28/6/1993

To: All Banks operating in the UAE

Subject: Circular No. 14/93.

Please replace pages (3), (5) and (7) with the attached pages carrying the same numbers.

Yours faithfully,

**Sultan Bin Nasser Al Suwaidi**

**Governor**

### **Attachments:**

1. The standard measurement of a cheque would be 15.5cm X 7.5cm, but banks may issue larger cheques for their special customers. Name of the account holder must always be printed on the lower part of the cheque. A sufficient margin on the bottom part of the cheque (at least 1.5cm) must be kept blank for future encoding of cheques using MICR, in font style "E-13B".

Regarding Specifications for the paper to be used for cheques (weight, grain, direction, smoothness, reflectance, opacity etc.) banks are asked to comply with the standards issued by the American National Standards Institute (ANSI), especially with ANSI standard X9.7, 13, 18 and 27.

2. Banks may open savings and call/time deposit accounts for residents and non-residents. In this case, counter-cheques and ATM Cards, as applicable, may be made available to account holders, whereas the issuance of Cheque books is prohibited for such accounts.

3.

4. Banks must also obtain all necessary, information and documents on juridical persons especially the trade licence and must diarize for renewals in order to keep a copy of the valid licence on bank's files at all times.

5. With regards to "Associations", banks must not open accounts except for those associations that present a true "declaration decision" issued and signed by H.E. The Minister of Labour and Social Affairs.

6.

7. All subsequent changes in the information provided on account holders must be updated regularly.

8.

9. Those current account holders whom at least 4 Cheques get returned unpaid for insufficient funds, with a maximum time span between the first and the fourth cheque of one year, their current accounts must be closed, remaining cheques collected and the name reported to the Central Bank's Risk Bureau along with the amounts of each returned cheque.

10.

11. Banks must not leak any information they get through access to the Central Bank's List of Current Account Restricted Persons

Based on the above Circular No. 457 dated 10th August 1987 is hereby cancelled with effect from 31st August 1993.

The above rules come into force on 1st September 1993, and all banks are requested to write to their customers to inform them accordingly, latest by 15 August 1993.

**Yours faithfully,**

**Sultan Bin Nasser Al Suwaidi**

**Governor**