

MEDIA RELEASE

**UGANDA BANKERS' ASSOCIATION DROPS THE PRACTICE OF EARLY
REPAYMENT CHARGES ON OUTSTANDING LOANS**

Wednesday, 18th October 2023

Regulated Financial Institutions under their umbrella body Uganda Bankers' Association (UBA) during the monthly CEOs meeting held on Friday 13th October 2023 agreed to drop the practice of early loan repayment fees charged on outstanding loans across the membership /industry.

The Executive Director UBA, Mr. Wilbrod Owor, notified the Bank of Uganda of this decision in a letter dated 16th October 2023.

The above change will take effect on 1st December 2023 in conformity with the minimum 30-day notice requirement for notification of customers by supervised financial institutions (SFIs).

The decision to halt early repayment fees is aimed at facilitating the loan market with flexible options and alternatives in constraining economic circumstances and by extension contributing to the growth of private sector credit.

For any further inquiries, please contact

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