

Number : KSEI-8256/DIR/0819
Attachment : -
Classification : General

Jakarta, August 7, 2019

To:
**Board of Directors/Management of
Single Investor Identification (SID) Applicants**

Re: Mandatory Client Data Update

Dear Sir/Madam,

To protect the integrity of our Single Investor Identification (SID) database, we will require you Company to update its Client Data in observance of the following regulations:

- 1. Financial Services Authority (OJK) Regulation Number 12/POJK.01/2017 on the Implementation of Anti Money Laundering and Terrorism Funding Prevention Programs in the Financial Services Sector**
 - a. Article 11**

"Parties in charge of the Anti-Money Laundering and Terrorism Funding Prevention Programs, as mentioned in Article 8 Paragraph (1), at the very least, have a duty to:

 - i. Ensure the updating of Clients' data and profiles, as well as Clients' transaction data and profiles,"*
 - b. Article 25**

"(1) Financial Service Providers shall verify the information and supporting documents of Potential Clients, pursuant to Article 20, Article 21, Article 22, Article 23, and Article 24, with documents and/or other trusted and independent information sources, as well as ensuring that the data is the most up-to-date."
 - c. Article 44**

"(2) Financial Service Providers shall update the data, information, and/or supporting documents pursuant to Article 20, Article 21, Article 22, Article 23, Article 24, and Article 28 if there are any known changes based on the Financial Service Providers' observation of the Client or other accountable information."
- 2. Financial Services Authority (OJK) Circular Letter No.47/SEOJK.04/2017 on the Implementation of Anti Money Laundering and Terrorism Funding Prevention Programs in the Financial Services Sector**
 - a. Chapter IV Number 3 Letter B Item 2**

"Capital Market Sector Financial Service Providers shall conduct and administrate the updating of data regarding the information and documents specified in the Financial Service Authority Regulation."; and
 - b. Chapter IV Number 3 Letter B Item 4**

"Capital Market Financial Service Providers shall continuously update their Clients' data to ensure an effective identification and monitoring of suspicious financial transactions."

3. KSEI Regulation Number I-E on Single Investor Identification (SID), Item 2.7.

a. Item 2.7

"The Applicants are responsible for:

2.71 Ensuring that the data and information or documents that they submit to KSEI are correct and are the latest data and information or documents that have been submitted by potential SID Holders."

2.72 Implementing a Know Your Clients Principle process in compliance with the Know Your Clients implementation guidance pursuant to existing rules and regulations."

b. Item 4.1

"If there are any information from SID Holders regarding any changes or errors in their data and information or documents at KSEI, then it is mandatory for the Applicants to update their SID Holder data and information or documents to KSEI."

c. Item 4.6

"During the updating of data, Applicants are required to ensure that the SID Holder's data are complete, compatible, and accurate. Data that are recorded in the Applicant's administration system or submitted to KSEI, must be the most recent data and information or documents that have been submitted by the SID Holder."

Therefore, it is mandatory for your Companies, as SID applicants, to:

1. Update your Clients' data based on the Know Your Client Principle implementation guidance pursuant to the procedure specified in KSEI Circular Letter No. SE-0004/DIR-EKS/KSEI/1118 on the Procedure to Submit Investor Static Data for the Creation of Single Investor Identification (SID) at KSEI.
2. Verify the compatibility of the data and documents provided by Clients in compliance to the provisions specified in KSEI Circular Letter No. SE-0001/DIR-EKS/KSEI/1118 on Data and Information Reference for Single Investor Identification (SID) Creation based on Investor Type.

Updating Clients' data will determine the quality of Client's Data submitted to KSEI and prevent Clients from having double SIDs, which can hamper the Clients' SID submission processes during the opening of new Securities Sub-Accounts or Investor Fund Unit Accounts (IFUA).

Violating the mandatory requirement for SID Holders to administrate the validity of their Clients' data may result in sanctions and reporting to the Financial Services Authority as a violation of existing rules and regulations.

Thank you for your kind attention and cooperation.

Sincerely yours,

Uriep Budhi Prasetyo

President Director

Supranoto Prajogo

Director

CC:

1. Director for Securities Institutions Supervision, Financial Services Authority (OJK);
2. Director for Investment Management, Financial Services Authority (OJK);
3. Board of Directors of Indonesia Central Securities Depository