



## **CENTRAL BANK OF THE UAE**

**Circular No. : 8 /92**

**Date : 27/7/1992**

**To : All Banks**

**Subject : Penalty on Overdrafts in Current Accounts with the Central Bank**

**Dear Sirs,**

With reference to our circular Nos. 524 of 25.05.1980 & 492 of 21.04.1988, and based on Board of Directors' decision, the Central Bank has decided to revise the penalty on overdrafts in current accounts to a rate equivalent to prevailing inter-bank rate for 3 months' deposits plus 5% per annum, with a minimum of Dh.250 per day.

In case a current account remains in overdraft for more than seven consecutive working days, management of the bank concerned shall be summoned to the Central Bank.

The other conditions laid down in the above circulars remain the same.

The Central Bank shall proceed with the implementation of this rule as from 01.08.1992.

**Yours Faithfully,**

**Governor**