

Number : KSEI-8690/DIR/0917
Attachment : -
Letter Classification : General

Jakarta, September 28th, 2017

To.

Board of Directors of Account Holders

Indonesian Central Securities Depository (KSEI)

Re : Requirement to Submit Accurate Data in the Opening of Sub Securities Account (***Sub Rekening Efek/SRE***) and Single Investor Identification (SID)

Dear Sir/Madam,

In compliance to the following provisions:

- 1) Article 18 paragraph 1 of the Financial Services Authority's Regulation (POJK) Number: 12/POJK.01/2017 on the Implementation of Anti-Money Laundering and Counter-Terrorism Financing Program In Financial Services Sector:

"PJK (Penyedia Jasa Keuangan/Financial Services Provider) are not allowed to open or maintain anonymous accounts or accounts under fictitious names."

- 2) Item 2 Letter d of Capital Market and Financial Institution Supervisory Agency (Bapepam dan LK) Regulation Number III.C.7 on Sub Securities Account At Central Securities Depository and Settlement Institution:

"Participants who administer its Customer's Securities account on Securities deposited with a Central Securities Depository and Settlement Institution shall:

- a. ...*
- b. ...*
- c. ...*

d. Ensure that the identity of the Customer in the Participant's record is the same as the identity of the Customer in the Sub Securities Account. "

- 3) Article 5 paragraph 4 of Securities Account Agreement:

"The Account Holder is responsible to ensure that the opening of Sub Securities Accounts, Customer's Securities Transactions, and the updating of documents and/or data of every Customer has complied with the Know Your Customer Principles as regulated in the prevailing laws and regulations in the Capital Market. "

Based on the above considerations, we hereby inform you that Financial Service Provider as KSEI's Participant must pay attention to the following:

- i) KSEI's Participants are responsible for the accuracy of Customer's data/identity in the opening SRE account in KSEI. However, KSEI may conduct audit including confirming the accuracy of the Customer's data/identity to the relevant authorities on the demographic data;
- ii) KSEI's participants must ensure that the SRE account on behalf of their Customers is linked to the SID of the Customer on the same day as the opening of the SRE. Therefore, **Participants are not allowed to use the SREs that are not linked to SIDs to deposit Securities and/or funds.**
- iii) **In the event that the data and information or documents required to open the SRE account is not yet received by KSEI at the time of the SRE account opening and/or such SRE is not linked to the corresponding Single Investor Identification (SID) by the end of the same Business Day as the the SRE account opening, The SRE is deemed to be unqualified and KSEI has the authority to close the SRE.**
- iv) **For existing SRE that are not linked to the SID, KSEI will deem that such SRE is ineligible and KSEI has the authority to close the SRE.**

Thus, we hereby inform that Financial Services Authority and KSEI have the authority to impose sanctions on Participants if the data provided in the opening of SRE and SID creation are not accurate as it has differences with the data linked to the SID on behalf of the respective Customer submitted by the Participants.

For more information regarding this matter, please contact our Account Management Unit by email at pr@ksei.co.id or by phone with Pungkas (52991136), Ajeng (52991145), Yosye (52991802) and Awaluddin (52991054).

Thank you for your kind attention and cooperation.

Sincerely yours,

Syafruddin
Director

Supranoto Prajogo
Director

C.c.:

- 1. Executive Head of Capital Market Supervisory of OJK;
- 2. Direktur Pengawasan Transaksi Efek OJK;
- 3. Direktur Pengawasan Lembaga Efek OJK;
- 4. Direksi PT Bursa Efek Indonesia;
- 5. Direksi PT Kustodian Sentral Efek Indonesia.