

CUSTOMER GUIDE

Foreign Exchange Payment Operations

Standard Operating Procedure

Exports | Imports | Services | Merchanting Trade | Capital Account Transactions | Escrow

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Coverage	Exports, imports, services, merchanting trade, capital account transactions, escrow and related regulatory reporting
Regulatory basis	Applicable FEMA regulations, RBI directions, Foreign Trade Policy and other applicable requirements, as amended from time to time
Important	This guide is indicative and does not replace applicable law, transaction-specific requirements or the Bank's contractual terms.

1. About This Guide

This guide provides customers with a practical, high-level explanation of how JPMorgan Chase Bank, N.A., India Branches (the Bank) considers and processes eligible cross-border transactions. It helps customers understand the information normally required, the principal review stages and their responsibilities before and after processing.

It applies to inward and outward transactions connected with imports and exports of goods or services, merchanting trade, current account remittances, capital account and investment transactions, eligible escrow arrangements and associated regulatory reporting or monitoring.

Requirements are transaction-specific and may vary according to purpose, value, structure, counterparties, jurisdictions, payment terms, supporting evidence, regulatory treatment and risk considerations.

1.1 What this guide includes

- Customer information commonly required for transaction review.
- Explanation of the Bank's processing approach.
- Indicative document categories for major transaction types.
- Customer responsibilities for reporting, evidence and follow-up.
- A summary of how exceptions and non-standard requests are considered.

Customers should rely on the requirements communicated by the Bank for their specific request. Applicable law and regulatory directions prevail over this guide.

2. Core Processing Principles

The Bank considers a transaction only after it is satisfied, based on the information available, that the request is genuine, permitted, appropriately documented, successfully screened, sufficiently funded and internally approved where required.

Principle	What it means for customers
Genuineness	The purpose, parties, value and payment arrangement should be credible and supported by appropriate evidence.
Regulatory permissibility	The transaction must be allowed under applicable foreign exchange, trade, tax, sanctions and sector-specific requirements.
Documentary consistency	Instructions, invoices, contracts, transport evidence and payment details should be complete and consistent.
Purpose and classification	The correct purpose, purpose code and current-account or capital-account treatment must be established.
Screening and due diligence	The Bank may review parties, jurisdictions, goods, services, transaction structure and relevant risk factors.
Funding and execution	Sufficient funds, foreign exchange arrangements and valid instructions must be available.
Reporting and closure	Regulatory records and outstanding evidence must be updated, monitored and closed as applicable.

3. Customer Instructions and Submission Channels

Customers may submit requests through channels made available and agreed by the Bank, including secure digital banking, host-to-host connectivity, API, secured email, depending on the customer's facility and transaction type.

3.1 Instruction standards

- Instructions must originate from an authorised user, signatory or approved instruction route.
- Customer name, account, amount, currency, payment direction, beneficiary or remitter, value date and commercial purpose should be clear.
- Documents should be legible, complete and suitable for audit and regulatory evidence.
- Invoice, shipping bill, Bill of Entry, export declaration, inward-remittance or regulatory references should be provided where relevant.
- An amendment, cancellation or change in transaction details should be notified promptly through an accepted channel.

3.2 Electronic instructions

Where an electronic instruction or data file is accepted, the Bank may still require transaction-specific declarations, underlying documents, supporting data or confirmations. Use of an electronic channel does not remove the customer's responsibility to provide accurate and complete information.

3.3 Additional information

The Bank may request originals, certified copies, additional confirmations or alternative evidence where the initial submission does not satisfactorily establish the purpose, relationship among parties, movement of goods, completion of services, applicable approvals or regulatory treatment.

4. End-to-End Customer Journey

Stage	High-level activity	Customer contribution
Request intake	The Bank receives the instruction and available documents.	Submit through an accepted channel with accurate details.
Classification	The Bank determines transaction type, purpose and broad regulatory treatment.	Provide a clear commercial description and purpose information.
Document review	Underlying documents, declarations and references are reviewed.	Ensure documents are complete, legible and consistent.
Due diligence and screening	The Bank reviews genuineness, permissibility, parties, jurisdictions and risk considerations.	Provide clarifications and relationship evidence when requested.
Approval or referral	The Bank obtains Internal approval or seeks external guidance or approval when applicable.	Provide additional rationale or prescribed approval documents.
Processing	The payment, receipt or related request is processed after requirements are met.	Maintain sufficient funds and valid execution instructions.
Regulatory update	Applicable records are created, updated or closed.	Provide accurate regulatory identifiers and data.
Follow-up and closure	Outstanding evidence and post-transaction obligations are monitored.	Submit pending evidence and respond to follow-ups.

A request is complete only when all documents, information, clarifications, confirmations, approvals and funds needed for processing have been received.

5. General Documentation Framework

Document requirements are indicative and depend on the transaction. The Bank may ask for some or all of the following categories, or for other information appropriate to the request.

Documentation category	Examples
Customer authority	Payment or receipt instruction, debit authority, signatory confirmation or approved electronic instruction.
Commercial basis	Invoice, debit note, purchase order, contract, agreement or other evidence of the underlying obligation.
Movement or delivery	Bill of Lading, Airway Bill, delivery receipt, Bill of Entry, shipping bill, export declaration or service-completion evidence.
Regulatory declarations	Form A2, FEMA declaration, purpose-code information or other prescribed declaration.
Tax and valuation	Applicable tax forms, Chartered Accountant certificate, valuation report or calculation support.
Counterparty and relationship	Counterparty details, group evidence, third-party authorization, tripartite agreement or commercial rationale.
Licences and approvals	Government, RBI, Foreign Trade Policy, sectoral regulator or competent-authority permission, licence or waiver.
Dates and payment terms	Shipment, invoice, contractual due, expected delivery, completion, revised or refund date.
Post-transaction evidence	Import evidence, export realisation information, filing acknowledgement, utilization evidence or closure documents.

5.1 Consistency and case-by-case review

Names, amounts, currencies, terms, goods or service descriptions, references and beneficiary details should align across the instruction and supporting evidence. A listed document does not by itself guarantee processing. The Bank may accept appropriate alternatives where permitted. Non-standard requests remain subject to applicable law, due diligence and Internal approval.

6. Export Transactions

The Bank supports eligible export receipts and related requests for goods, software and services. Customers should provide information needed to identify the export, apply the receipt and update or close the regulatory record.

6.1 Lodgement and receipt regularisation

Customers may be asked for a request to handle the export, commercial invoice, transport or export evidence, declaration information and regulatory data. For incoming receipts, customers should provide correct purpose details and identify the related shipping bill details / data, export declaration, invoice or Bank reference.

6.2 Advance export receipts

Where funds are received before export completion, customers should provide the underlying order or agreement, expected export date, commercial terms and required declarations. Extended, unusual or non-standard arrangements may require further evidence and Internal approval.

6.3 Changes, extensions and refunds

- For an extension, provide a written explanation for the delay and evidence of follow-up with the overseas buyer.
- For a refund, identify the original receipt and export transaction, explain the reason and provide supporting evidence. Refunds should ordinarily return to the original remitter.
- For a change in buyer, consignee, payment route or terms, provide the commercial rationale and documents supporting the revised arrangement.

6.4 Reduction, write-off, claims and special handling

Requests involving under-realisation, reduction, write-off, insurance claim, destruction, dispute, free-of-cost export or another shortfall should explain the reason and include appropriate evidence, declarations and certifications. Internal approval may apply.

6.5 Third-party receipts and set-off

Third-party receipts require satisfactory evidence of the relationship and commercial rationale among the exporter, buyer and payer. Set-off requests require details for the export receivable and import payable, counterparty consent, supporting documents, relationship evidence and any required certification. Internal approval applies.

6.6 Monitoring and closure

Customers are responsible for realising and repatriating export proceeds, providing evidence and responding to follow-ups within the applicable regulatory period. Eligible small-value entries may be considered for declaration-based closure under prevailing RBI requirements.

7. Import Transactions

The Bank considers import payments after it is satisfied that the underlying import is genuine, permitted, appropriately documented and reportable. Customers should identify contractual payment terms and provide import evidence when available or requested.

7.1 Physical goods

Indicative documents / data including the customer instruction, invoice, transport evidence and Bill of Entry or equivalent import evidence. Additional support may be required for restricted goods, high-sea sales, replacement imports, split shipments, part payments, bill-from/ship-from structures or other special arrangements

7.2 Software, non-physical goods and services

For software or non-physical goods, customers should provide the instruction, invoice and evidence supporting receipt, delivery or download. For services, indicative documents include the instruction, invoice or debit note, agreement or order, Form A2 where applicable, tax-related forms or certificates and evidence supporting the service purpose.

7.3 Special structures

Structure	High-level consideration
High-sea sale	Evidence of the sale arrangement, title and relationship between the importer and remitter.
Replacement import	Evidence of original shipment, damage or deficiency, replacement terms, insurance position and payment basis.
Bill-from/ship-from	Documents explaining the contracting, invoicing and shipping parties and movement of goods.
Third-party payment	Evidence explaining why payment is made to another party and the relationship among the parties.
Centralised treasury	Group arrangement or policy, participating entities, rationale and transaction-level documents as applicable.
Restricted or sector-specific import	Applicable licence, permission, approval or waiver in addition to normal documents.

7.4 Import evidence and closure

Customers should provide import evidence and other post-payment documents within the applicable regulatory period. Where evidence is pending, the Bank may follow up and continue monitoring until the entry is regularised or closed.

8. Advance, Delayed and Trade-Credit Import Payments

8.1 Advance import payments

The advance framework applies where payment is made before goods or services are received or before import evidence is available. The Bank reviews the full underlying transaction and considers the supplier, jurisdiction, goods or services, payment structure, delivery expectations and unusual features.

- Provide the purchase order, agreement or proforma invoice showing advance terms.
- Provide the expected import or service-completion date and intended payment schedule.
- Provide any licence, sectoral permission or approval required for the import.
- Supplier confirmation, bank guarantee, standby letter of credit, external approval or Internal approval may be required depending on the transaction.
- After payment, submit import evidence or arrange an appropriate refund if the import does not materialise.

8.2 Delayed payments and extensions

Where payment is proposed after the contractual due date, or a date is to be revised, customers should provide a written explanation, relevant references, revised date and supporting contractual or supplier evidence. Interest or delayed-payment charges must comply with applicable requirements. Longer or exceptional arrangements may require further review and Internal approval.

8.3 Trade credit and usance

Where a deferred-payment arrangement falls within the trade-credit framework, the Bank may require import documents, financing terms, security or guarantee documents, regulatory registration or reporting data and confirmation of permitted use.

8.4 Import not materialised

If goods or services are not received after an advance payment, the customer should provide an explanation, follow-up evidence and a plan for completion or refund. Outstanding cases may influence the evidence or risk mitigation requested for subsequent advances.

9. Merchanting Trade Transactions

Merchanting trade generally involves goods moving from one overseas country to another without entering India, with an Indian merchant intermediary to the purchase and sale. The Bank may support eligible transactions subject to the Foreign Trade Policy, RBI requirements and satisfactory due diligence.

9.1 Core requirements

- Route the purchase and sale legs through the Bank as required.
- Provide the request and declarations, invoices for both legs, movement-of-goods evidence and payment or receipt details.
- Ensure the goods, counterparties, jurisdictions and overall transaction are permitted.
- Complete the transaction within the applicable regulatory period.
- Provide a written explanation and counterparty evidence for an extension or delayed regularisation request. Internal approval applies.
- Provide relationship and commercial-rationale evidence for third-party payments or receipts.

9.2 Consistency, economics and closure

The Bank reviews the consistency of both legs, movement of goods, counterparties, currencies, amounts and payment flow. Unusual economics, loss-making outcomes, amendments or changes in route may require additional evidence and Internal approval. Customers should promptly provide any missing leg, amendment, refund or closure information required for regulatory reporting and regularisation.

10. Services and Other Current Account Payments

The Bank may process eligible service and other current-account payments, including royalties, professional or technical fees, commissions, freight, insurance, dividends, employee-related payments, donations, lease or rental payments, reimbursements and other permissible purposes.

Typical evidence	Purpose
Payment instruction and purpose information	Identifies payer, beneficiary, amount, currency and commercial purpose.
Invoice, debit note or expense statement	Supports the amount and nature of the charge.
Agreement, order or policy document	Establishes contractual basis and payment terms.
Form A2 or prescribed declaration	Supports foreign exchange classification where applicable.
Tax forms or certificates	Supports applicable tax-compliance requirements.
Sector-specific permission	Demonstrates approval where the purpose is regulated or restricted.
Calculation or allocation support	Explains royalty, commission, reimbursement, employee, freight or other computed amounts.

Related-party, pass-through, reimbursement or third-party structures may require additional information establishing entitlement, commercial rationale and consistency with the underlying arrangement.

11. Capital Account and Investment Transactions

Capital-account and investment transactions are subject to specific eligibility, route, pricing, documentation, reporting and ongoing compliance requirements. Customers should provide complete corporate, financial and regulatory information.

11.1 Overseas investment

Overseas Direct Investment, disinvestment and Overseas Portfolio Investment may require prescribed forms, board authorization, constitutional and financial documents, valuation support, investment or loan agreements, designated AD bank information, evidence of investment and ongoing reports. Restructuring, write-off, guarantees or changes may require additional support.

11.2 Foreign investment and share transfers

For inward investment and transfers of equity instruments, customers may be required to provide investor or remitter information, corporate approvals, valuation support, transaction agreements, shareholding information, tax documentation and evidence of reporting through the prescribed platform.

11.3 External Commercial Borrowings

ECB requests may require loan documents, corporate authorization, regulatory registration, lender and borrower details, permitted terms, pricing and end-use information, security documents, drawdown evidence, periodic reporting and change-event reporting.

11.4 Branch, Liaison and Project Offices

Requests may involve eligibility and establishment documents, regulatory or sectoral approval, permitted account activity, annual reporting, changes to the office, remittance of profit or surplus, asset transfer and closure documentation.

11.5 Overseas branch office remittances

Customers may need to provide corporate authorization, evidence of the overseas office, applicable certification, expense calculations, annual statements and closure documents. Payments should be consistent with the permitted purpose and office arrangement.

12. Escrow Arrangements

The Bank may support eligible cross-border escrow arrangements where permitted by applicable law and the executed escrow agreement. The arrangement is considered according to its legal structure, parties, transaction flow and regulatory treatment.

12.1 Establishment and processing

- Complete customer, account and counterparty onboarding and due diligence.
- Execute an escrow agreement acceptable to the Bank.
- Clearly describe purpose, parties, funding, permitted credits and debits, release conditions and reporting responsibilities.
- Provide regulatory, corporate and tax documents applicable to the underlying transaction.
- Complete any external approval and Internal approval required for the arrangement.
- Support each payment or receipt with an instruction consistent with the agreement and underlying documents.

12.2 Fees, deviations and closure

Fees and terms are governed by the executed agreement or fee letter. Any deviation is subject to Internal approval. Regulatory requirements cannot be overridden by internal authorization. Closure follows satisfactory completion of permitted movements, reporting, reconciliation and outstanding obligations.

13. Regulatory Reporting and Monitoring

The Bank completes or supports applicable reporting and monitoring based on information and documents supplied by the customer. Relevant systems may include EDPMS and IDPMS, together with prescribed platforms for investment, borrowing or other regulatory reporting.

13.1 Information and follow-up

- Provide accurate shipping bill, Bill of Entry, export declaration, invoice, inward- and outward-remittance references.
- Provide correct purpose, country, counterparty, amount, currency and transaction classification.
- Provide expected or contractual shipment, delivery, completion and payment information.
- Provide applicable investment, borrowing, company, tax or registration identifiers.
- Notify the Bank promptly of cancellation, amendment, refund, write-off, set-off, extension or structural change.

The Bank may contact customers regarding overdue, unmatched, incomplete or unregularised entries. Customers should identify the related transaction and provide evidence or instructions needed for update or closure. Eligible small-value entries may be considered for declaration-based closure under prevailing RBI requirements.

14. Exceptions, Restrictions and Screening

The Bank will not process a transaction that is prohibited, restricted or otherwise not permitted under applicable law, FEMA, RBI directions, sanctions requirements, the Foreign Trade Policy or another binding requirement. A request may be held, returned or declined if required conditions are not satisfied.

14.1 Enhanced review may apply to

- Unusual or complex payment structures.
- Third-party payments or receipts without clear relationship evidence.
- Elevated-risk jurisdictions, parties, goods or services.
- Adverse information, potential sanctions concerns or inconsistent details.
- A material change from the original contract, invoice, counterparty or route.
- Regulatory ambiguity, missing licence or uncertainty regarding classification.
- Repeated delays, unresolved entries or inadequate post-transaction evidence.

14.2 Non-standard requests

A transaction not expressly addressed in this guide may be considered on a case-by-case basis. Customers should provide a complete description, commercial rationale and supporting documents. Processing remains subject to applicable law, satisfactory due diligence, any required external approval and Internal approval.

15. Governance at a High Level

The Bank maintains an internal governance framework for oversight of cross-border transactions. It supports consistent decision-making, regulatory compliance, appropriate review of exceptions, monitoring of outstanding obligations and maintenance of transaction records.

Responsibilities are assigned across relevant Bank functions according to the transaction. Matters requiring additional review are referred through internal governance and risk-management processes. Where authorization is required, this guide refers only to “Internal approval”.

The Bank may periodically review transaction themes, exceptions, outstanding regulatory items, customer complaints and regulatory change to determine whether processes, controls or customer communications should be updated.

16. Processing Expectations

The Bank endeavours to process eligible requests after they are complete and satisfactory. Processing depends on document completeness, screening, regulatory or internal review, funding, foreign exchange availability, cut-off arrangements, weekends and holidays, system availability and dependencies on correspondent banks or payment systems.

If information is incomplete, inconsistent or requires clarification, enhanced due diligence, external consultation or Internal approval, processing may take longer. Customers will be informed of material gaps or additional requirements through the applicable service channel.

17. Customer Responsibilities After Processing

- Check confirmations and promptly notify the Bank of discrepancies.
- Submit import evidence, export documents, regulatory forms and post-transaction information within the applicable period.
- Track export realisation, import evidence, advance-payment fulfilment and outstanding obligations.
- Respond to follow-ups for overdue, unmatched or incomplete regulatory entries.
- Notify the Bank of revised dates, cancellation, refund, restructuring, write-off, counterparty or route changes.
- Maintain records consistent with applicable law and the Bank's requirements.
- Ensure information supplied to the Bank remains accurate and complete.

18. Customer Support and Grievance Redressal

For transaction queries, document requirements, status updates, delays or complaints, customers should contact their usual Bank service representative or use the grievance-redressal channels published on the Bank's official website. Requests will be reviewed and escalated through the Bank's established process, as appropriate.

19. Important Disclaimers

- This guide is a summary and is not the Bank's complete internal operating procedure.
- Internal approval means authorization under the Bank's internal governance framework.
- Documentation and processing requirements are indicative and may vary based on the transaction and applicable law.
- The Bank may request additional information and may hold, return or decline a request where requirements are not met.
- Nothing in this guide creates an obligation to process a transaction that is not permissible or satisfactory to the Bank.
- Applicable laws, regulations, RBI directions, Government requirements and contractual terms prevail over this guide.
- Customers should obtain independent legal, tax or regulatory advice where appropriate.

Appendix A: Selected Terms

Term	High-level meaning
AD bank	An Authorized Dealer bank permitted to process foreign exchange transactions under FEMA.
Form A2	A prescribed application-cum-declaration used for certain outward remittances.
Bill of Entry	Import evidence generally used for goods entering India.
EDPMS	The RBI system used for export data processing and monitoring.
IDPMS	The RBI system used for import data processing and monitoring.
FEMA	The Foreign Exchange Management Act and related rules, regulations and directions.
Merchanting trade	Goods move from one overseas country to another without entering India, involving an Indian merchant.
EDF	Export Declaration Form, document used to declare export values and track foreign exchange under FEMA guidelines
Internal approval	Authorization under the Bank's governance framework without disclosure of approver identity, grade, threshold or forum.
Purpose code	A regulatory classification describing the nature of a foreign exchange receipt or payment.