

SERVICING IMPORT PAYMENT BY COMMERCIAL BANKS

BSP CIRCULAR LETTER, March 31, 1998

Read online (full-text search, related cases, audio case brief): <https://batas.org/library/1b895f9d9d16/>

1. Commercial Banks, in servicing import payments under an any mode allowed under Circular 1389, as amended, namely: LC, D/P, D/A or O/A Arrangement, shall require the presentation of the complete original shipping documents. This should be observed if the foreign exchange selling bank is at the same time the booking/remitting bank. A booking/remitting bank is one which directly effects/remits the payment of import obligations to the foreign supplier.
2. Banks other than the booking/remitting bank selling foreign exchange to importer-clients may allow the presentation of photo-copies of the shipping documents to support such sale, provided that:
 - a. The importer-client indicates at the back of the commercial invoice the breakdown of foreign exchange it has bought from banks and other sources indicating (1) Name of Selling Bank/Entity (2) Date of Purchases (3) Amount Purchased (4) Remaining Balance and (5) in case of D/A or O/A Arrangement the Record of Goods Imported (RGI) Number and BSP Registration Number. Said information should be certified as to its correctness by the treasurer or higher officer of the company; and
 - b. The selling/servicing bank shall remit the foreign exchange sold to the booking/remitting bank and shall indicate in the draft/Telegraphic Transfer/PDDTS instructions the particular invoice number covered by the sale with the corresponding RGI No. and BSP Reg. No.
3. Sale of foreign exchange for payment of a Foreign Currency Loan (the proceeds of which was used for import payment) by a bank other than the lending bank, shall be covered by the following guidelines:
 - a. The selling bank shall require the client-importer to indicate in his application-letter to purchase foreign exchange, the following information: (1) Name of the Lending Bank; (2) Original Loan Amount; (3) Due Date; (4) Outstanding Loan Balance; (6) Purpose of Loan and (5) Invoice No. and Amount of import bill liquidated by the proceeds of the loan. Said information should be certified as to its correctness by the treasurer or higher officer of the company.
 - b. The foreign exchange sold shall be remitted by the selling bank to the lending bank indicating in the draft/TT/PDDTS instructions, pertinent information on the loan account.
4. A Senior Officer of the booking/remitting bank responsible for the payment of the importation, or of the lending bank responsible for the loan account, shall certify that his bank has taken measures to ensure that the importer-client has not purchased foreign exchange from the banking system in excess of the amount of the importation as indicated in the invoice, or the outstanding loan balance plus financing charges, as the case may be.
5. The selling banks shall inform its importer-client that he may be subject to watchlisting by the BSP in case he shall be found to have purchased foreign exchange from the banking system in excess of the amount indicated in the commercial invoice or the outstanding loan balance plus financing charges, as the case may be.
6. All documents supporting the sale of foreign exchange and payment of the loan/importation shall be made

available for verification by the examining BSP Bank Officers.

This Circular Letter shall take effect immediately.

Adopted: 31 March 1998

(SGD.) GABRIEL C. SINGSON
Governor

ABOUT BATAS.ORG

Study smarter at BATAS.org

The Philippine bar review and law-school companion built around how your brain actually remembers.

The complete Philippine law library - free for everyone.

More than 100,000 Supreme Court decisions, Republic Acts, and executive issuances - full-text searchable, browsable by category and year, and always free. No paywall, no login. This PDF came from it.

Audio case-brief lectures.

Any decision becomes a podcast-style lecture - facts, issues, ruling, and doctrine - with read-along highlighting and a hands-free presentation mode. Study while commuting, working out, or resting your eyes.

Bar review built on the science of memory.

Complete, sequenced courses for all eight bar subjects, narrated like podcasts and reinforced with retrieval practice and spaced review - the study techniques with the strongest evidence behind them.

The full law-school curriculum.

One subscription unlocks the entire J.D. curriculum - every subject, every lesson, with your progress tracked down to the paragraph so you can pick up exactly where you left off, on any device.

Mock exams that tell you where you stand.

Timed multiple-choice exams graded instantly, with per-subject score breakdowns and focus suggestions that point you at your weakest topics first.

A study planner that keeps you on pace.

Set your schedule and BATAS tells you every day whether you are on track for bar day - and exactly which lesson to take next.

Start free at <https://batas.org>

The law library is free forever - and your first lesson is one click away.

The text of this document is an official public record and remains in the public domain. Formatting, presentation, and compilation © 2026 batas.org.

Downloaded free from the batas.org Law Library. Share it freely - the library is free for every law student, bar reviewee, and practitioner.