



BANGKO SENTRAL NG PILIPINAS

OFFICE OF THE GOVERNOR

CIRCULAR NO. 795

Series of 2013

Subject: Guidelines on the Temporary Window for the purchase of foreign exchange (FX) to service unregistered private sector foreign loans¹

Pursuant to Monetary Board Resolution No. 473 dated 21 March 2013 and No. 597 dated 11 April 2013 approving the temporary window for the purchase of FX to service unregistered private sector foreign loans, the following guidelines are hereby issued:

I. Coverage

The temporary window shall be available from May to December 2013 and shall cover the following foreign loans of the private sector that are booked and outstanding in the borrower's records as of 30 September 2012 with payments (principal, interest and other related fees) falling due within said period:

- a. Loans approved by the Bangko Sentral ng Pilipinas (BSP) but not yet registered;
- b. Loans without BSP approval/registration, but being reported to the BSP; and
- c. Loans without BSP approval/registration, and currently not being reported to the BSP.

Prepayments and arrears may also be considered subject to conditions indicated herein.

A limit on the maximum amount of FX that may be purchased shall be determined by the BSP based on prevailing conditions.

II. Procedures

Private sector borrowers with foreign loans covered by the above categories may purchase FX from authorized agent banks (AABs) and/or their subsidiary/affiliate foreign exchange corporations (AAB-forex corps) to service regular/scheduled loan payments (principal, interest and related fees), including arrears and prepayments within the period allowed herein upon compliance with the following:

1. Private sector borrowers shall submit to the BSP, through the International Operations Department (IOD), the duly accomplished "Application for Authority to

¹ Foreign loans are those owed by residents to non-residents, regardless of currency of denomination.

Purchase FX" (Annex A), together with documentary requirements specified therein and processing fee, as may be applicable on the following deadlines:

Payment due dates	Deadline for filing
1-10 May 2013	30 April 2013
11-31 May 2013	6 May 2013
June – September 2013	31 May 2013
October – December 2013	28 June 2013

Applications submitted beyond the said deadlines shall no longer be accepted.

2. Private sector borrowers shall present to the FX selling AABs/AAB-forex corps the original BSP authority to purchase FX which shall be valid only within dates stipulated therein. In case the end of validity period of the BSP authority falls on a non-working day, the BSP authority can still be used until the next banking day.

3. The AAB/AAB forex corps may sell FX up to the amount indicated in the BSP authority. The AAB/AAB forex corps shall stamp "FX Sold" on the original authority and indicate the amount of FX sold, to be initialed by an authorized officer of the AAB/AAB forex corps.

III. Processing Fee

A fixed processing fee of PHP10,000 will be charged by BSP on each application for servicing of private sector foreign loans that are: (a) without BSP approval/registration, but being reported to BSP; and (b) without BSP approval/registration, and currently not being reported to BSP. The processing fee shall be in the form of Manager's Check or Cashier's Check payable to the BSP.

IV. Reporting Requirements

FX selling AABs/AAB-forex corps and private sector borrowers shall report such FX sales/purchases to the BSP as follows:

Reports	Deadline
A. By the FX selling AAB/AAB-forex corps (FX Sales) –	
1. Schedule 4 of FX Form 1	Within five (5) banking days from end of reference week
2. Report on Sale of FX Pursuant to Circular No. 795 dated 18 April 2013 (Annex B)	Within three (3) banking days from end of reference week
B. By the private sector borrowers (FX purchases) –	
Report on foreign borrowings for medium- and long-term loans (Form 2 – Annex C); or Report on short-term foreign borrowings (ST-2 – Annex D)	Within three (3) banking days after end of reference month

V. Effectivity

This Circular shall take effect on 25 April 2013.

FOR THE MONETARY BOARD:


NESTOR A. ESPENILLA, JR.
Officer-In-Charge

18 April 2013



Received on: _____
Time : _____
Received by : _____

**Application^{1/} for Authority to Purchase Foreign Exchange
Pursuant to Circular No. 795 dated 18 April 2013**

APPLICANT'S PROFILE

Company Name : _____
Nature of Business : _____
Postal Address : _____
Website : _____
Tax Identification Number (TIN) : _____
Telephone Number/s : _____
Fax Number/s : _____

Please check appropriate box, supply necessary information and submit required documents

- ☐ Loans that are BSP-approved but not yet registered
☐ Loans not approved/registered but currently reported to BSP pursuant to Section 22 of the Manual of Regulations on Foreign Exchange Transactions
☐ Loans without BSP approval/registration and not reported to BSP

Debt Account Number, if any : _____

BSP approval date, if any : _____

Latest BSP Notation Number, if any : _____

Payment details: (Please check appropriate box/es)

☐ Regular ☐ Prepayment ☐ Arrears
☐ Principal ☐ Interest ☐ Fees (specify) _____

Amount to be paid (In Orig CY)			
Original due date			
Remittance/Target payment date			
Remittance instructions (attach billing statement, if available)			

> Supporting documents attached (for loans without BSP approval/registration and not reported to BSP):

- ☐ Accomplished Loan Summary Sheet (Annex A)
☐ Copy of loan agreement or promissory note
☐ Copy of latest SEC/DTI registration
☐ Latest Audited Financial Statements

^{1/} Please file a separate application for each loan account

I hereby certify that: (i) all representations made and documents/information submitted herein are true and correct; and (ii) all copies of documents submitted (other than originals) are certified true copies of the original.

Date

(Signature of authorized official over printed name)
Designation

Processing Fee (PHP10,000)

Official Receipt No. / Date (To be filled up by IOD): _____

Name of Borrower

[illegible]

Signature of Authorized Officer

Tel No. _____ Fax No. _____

For initial reporting of foreign/foreign currency loans obtained without prior BSP approval/registration, this form shall be submitted with Annexes E.3 and E.4 of the Manual of Regulations on Foreign Exchange Transactions.

ANNEX D

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(As amended by Circular No. 742 dated 21 November 2011 and Circular No. 794 dated 18 April 2013)

For submission to : International Operations Department

Frequency : Monthly

Deadline : Three (3) banking days after

end of reference month

ST-2

Name of Firm **REPORT ON SHORT-TERM FOREIGN BORROWINGS¹** **For the Month of _____** **(In Original Currency)**

C R E D I T I N F O R M A T I O N									
Reference Number [1]	Creditor [2]	Contract Date [3]	Original Currency [4]	Amount Committed [5]	Date of BSP Approval [6]	Maturity [7]	Interest Rate [8]	Validity Period [9]	Type of Credit/ Purpose [10]

Prepared by:

Certified Correct:

Name & Designation

(Signature Over Printed Name)

Name & Designation

(Signature Over Printed Name)

¹ For initial reporting of foreign/foreign currency loans obtained without prior BSP approval/registration, this form shall be submitted with Annexes E.3 and E.4 of the Manual of Regulations on Foreign Exchange Transactions.

[illegible]

Certified Correct:

Name & Designation
(Signature Over Printed Name)

¹ For initial reporting of foreign/foreign currency loans obtained without prior BSP approval/registration, this form shall be submitted with Annexes E.3 and E.4 of the Manual of Regulations on Foreign Exchange Transactions.