

**THE REGULATION OF INDONESIA CENTRAL SECURITIES DEPOSITORY NUMBER III-D  
REGARDING DEPOSITORY OF ASSET BACKED SECURITIES IN KSEI**

**1. DEFINITION**

- 1.1 Unless specifically stipulated otherwise, then, all words and/or terms in this regulation shall have the same meaning as those referred to in the Law of the Republic of Indonesia Number 8 Year of 1995 regarding the Capital Market, Law of the Republic of Indonesia Number 21 Year of 2011 regarding the Financial Services Authority including all of its amendments and all of its implementation regulation.
- 1.2 In this regulation what is meant with:
- 1.2.1 **Asset Backed Securities**, which hereinafter will be referred to as “**EBA**” shall be securities portfolio comprises of financial assets in the form of collection arising from commercial paper, credit card billing, future receivables, Pools of Receivables, extension of credit including house or apartment ownership credit, Securities in the form of debt guaranteed by Government, medium for Credit Enhancement/ Cash Flow, and equivalent financial assets and other financial assets related to the said financial assets.
  - 1.2.2 **PT Kustodian Sentral Efek Indonesia** hereinafter referred to as “**KSEI**” shall be a company which has obtained business permit from the Financial Services Authority to administer business activity as the Central Securities Depository.
  - 1.2.3 **Securities Issuer** shall be legal entity, Collective Investment Contract or other Parties which Securities registered at KSEI in accordance with the provision of the prevailing laws and regulations in the field of the Capital Market.
  - 1.2.4 **Regulation of KSEI** shall be the regulation issued by KSEI and will start to be effective upon obtaining approval from OJK, including its implementing regulations issued by KSEI from time to time.

- 1.2.5 **Securities Account** shall be account containing records regarding the positions of Securities and/or fund registered at KSEI.
- 1.2.6 **Securities Holder** shall be the beneficial owner of the Securities deposited and administered in the Securities Account.
- 1.2.7 **Collective Custody** shall be the services of safekeeping Securities owned collectively by more than one Parties whose interest is represented by the Custodian as referred to in the Law regarding the Capital Market.
- 1.2.8 **Central Depository-Book Entry Settlement System** which hereinafter will be referred to as “**C-BEST**”, shall be the central Custodian and Securities Transaction settlement services administration system with overbooking method carried out automatically by using computer facility.
- 1.2.9 **Collective Investment Contract of Asset Backed Securities** hereinafter referred to as “**KIK-EBA**” shall be a contract between the Investment Manager and Custodian Bank which binds holder of Asset Backed Securities on which Investment Manager is given authorities to manage collective investment portfolio and Custodian Bank is given authorities to conduct Collective Custody as referred to in point 1 letter (a) of the Regulation of Bapepam and LK Number IX.K.1 regarding Guidance of Collective Investment Contract of Asset Backed Securities, Attachment to Decree of the Chairman of Bapepam and LK Number KEP-493/BL/2008 dated November 25, 2008.
- 1.2.10 **Asset Backed Securities in the Form of Participatory Notes** hereinafter referred to as “**EBA-SP**” shall be Asset Backed Securities issued by the Securities Issuer which portfolio in the form of Receivables Pools and constitutes as proportional ownership evidence of the Receivables Pools collectively owned by a group of EBA-SP holder, as referred to in the Article 1 Point 1 of the Regulation of the Financial Services Authority Number 23/POJK.04/2014 regarding Guidance for Issuing and Reporting Asset Backed Securities in the Form of Participatory Notes for Secondary Financing for Housing.

- 1.2.11 **Custodian Bank** shall be commercial bank which has obtained approval from the Financial Services Authority to administer business activity as Custodian as referred to in the Law regarding the Capital Market.
- 1.2.12 **Securities Holder List** shall be a list issued by KSEI in relation to the Securities ownership of all Account Holders and/or Clients.
- 1.2.13 **Working Days** shall mean the day on which central Custodian and Securities Transaction settlement services being held by KSEI, which are from Monday through Friday, unless those days which constitute national holidays or which declared as day-off by KSEI.
- 1.2.14 **Securities Deposit** shall be an addition to number of scripless Securities in the Collective Custody at KSEI.
- 1.2.15 **Participant** shall be Securities Company or Custodian Bank which has opened Main Securities Account at KSEI.
- 1.2.16 **Distribution Date** shall be a date determined by the Securities Issuer for the implementation of payment or distribution of rights on Securities to Securities Holder through Participant.
- 1.2.17 **Securities Withdrawal** shall be decrease in scripless Securities number in the Collective Custody at KSEI.

## 2. GENERAL PROVISION OF EBA CUSTODY

- 2.1 EBA may be kept in custody at KSEI under the following provisions:
- 2.1.1 conducted based on EBA registration made by the Securities Issuer as referred to in the Regulation of KSEI regarding Asset Backed Securities Registration in KSEI;

- 2.1.2 EBA distribution into the Securities Account in the name of the Securities Holder made based on instruction from the Securities Issuer or the Custodian Bank, evidenced by a written instruction and being attached to EBA certificate in the name of KSEI for the interest of the Securities Holder signed by the Securities Issuer;
  - 2.1.3 kept in the Collective Custody at KSEI;
  - 2.1.4 recorded in C-BEST in electronic form (scripless);
  - 2.1.5 has nominal value in Rupiah (IDR) currency, and or other currency under KSEI policy; and
  - 2.1.6 EBA is issued either through Public Offering or not through Public Offering.
- 2.2 EBA which can be kept at KSEI comprises of:
- 2.2.1 KIK-EBA; and
  - 2.2.2 EBA-SP.
- 2.3 EBA which is kept in the Collective Custody at KSEI which has the same type and classification, and which is issued by 1 (one) Securities Issuer, is deemed equivalent, therefore between 1 (one) Securities with another Securities there shall be no difference and shall have the same value.
- 2.4 Custody and recording of EBA in the Securities Account shall be charged a fee which amount and mechanism of its payment to be regulated in the Regulation of KSEI regarding services fee of KSEI.

### **3. CONDUCT OF EBA ADMINISTRATION BY THE CUSTODIAN BANK**

In relation to the conduct of EBA administration, the Custodian Bank shall be obliged to comply with the following provisions:

- 3.1 To maintain records, bookkeeping, data and other information related to the administration management of EBA which is registered in the name of KSEI in accordance with the provision of the prevailing laws and regulations at the Capital Market.
- 3.2 To submit a daily report or confirmation to KSEI in relation to the balance of EBA registered in the name of KSEI in the Securities Holder List.
- 3.3 Liable for the validity and accuracy of all information or confirmation submitted to KSEI and shall be responsible for any losses suffered by KSEI as the result of negligence or error in relation to information or confirmation submitted by the Custodian Bank to KSEI.
- 3.4 To provide any information in relation to the administration of EBA kept in the Collective Custody at KSEI if requested by KSEI from time to time.
- 3.5 To complete and responsible for any registration application of EBA at KSEI for the purpose of the Securities Deposit.
- 3.6 To submit rejection letter of EBA registration to the Participant in the event that EBA intended to be registered in KSEI for the Securities Deposit fails to comply with the prevailing provisions, either based on agreements among the related Parties, or the prevailing laws and regulations at the Capital Market including the Regulation of KSEI.

#### **4. THE OBLIGATION OF SECURITIES ISSUER**

In relation to EBA kept at KSEI, the Securities Issuer is obliged:

- 4.1 To acknowledge and treat each Securities Holder as beneficiary owner of EBA which proved with the Securities Holder List issued by KSEI so that the Securities Holder is entitled to receive payment and or distribution of rights attached to EBA ownership.
- 4.2 To make payment or distribution of the Securities Holder rights of EBA ownership, in accordance with the provision in document which is the base for EBA issuance and the prevailing laws and regulations.

- 4.3 To submit written notification to KSEI for any information or material change on the data submitted to KSEI, among other as follows:
- 4.3.1. Amendment to the articles of association of the Securities Issuer, the Investment Manager, the Custodian Bank, and the Trustee or the Securities Administration Agency (if any) including change to the management composition, which shall be submitted at the latest on the day such change reported to the relevant authorities in accordance with the prevailing laws and regulations;
  - 4.3.2. Any change to KIK-EBA, EBA-SP Transaction Document, or other documents which is the base for EBA issuance, which shall be submitted at the latest on the same date as the date of such documents;
  - 4.3.3. The resolution resulted from general meeting of EBA holders, which shall be submitted at the latest within 2 (two) Working Days after the date of convening of EBA holders general meeting;
  - 4.3.4. Change of domicile of the Securities Issuer, the Custodian Bank, and the Trustee or the Securities Administration Agency (if any), including officer's identity or official appointed or given power of attorney by the Securities Issuer, the Custodian Bank, the Trustee, to handle general affairs with KSEI, which shall be submitted at the latest 1 (one) Working Day before the date of such change becomes effective; or
  - 4.3.5. Other information needed by KSEI in relation to EBA custody at KSEI.

## **5. EBA SECURITIES DEPOSIT INTO SECURITIES ACCOUNT**

- 5.1 Securities Deposit for EBA may be made because of:
- 5.1.1 Conversion of EBA in the form of script to become EBA in electronic form (scripless); or
  - 5.1.2 Distribution of EBA registration result at KSEI.

5.2 Securities Deposit as stipulated in point 5.1 above shall be performed under the following provisions:

5.2.1 The Custodian Bank shall filled out application for the Securities Deposit through C-BEST; and

5.2.2 The Participant shall to submit EBA certificate in the name the Securities Holder to be deposited, to the Custodian Bank or other Parties entitled to perform verification on EBA certificate in accordance with EBA issuance document, to be registered and recorded in the Collective Custody at KSEI.

5.3 KSEI shall record (credit) EBA as resulted from the Securities Deposit into the Securities Account based on instruction from the Participant and after having obtained confirmation from the Securities Issuer or the Custodian Bank, which is accompanied by the newest EBA certificate as substitute for EBA certificate which has been given to KSEI before hand, which has included change to EBA amount kept in the Collective Custody at KSEI.

5.4 **The Securities Deposit due to EBA Conversion in Scrip Form to Become EBA in Electronic Form (Scripless)**

EBA to be deposited into the Securities Account due to the reason as stipulated in point 5.1.1. above, must comply with the requirements as follows:

5.4.1 All rights which have not been paid or provided in relation to EBA ownership by the Securities Holder, are still attached to the Securities Holder until they are paid to the said Securities Holder through KSEI; and

5.4.2 EBA certificate which has been verified its validity by the Custodian Bank, or other Party authorized to do the verification on EBA certificate pursuant to EBA issuance document.

## **5.5 Securities Deposit due to Distribution of Securities Registration Result at KSEI**

In performing Securities Deposit as stipulated in point 5.1.2 of this regulation, the Securities Issuer is obliged:

5.5.1. To give information to KSEI regarding the Distribution Date of EBA resulted from Securities Registration in KSEI at the latest on the same day as the date determined in prospectus or announcement through mass media for EBA offered through Public Offering, or at the latest 5 (five) Working Days before the Distribution Date for EBA which is not offered through Public Offering; and

5.5.2. To give name, number of the Securities Account, and number of Securities to be received by Parties who will receive such Securities, at the latest 1 (one) Working Day before the Distribution Date.

5.6 The Participant, the Securities Issuer, the Trustee, the Custodian Bank, agree to release KSEI from any obligations, responsibilities, charges, claims and legal actions, losses, damages and claim on charges which may be incurred by any party in relation to the failure, postponement or delay of Securities Deposit to the extent it is proved by adequate evidences that such failure and/or postponement and/or delay occurred not due to fault or negligence of KSEI.

## **6. BLOCKING ON CERTAIN EBA KEPT AT KSEI**

6.1 KSEI may block all certain EBA registered by the Securities Issuer at KSEI upon request of the authorized party to ask blocking on the Securities Account as provided in provision of the prevailing laws and regulations at the Capital Market.

6.2 In the event that blocking on all certain EBA as stipulated in point 6.1. above, the said EBA which is kept in the Securities Account shall be automatically blocked, and can not be withdrawn or collateralized or overbooked by the Participant until there is a revocation of the blocking.



**7. WITHDRAWAL OF EBA SECURITIES FROM THE COLLECTIVE CUSTODY AT KSEI**

Withdrawal of EBA Securities can not be made except only for cancellation of Securities registration at KSEI, except it is stipulated otherwise in the prevailing laws and regulations, KIK-EBA, trusteeship agreement, issuance agreement, and or other EBA issuance document.

Decided in : Jakarta  
On the date of : August 25<sup>th</sup>, 2015

**PT Kustodian Sentral Efek Indonesia**

**Margaret M. Tang**  
President Director

**Syafruddin**  
Director