

To
The Board of Directors/Principals of KSEI Participants
In the Place of Domicile

December 28, 2020

CIRCULAR LETTER
NO. SE-0007/DIR-EKS/KSEI/1220

Regarding: **Reporting on the Result of Reconciliation over Single Investor Identification (SID), Securities Account, and Securities Balance**

In the framework of ensuring the accuracy and conformity between SID data, Securities Account, and Securities balance recorded at the Back Office of the Participant to those recorded at KSEI, by continue observing:

- i. Financial Services Authority Regulation Number 50/POJK.04/2020 regarding the Internal Control of the Securities Company Carrying Out Business Activities as Broker Dealer;
- ii. Financial Services Authority Regulation Number 74/POJK.04/2017 regarding Securities Sub-Account at the Central Securities Depository;
- iii. KSEI Regulation Number I-B regarding the Main Securities Account (Attachment to the Decree of the Board of Directors of KSEI Number: KEP-0008/DIR/KSEI/0218 dated February 9, 2018);
- iv. KSEI Regulation Number I-C regarding Securities Sub-Account (Attachment to the Decree of the Board of Directors of KSEI Number: KEP-0029/DIR/KSEI/1217 dated December 22, 2017);
- v. KSEI Regulation Number I-E regarding Single Investor Identification (Attachment to the Decree of the Board of Directors of KSEI Number: KEP-0038/DIR/KSEI/0816 dated August 31, 2016); and
- vi. KSEI Regulation Number I-F regarding AKSes (Attachment to the Decree of the Board of Directors of KSEI Number: KEP-0001/DIR/KSEI/0119 dated January 16, 2019),

then, will be required the provisions regarding the obligation and procedure for the reporting on the result of reconciliation over such data. Hereby will be conveyed the matters which must be fulfilled by the Participants of KSEI in carrying out the process for the reporting on the result of reconciliation over SID data, Securities Account, and Securities balance:

1. General Provisions

- 1.1. The Participant shall carry out reconciliation, among others, between the SID data, Securities Account, and Securities balance recorded at the Back Office of the Participant to those recorded at KSEI and to report the result on the reconciliation aforesaid to KSEI through ORCHiD, in accordance with the mechanism and the procedure stipulated both in this Circular Letter and in the User Guidelines for the Reporting on the Result of Reconciliation over Bofis (hereinafter will be referred to as the "User Guidelines") issued by KSEI from time to time.

- 1.2. The obligation for the reconciliation and reporting on the result of reconciliation as referred to in point 1.1. will be applicable to SID data, Securities Account, and Securities Balance under the name of the SRE owner client (direct client or direct investor) at the Participant of KSEI, with the following details:
 - 1.2.1. The client static data (ACT report) which covers the Participant code, the Securities Account number (including REU and SRE), the SID number, the name of the Securities Account owner, and the Securities Account status.
 - 1.2.2. The Securities balance data (BAL report) which covers the Securities Account number (including REU and SRE), the total number of Securities, the Securities code, the name of the Securities, and the status of balance account.

2. **Deadline for the Reporting on the Result of Reconciliation over SID data, Securities Account, and the Securities balance**
 - 2.1. The reporting on the result of reconciliation of SID data, Securities Account, and the Securities balance shall be carried out by the Participant through ORCHiD on every Working Day at the latest at 11.00 WIB for SID data, Securities Account, and Securities balance on the previous Working Day.
 - 2.2. If the Participant carried out reporting on the result of reconciliation as referred to in point 2.1. for more than once, then, the report to be used as the reference shall be the latest delivered report.

3. **Procedure for the Reporting on the Result of Reconciliation over SID data, Securities Account, and Securities balance**
 - 3.1. In carrying out reconciliation over SID data, Securities Account, and Securities balance, the Participant must download the client static data and the Securities balance data available at ORCHiD in accordance with the procedure stipulated in the User Guidelines.
 - 3.2. Over the data which have been downloaded as referred to in point 3.1., the Participant shall carry out reconciliation with SID data, Securities Account, and Securities balance sourced from the record at the Back Office of the Participant.
 - 3.3. The report which must be delivered by the Participant through ORCHiD as referred to in the User Guidelines must cover, among others:
 - a. ReconACTreport produced from every ACT reconciliation process; and
 - b. ReconBALreport produced from every BAL reconciliation process.
 - 3.4. The details regarding data and information stated in the report as referred to in point 3.3. are stipulated in the User Guidelines.
 - 3.5. The Participant shall ensure that the report delivered through ORCHiD is corresponding based on the result of reconciliation between SID data, Securities Account, and Securities

balance sourced from the record of the Back Office of the Participant and data recorded at KSEI.

- 3.6. The Participant is prohibited to make manipulation towards the result of reconciliation over SID data, Securities Account, and Securities balance delivered through ORCHiD.
4. This Circular Letter is effective starting as of December 28, 2020, for the Participant who is a Securities Company administering the Securities Accounts of the clients as referred to in Financial Services Authority Regulation referred to in this circular letter.
5. The Participant who constitutes a Custodian Bank shall fulfill the provisions in this Circular Letter on the date stipulated in the subsequent announcement of KSEI.

We extend our gratitude for your attention.

Regards,

PT Kustodian Sentral Efek Indonesia

Uriep Budhi Prasetyo

President Director

Syafruddin

Director

Supranoto Prajogo

Director

Copies sent to:

1. The Chief Executive of Capital Market Supervisor of the Financial Services Authority (OJK);
2. The Director of Securities Transactions Supervisory of OJK;
3. The Director of Securities Institutions Supervisory of OJK;
4. The Director of Capital Market Stipulation of OJK;
5. The Board of Directors of PT Bursa Efek Indonesia;
6. The Board of Directors of PT Kliring Penjaminan Efek Indonesia;
7. The Association of Indonesian Custodian Banks;
8. The Association of Indonesian Securities Companies;
9. The Board of Commissioners of KSEI; and
10. The Board of Directors of KSEI.