

BANK OF UGANDA

OFFICE OF
THE EXECUTIVE DIRECTOR
SUPERVISION



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EDS.306.2

4 September 2015

All Chief Executives of Commercial Banks, Credit Institutions, Forex Bureaus and Money Remitters

Non-Compliance with the Financial Consumer Protection Guidelines 2011 regarding transparency while conducting financial services

Bank of Uganda has noted with concern that some Supervised Financial Institutions (SFIs) effect foreign exchange transactions using different rates from those quoted on their boards particularly to 'walk-in' customers and individual holders of bank accounts.

Bank of Uganda hereby reminds all SFIs that the Financial Consumer Protection Guidelines 2011 were formulated among other things to promote fair and equitable financial services practices by setting minimum standards for financial services providers, increase transparency in order to inform and empower customers of financial services and foster confidence in the financial services sector.

All SFIs are therefore directed to ensure that;

1. Buying or selling rates at which foreign exchange transactions are effected must be the real time rates on the display boards.
2. When necessary, board rates should be changed three times a day to reflect real rates and avoid having wide spreads to cover the entire day.

Failure to comply with this directive will attract punitive actions as provided for under the Financial Institutions Act, 2004 and the Foreign Exchange Act, 2004.

Handwritten signature of J. Bagyenda

J. Bagyenda (Mrs.)
Executive Director Supervision

4 SEP 2015