

Jakarta, September 2nd, 2002

To. :

- **Board of Directors – Securities Companies**

- **Board of Directors – Custodian Banks**

CIRCULAR LETTER

No. : SE-002/DIR-Eks/KSEI/0902

Ref. : **NCD and MTN Central Depository Services**

Gentlemen,

In the effort to offer greater benefit to capital market practitioners above the Central Depository services provided by PT Kustodian Sentral Efek Indonesia (KSEI), we herewith inform you that KSEI has added other debenture products on top of Bonds which can be kept and administered in the KSEI system, which are Negotiable Certificate of Deposit (NCD) and Medium Term Notes (MTN). The adding of these new Securities have been approved by the Chairman of the Capital Market Supervisory Board (Bapepam) as stipulated in Letter No.: S-1835/PM/2002 dated August 19th 2002 regarding the Scripless Safekeeping of Negotiable Certificates of Deposit (NCD) and Medium Term Notes (MTN) at KSEI.

The conduct of providing Central Depository service regarding NCD and MTN is as follows:

1. The providing of Central Depository service regarding NCD and MTN is conducted through C-BEST.

2. NCDs and MTNs are kept in Security Accounts and Sub Security Accounts opened by Account holders.
3. The withdrawal of NCDs and MTNs from a Security Account can only be made by book transfer to another Security Account.
4. NCDs and MTNs bear a separate Securities code and ISIN number issued by KSEI, which are:

- a. Security Code: XXXX-01-AA-B-C
(Issuer code – Securities issuance sequence – series – category of Securities – category of interest)
Example: ABCD01A1MF

Issuer code: ABCD
Securities issuance sequence: First
MTN series: A1
Category of Securities: MTN
Category of interest: Floating

- b. ISIN Number: XX-A-0000000-B-C
(Country code - category of Securities - Securities issuance sequence – series – digit check)
Example: IDH0000001B1

Country code: ID
Category of Securities: MTN
Securities issuance sequence: 0000001
MTN series: B
Digit check: 1

5. The exercise of rights upon NCDs and MTNs are: interest payment, principle redemption, and other rights, exercised toward the Securities holder through KSEI. As for NCDs and MTNs bearing Discounted Basis, the interest payment is conducted directly by the Registered Company and Securities holder.
6. NCDs and MTNs are transacted outside the Stock Exchange and settled by means of book-transfer between Securities Accounts stating a condition of either Delivery Versus Payment or Delivery Free Of Payment.

For further information regarding the above services, please contact the KSEI Depository dan Shares Information Division (Miss Endang Triningsih, ph.: 52991140 or Mr. Oding Budiman Akbar, ph.: 52991147).

It is therefore conveyed, we thank you for your attention and kind cooperation.

Yours truly,

PT Kustodian Sentral Efek Indonesia

Erry Firmansyah
President Director

Benny Haryanto
Director

Cc. :

1. Chairman of the Capital Market Supervisory Agency (Bapepam)
2. Secretary of Bapepam
3. Head of the Transaction and Securities Institution Bureau of Bapepam
4. Head of the Regulations and Legal Assistance Bureau of Bapepam
5. Board of Directors - PT Bursa Efek Jakarta
6. Board of Directors - PT Bursa Efek Surabaya
7. Board of Directors - PT Kliring Penjaminan Efek Indonesia
8. The Indonesian Association of Securities Companies
9. The Indonesian Association of Custodian Banks
10. Board of Commissioners - PT KSEI