



BANGKO SENTRAL NG PILIPINAS
OFFICE OF THE GOVERNOR

CIRCULAR NO. 741
Series of 2011

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

Pursuant to Monetary Board Resolution No. 1681 dated 10 November 2011 approving the three (3)-month 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 for the three (3)-month period from December 2011 to February 2012 and shall cover the following foreign loans of the private sector that are outstanding as of 30 June 2011 with payments (principal, interest and other related fees) falling due within said period:

- a. Loans not yet registered but already approved by the BSP;
- b. Loans without BSP approval/registration, but being reported to the BSP; and
- c. Loans without BSP approval/registration, and 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 three (3)-month period 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 Purchase FX" (Annex A), together with documentary requirements specified therein and applicable processing fee, not later than 5 December 2011. For payments falling due/payments to be made from 1-9 December 2011, the application (together with the required documents) shall be submitted not later than 24 November 2011.

Applications received beyond the said deadline shall no longer be processed.

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

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 the dates stipulated therein. In case the end of the validity period of the BSP authority falls on a non-banking day, the BSP authority can still be used until the next banking day.

3. 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 not 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	Five (5) banking days from end of reference week
2. Report on Sale of FX Pursuant to Circular No. 741 dated 17 November 2011 (Annex B)	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 transactions on short-term foreign loans (ST-2 – Annex D)	Three (3) banking days after end of reference month

V. Effectivity

This Circular shall take effect immediately.

FOR THE MONETARY BOARD:


AMANDO M. TETANGCO, JR.
Governor

17 November 2011



Received on: _____

Time : _____

Received by : _____

**Application^{1/} for Authority to Purchase Foreign Exchange
pursuant to Circular No. 741 dated 17 November 2011**

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 Circular No. 32 dated 19 July 1994
☐ 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

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): _____

LOAN SUMMARY SHEET

I. Basic Loan Information

Borrower Profile:

Borrower's Name: _____
 Address: _____
 Telephone/Fax No.: _____
 Tax Identification No.: _____
 Nature of business: _____

Creditor Profile:

Creditor's Name: _____
 If syndicated, pls. indicate lead bank and syndicate members:

 Address: _____
 Nature of business: _____

Relationship to borrower: ☐ Parent Co. ☐ Stockholder
 (pls. check) ☐ Others, Pls. specify _____

Loan Agreement Date/Promissory Note and No. (if any): _____

Loan Amount (In Original Currency): _____

Loan Purpose/Project Name: _____

Guarantor/s and % Guaranteed: _____
 (pls. include both local and foreign guarantors with their respective % of guarantee)

Currency of Disbursement: _____

Currency of Repayment: _____

Availability Period/Closing Date: _____

Maturity/Grace Period: _____

Interest Rate: ☐ Fixed ☐ Floating: Base Rate Spread

Frequency of payment: _____
 (pls. indicate specific amounts as well as start and end dates)

Principal: _____
 Interest: _____

II. Disbursement Schedule (In Orig. Currency)

Date	Amount

III. Debt Service Schedule (In Orig. Currency)

Date	Principal	Interest

Certified correct:

 Signature of Authorized Official over Printed Name

 Designation

Name of FX Selling Institution

REPORT ON SALE OF FOREIGN EXCHANGE (FX) PURSUANT TO CIRCULAR NO. 741 DATED 17 NOVEMBER 2011
For Week ending on _____, Month, Year

[illegible]

Certified True and Correct:

Name of Authorized Bank Official

Designation

Tel. No. _____
Fax No. _____

Deadline: Three (3) banking days after end of reference month
Submission: International Operations Department

Name of Borrower _____

[illegible]

1/ Please indicate whether payments were sourced from own funds (CRX) or from the banking system (CRE).

Signature of Authorized Officer

Position: _____

Tel No. _____ **Fax No.** _____

For submission to : International Operations Department
Frequency : Monthly
Deadline : Three (3) banking days after
end of reference month

Name of Firm
TRANSACTIONS ON SHORT-TERM FOREIGN LOANS
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)

ST-2

Name of Firm
TRANSACTIONS ON SHORT-TERM FOREIGN LOANS
For the Month of _____
(In Original Currency)

TRANSACTIONS FOR THE MONTH										
DAN	Creditor	Outstanding Balance Beg. of Mo. [11]	A v a i l m e n t s				P a y m e n t s			Outstanding Balance End of Mo. [19]
			Date [12]	Amount [13]	Due Date [14]	Interest Rate [15]	Date [16]	Principal [17]	Interest [18]	

Prepared by:

Certified Correct:

Name & Designation
(Signature Over Printed Name)

Name & Designation
(Signature Over Printed Name)