

## THE REGULATION OF INDONESIA CENTRAL SECURITIES DEPOSITORY NUMBER IV-D REGARDING CORPORATE ACTION FOR ASSET BACKED SECURITIES IN KSEI

### 1. DEFINITION

- 1.1 Unless specifically stipulated otherwise, 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 regulations.
- 1.2 In this regulation what is meant with:
- 1.2.1 **Tindakan Korporasi**, which hereinafter will be referred to as “**Corporate Action**” shall be any action of the Securities Issuer in relation to granting of rights related to the ownership of Securities to Securities Holder.
- 1.2.2 **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, Credit Enhancement/Cash Flow, and equivalent financial asset and other financial asset related to the said financial asset.
- 1.2.3 **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.
- 1.2.4 **Collective Custody** shall be custodial services of the Securities owned collectively by more than one Parties whose interest is represented by Custodian as referred to in the Law regarding the Capital Market.

- 1.2.5 **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.
- 1.2.6 **EBA-SP Transaction Document** shall be EBA-SP Issuance Agreement and other agreements made in EBA-SP issuance as referred to in the Article 1 Point 15 of the Regulation of the Financial Services Authority Number 23/POJK.04/2014 regarding Guidance on the Issuing and the Reporting Asset Backed Securities in the Form of Participation Notes for Secondary Financing Housing.
- 1.2.7 **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.
- 1.2.8 **Securities Holder** shall be the beneficial owner of the Securities deposited and administered in the Securities Account.
- 1.2.9 **Written Confirmation for General Meeting of Securities Holders**, hereinafter referred to as “**KTUR**” shall be a confirmation letter of Securities ownership issued by KSEI to the Securities Holder for the purpose of attending general meeting of Securities Holders.
- 1.2.10 **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 regarding Capital Market.

- 1.2.11 **Securities Registration Agreement** shall be an agreement between KSEI and the Securities Issuer in relation to the Securities registration issued by the Securities Issuer and kept in the Collective Custody at KSEI in accordance with the prevailing laws and regulations.
- 1.2.12 **Participant** shall be the Securities Company or Custodian Bank which has opened Main Securities Account at KSEI.
- 1.2.13 **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 the Participant.
- 1.2.14 **Working Days** shall be 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.
- 1.2.15 **Securities Holder List** shall be a list issued by KSEI in relation to the Securities ownership of all Account Holders and/or Clients.
- 1.2.16 **Recording Date** shall mean the date determined by Securities Issuer to which it is the basis of determination of Securities Holder entitled for the payment or distribution of rights attached to the Securities.
- 1.2.17 **Securities Account** shall be the account containing records regarding the position of the Securities and/or the fund registered at KSEI.
- 1.2.18 **Client** shall be Securities account holder at Participant.

## **2. GENERAL PROVISION OF CORPORATE ACTION FOR EBA EXECUTION**

- 2.1 Corporate Action upon EBA kept in the Collective Custody at KSEI shall be executed based on KIK-EBA, EBA-SP Transaction Document, and/or the laws and regulations regarding Capital Market, including the Regulation of KSEI.

2.2 Corporate Action upon EBA kept in the Collective Custody at KSEI and executed through KSEI as paying agent is as follows:

2.2.1 Payment of proceeds, principal, interest, or other rights in the form of fund related to EBA ownership by the Securities Holder; and

2.2.2 Issuing and granting of KTUR in relation to the general meeting of EBA holders.

2.3 KSEI may decline the execution of Corporate Action if:

2.3.1 In the opinion of KSEI there is something which is not clear or suspicion for incompatibility with the prevailing laws and regulations in the field of the Capital Market and EBA issuance document, and there has been no response from the Securities Issuer regarding confirmation inquiries from KSEI with respect to that issues;

2.3.2 The Securities Issuer does not send a sum of fund as requested by KSEI for payment of proceeds, principal, interest, or other rights in the form of funds on the time as stipulated in the Regulation of KSEI;

2.3.3 The Securities Issuer does not fulfill its obligation stipulated in the Regulation of KSEI and/or Securities Registration Agreement; and/or

2.3.4 In the event that KSEI declines the execution of Corporate Action, report and reason for the said decline shall be notified to OJK by KSEI.

### **3. PAYMENT OF PROCEEDS, PRINCIPAL, INTEREST, AND OR OTHER RIGHTS IN THE FORM OF FUND TO THE SECURITIES HOLDER**

Payment of proceeds, principal, interest, or other rights in the form of fund shall be made by KSEI to the Securities Holder based on an instruction of the Securities Issuer or the Custodian Bank, under the following provisions:

- 3.1 The Securities Issuer shall make a notification to KSEI with respect to each plan for making payment of proceeds, principal, interest or other rights in the form of funds to the Securities Holder on the same date in which the said plan announced by the Securities Issuer.
- 3.2 KSEI shall notify the Account Holder the information regarding payment plan of proceeds, principal, interest or other rights in the form of funds and related information such as the Distribution Date, at the latest on the next Working Day after obtaining official notification from the Securities Issuer regarding payment plan of proceeds, principal, interest or other rights in the form of funds.
- 3.3 KSEI issues the Securities Holder List and dispatches the said list to the Securities Issuer or the Custodian Bank at the latest 3 (three) Working Days after the Recording Date.
- 3.4 In the event that the Securities Issuer or the Custodian Bank does not make any objection on the data contained in the Securities Holder List up to 1 (one) Working Day after the submission of the said Securities Holder List, then the Securities Issuer shall be deemed to have agreed with its validity of and shall be responsible of any inconsistency in payment collection of proceeds, principal, interest, or other rights in the form of funds received by the Securities Holder and or tax calculation of the Securities Holder.
- 3.5 Payment of proceeds, principal, interest, or other rights in the form of fund shall be made in accordance with EBA terms and conditions provided in KIK-EBA or EBA-SP Transaction Document.
- 3.6 The Securities Holder who is entitled to the payment of proceeds, principal, interest, or other rights in the form of fund is a Party who owns EBA in the Securities Account in the name of the said party on the Recording Date.

- 3.7 KSEI shall distribute payment of proceeds, principal, interest, or other rights in the form of fund to the Securities Holder on the Distribution Date through the Securities Account or fund account in the name of the Securities Holder in accordance with the prevailing laws and regulation in the field of the Capital Market including the Regulation of KSEI provided that KSEI has received sufficient funds effectively for payment of proceeds, principal, interest, or other rights in the form of the said fund from the Securities Issuer, at the latest 1 (one) Working Day before the Distribution Date.
- 3.8 In the event that the Securities Issuer does not provide sufficient fund as stipulated in point 3.7 above, KSEI shall postpone distribution of payment of proceeds, principal, interest, or other rights in the form of fund to the Securities Holder until after the Securities Issuer complies with the sufficiency of the said funds. All legal consequences arising out from the postponement of payment of proceeds, principal, interest, or other rights in the form of fund, including late penalty of the said payment shall be the responsibility of the Securities Issuer.
- 3.9 Taxes arising out in relation to payment of proceeds, principal, interest, or other rights in the form of fund, shall be borne by the Parties according to the prevailing tax laws and regulations.
- 3.10 KSEI shall make a notification to the Account Holder, the Securities Issuer and the Trustee (if any) regarding the implementation of payment of proceeds, principal or other rights in the form of fund to the Securities Holder, including in case that the payment could not be made due to failure or delay of the Securities Issuer in providing the sufficient fund, at the latest 2 (two) Working Days after the Distribution Date.

#### **4. THE CONVENING OF GENERAL MEETING OF EBA HOLDERS**

- 4.1 General meeting of EBA holders shall be held based on KIK-EBA or EBA-SP Transaction Document, and the prevailing laws and regulation in the field of the Capital Market.
- 4.2 Based on information regarding the plan for convening general meeting of EBA holders and the granting of power of attorney by the Securities Issuer, KSEI shall issue information and or document in the form of:

- 4.2.1. Announcement about the plan of convening general meeting of EBA holders to be made open for public through KSEI website, or other media which could be accessed by public, at the latest 1 (one) Working Day after KSEI receives notification about the plan to convene general meeting of EBA holders from the Securities Issuer;
- 4.2.2. The Securities Holder List, shall be submitted to the Securities Issuer and the Custodian Bank at the latest 1 (one) Working Day after the Recording Date; and/or
- 4.2.3. KTUR, shall be sent to the Participant, or to the Client based on power of attorney from the Participant, at the latest 1 (one) Working Day after the Recording Date.
- 4.3 Issuance and submission of the Securities Holder List and KTUR as referred to in point 4.2 above, shall be made through C-BEST or other systems and mechanism provided by KSEI.
- 4.4 The Participant shall provide KTUR to the Securities Holder who is a Client of the said Participant before the general meeting of EBA holders.

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