

**THE DECREE OF THE BOARD OF DIRECTORS OF
PT KUSTODIAN SENTRAL EFEK INDONESIA**
Number: KEP-0018/DIR/KSEI/0414

REGARDING

**THE POLICY ON THE EXEMPTION OF CHARGES OVER
THE INSTRUCTION FOR THE BOOK-ENTRY OF SECURITIES WITHOUT PAYMENT (*FREE
OF PAYMENT*)
WITHIN THE SAME PARTICIPANT**

- Considering : a. Whereas in relation to the obligation for the utilization of instruction of *Free of Payment* ("**FOP**") for the book-entry of Securities among Depository Securities Sub-Accounts or between Depository Main Securities Account and Depository Securities Sub-Account within the same Participant, as referred to in the Regulation of KSEI No. V-D Regarding Instruction for the Book-Entry of Securities without Payment (*Free of Payment*) (Attachment to the Decree of the Board of Directors of PT Kustodian Sentral Efek Indonesia Number: KEP-0039/DIR/KSEI/1213 dated December 18, 2013) ("**Regulation of KSEI No. V-D**"), and the Circular Letter of PT Kustodian Sentral Efek Indonesia Number SE-0001/DIR-EKS/KSEI/0114 dated January 23, 2014, regarding the Book-Entry of Securities with *Free Of Payment* Instruction at KSEI ("**Circular Letter**"), then, the Participant is not permitted to use *Securities Transfer* ("**SECTRS**") Instruction and or *Bond Transfer* ("**BONDTRS**") Instruction for the book-entry of Securities among Depository Securities Sub-Accounts or between Depository Main Securities Account and Depository Securities Sub-Account within the same Participant.
- b. Whereas as stipulated in the Lists of Fees of Central Custodian Services (Attachment to the Decree of the Board of Directors of PT Kustodian Sentral Efek Indonesia Number KEP-017/DIR/KSEI/1209 dated December 9, 2009, regarding Fees of Central Custodian Services) ("**List of Fees of Central Custodian Services**"), FOP instruction in the form of *Delivery Free Of Payment* ("**DFOP**") and *Receive Free Of Payment* ("**RFOP**") submitted to KSEI, will be charged with fees.
- c. Whereas in order to promote the implementation purpose of the Regulation of KSEI No. V-D mentioned above, which is to improve transparency in the execution of Non-Exchange Transaction by the Participant, particularly towards book-entry of Securities among Depository Securities Sub-Accounts or between Depository Main Securities Account and Depository Securities Sub-Account within the same Participant, then, it is considered necessary to provide incentive to the Participant in the form of exemption of charges over FOP instruction at KSEI as stipulated in the List of Fees of Central Custodian Services for the book-entry of Securities among Depository Securities Sub-Accounts or between Depository Main Securities Account and Depository Securities Sub-Account within the same Participant.
- Bearing mind in : a. Law Number 8 of the year 1995 regarding Capital Market (State Gazette of the Republic of Indonesia Number 64 of the Year 1995, Supplement to the State Gazette of the Republic of Indonesia Number 3608 of the Year 1995).

- b. Regulation of KSEI No. V-D Regarding Instruction for the Book-Entry of Securities without Payment (*Free of Payment*) (Attachment to the Decree of the Board of Directors of PT Kustodian Sentral Efek Indonesia Number: KEP-0039/DIR/KSEI/1213 dated December 18, 2013).
- c. List of Fees of Central Custodian Services (Attachment to the Decree of the Board of Directors of PT Kustodian Sentral Efek Indonesia Number: KEP-017/DIR/KSEI/1209 dated December 9, 2009, regarding Fees of Central Custodian Services).
- d. Circular Letter of KSEI Number: SE-0001/DIR-EKS/KSEI/0114 Regarding the Book-Entry of Securities with *Free of Payment* Instruction at KSEI dated January 23, 2014.

HAS DECIDED

- To stipulate : 1. The policy to exempt the charging of fees over DFOP (*Delivery Free Of Payment*) instruction and RFOP (*Receive Free Of Payment*) instruction as stated in point 12 of the List of Fees of Central Custodian Services, which will be applicable towards:
- a. book-entry of Securities carried out among Depository Securities Sub-Accounts administered within the same Participant;
 - b. book-entry of Securities carried out from Depository Securities Sub-Account into Depository Main Securities Account or the vice versa, administered within the same Participant;
 - c. instruction for the book-entry of Securities which has been carried out by KSEI (having *settled* status at C-BEST);
 - d. instruction for the book-entry of Securities cancelled by the Participant (having *cancelled* status at C-BEST); or
 - e. instruction for the book-entry of Securities which is not qualified (having *overdue* status at C-BEST).
2. The implementation of the provisions as referred to in point 1 above, will be effective starting as of July 21, 2014, up to the time limit which will be stipulated in the Decree of the Board of Directors of KSEI.
3. This Decree of the Board of Directors will be effective starting as of its date of stipulation.

Stipulated in : Jakarta
On : April 22, 2014

PT Kustodian Sentral Efek Indonesia

Heri Sunaryadi
President Director

Sulistyo Budi
Director

Margeret M. Tang
Director