

**REGULATION OF KSEI NUMBER I-B
REGARDING
MAIN SECURITIES ACCOUNT**

1. DEFINITIONS

In this regulation, referred to as:

- 1.1. Main Securities Account** shall be the Securities Account under the name of the Participant or other Party approved by the Financial Services Authority.
- 1.2. Depository Main Securities Account** which hereinafter will be referred to as "**Main Securities Account 001**" shall be a Main Securities Account used by the Participant or other Party approved by the Financial Services Authority to deposit the Securities and to register the Securities and/or their own fund or to be used in order to carry out its function pursuant to the prevailing statutory regulations.
- 1.3. Hand-Over Main Securities Account** which hereinafter will be referred to as "**Main Securities Account 002**" shall be a Main Securities Account owned by the Participant who constitutes a Clearing Member or a Settlement Agent to deliver and/or receive Securities and/or fund to or from KPEI in relation to the settlement of Exchange Transaction.
- 1.4. Borrower Main Securities Account for Securities Lending-Borrowing** which hereinafter will be referred to as "**Main Securities Account 003**", shall be a Main Securities Account used by the Clearing Member or the Custodian Bank approved by KPEI, for returning the Securities and for the receipt of fund related to the Securities lending-borrowing transaction at KPEI.
- 1.5. Guarantee Main Securities Account** which hereinafter will be referred to as "**Main Securities Account 004**" shall be a Main Securities Account used by the Clearing Member to place the Collateral in the form of Securities and/or fund which can be used by KPEI to settle the Exchange Transaction and/or to settle the obligation of the relevant Clearing Member to KPEI.
- 1.6. Lender Main Securities Account for Securities Lending-Borrowing** which hereinafter will be referred to as "**Main Securities Account 005**" shall be a Main Securities Account used by the Account Holder approved by KPEI to place Securities which will be lent and/or to receive the return of Securities being lent related to Securities lending-borrowing transaction at KPEI.
- 1.7. Sharia Main Securities Account** which hereinafter will be referred to as "**Main Securities Account 009**" shall be a Main Securities Account used by the Account Holder to deposit and register the Sharia Securities, the register of which is issued by the authorities and/or its own fund or to be used to carry out its function pursuant to the prevailing statutory regulations.
- 1.8. Guarantee Main Securities Account for Bilateral Securities Lending-Borrowing** which hereinafter will be referred to as "**Main Securities Account 012**" shall be a Main Securities Account for the management of collateral used by the Account Holder approved by KPEI, using the bilateral Securities lending-borrowing facilities pursuant to the prevailing statutory regulations.
- 1.9. KPEI Main Securities Account** shall be a Main Securities Account used by KPEI in relation to its duties as the Clearing Guarantee Institution.
- 1.10. Account Holder** shall be the Party whose name is registered as the owner of Main Securities Account

- 1.11. **PT Kustodian Sentral Efek Indonesia** which hereinafter will be referred to as "**KSEI**" shall be the company which has obtained business permit from the Financial Services Authority to administer business activity as the Central Securities Depository.
- 1.12. **Regulation of KSEI** shall be the regulation issued by KSEI and will be effective upon obtaining approval from the Financial Services Authority, including its implementing regulation issued by KSEI from time to time.
- 1.13. **Clearing Member** shall be the Stock Exchange Member or other party, who meets the requirements for acquiring Exchange Transaction Settlement Clearing and Guarantee services according to the Clearing Guarantee Institution regulation as referred to in the Article 1 Point 6 of the Regulation of the Financial Services Authority Number 26/POJK.04/2014 regarding the Exchange Transaction Settlement Guarantee.
- 1.14. **Settlement Agent** shall be the Account Holder who has been approved by and connected to KPEI system in accordance with KPEI regulation and has opened Main Securities Account 002 at KSEI to deliver and/or receive fund and/or Equity Securities in relation to Exchange Transactions carried out by the Clearing Member.
- 1.15. **PT Kliring Penjaminan Efek Indonesia** which hereinafter will be referred to as "**KPEI**" shall be the company which has obtained business permit from the Financial Services Authority to organize business activities as the Clearing Guarantee Institution.
- 1.16. **Custodian Bank** shall be commercial bank which has obtained approval from the Financial Services Authority to administer business activities as Custodian as referred to in the Law regarding the Capital Market.
- 1.17. **Exchange Transaction** shall be a contract between Members of a Stock Exchange Member in accordance with the Stock Exchange rules that relate to the sale and purchase of Securities, the lending-borrowing of Securities, or other contractual arrangement regarding Securities or the price of Securities price as referred to in the Article 1 Point 9 of the Regulation of the Financial Services Authority Number 26/POJK.04/2014 regarding the Exchange Transaction Settlement Guarantee.
- 1.18. **Securities** shall be the financial instruments, namely promissory notes, commercial papers, shares, bonds, evidence of indebtedness, Participation Unit of collective investment contract, future contract related to Securities, and all derivatives from Securities, as referred to in the Law regarding the Capital Market.
- 1.19. **Guarantee Securities Sub-Account** which hereinafter will be referred to as the "**Securities Sub-Account 004**" shall be Securities Sub-Account used by the client of the Clearing Member to place collateral in the form of Securities and/or fund which can be used by KPEI to settle Exchange Transaction and/or to settle the obligation of the client of the Clearing Member.
- 1.20. **Lender Securities Sub-Account for Securities Lending-Borrowing** which hereinafter will be referred to as the "**Securities Sub-Account 005**" shall be Securities Sub-Account used by the Account Holder client who has obtained approval from KPEI, to place the Securities which will be lent and/or to receive the return of lent Securities related to Securities lending-borrowing transaction at KPEI.
- 1.21. **Working Days** shall be the days on which the central Custodian and Securities Transaction settlement services are being held by KSEI, which are from Monday through Friday, unless those days which constitute national holidays or which are declared as day-off by KSEI.

2. TYPES OF MAIN SECURITIES ACCOUNT

2.1. Main Securities Account shall consist of:

- 2.1.1. Main Securities Account 001.
- 2.1.2. Main Securities Account 002.
- 2.1.3. Main Securities Account 003.
- 2.1.4. Main Securities Account 004.
- 2.1.5. Main Securities Account 005.
- 2.1.6. Main Securities Account 009.
- 2.1.7. Main Securities Account 012.
- 2.1.8. KPEI Main Securities Account.

2.2. The Account Holder shall be obliged to use the Main Securities Account as referred to in point 2.1 mentioned above in accordance with its types and functions.

3. OPENING OF THE MAIN SECURITIES ACCOUNT

3.1. General Provisions for the Opening of Main Securities Account

- 3.1.1. Main Securities Account is opened by KSEI under the name of the Account Holder based on the written application of the Account Holder.
- 3.1.2. The requirements for the opening of the Main Securities Account shall follow the requirements for the registration of Account Holder as stipulated in the Regulation of KSEI.
- 3.1.3. For the entire Account Holders shall be opened 1 (one) Main Securities Account 001.

3.2. Opening of Main Securities Account for Clearing Member

The Account Holder who constitutes a Clearing Member, in addition to being opened 1 (one) Main Securities Account 001, will also be opened Main Securities Account consisting of:

- 3.2.1. Main Securities Account 002;
- 3.2.2. Main Securities Account 003;
- 3.2.3. Main Securities Account 004; and
- 3.2.4. Main Securities Account 005.

3.3. Opening of Main Securities Account for Settlement Agent

- 3.3.1. The Settlement Agent shall be obliged to open Main Securities Account 002 for the purpose of delivering and/or receiving fund and/or Securities in relation to the Exchange Transaction carried out by the Clearing Member.

3.3.2. The application for opening Main Securities Account as referred to in point 3.3.1 shall be submitted in writing application to KSEI by Settlement Agent after executing the Settlement Agent agreement with KPEI.

3.4. Opening of Sharia Main Securities Account for Account Holder

Account holder who intends to deposit their own Sharia Securities may request to open Main Securities Account 009 under the Account Holder name by submitting the written application to KSEI.

3.5. Opening of Main Securities Account for Securities Lending-Borrowing Purposes for Account Holder

3.5.1. The Custodian Bank or other Party acting as the lender in the Securities lending-borrowing transaction at KPEI shall be obliged to open Main Securities Account 005.

3.5.2. The opening of Main Securities Account as referred to in point 3.5.1 shall be submitted in writing application to KSEI by the Custodian Bank or other Party after executing the Securities lending-borrowing agreement with KPEI.

3.5.3. The Account Holder carrying out bilateral Securities lending-borrowing transaction at KPEI shall be obliged to open Main Securities Account 012.

3.5.4. The opening of Main Securities Account as referred to in point 3.4.3 shall be submitted in writing application to KSEI by the Account Holder after executing the bilateral Securities lending-borrowing agreement with KPEI.

3.6. Opening of Main Securities Account for KPEI

3.6.1. KPEI may open KPEI Main Securities Account for the purpose of carrying out clearing and guarantee services of Exchange Transaction settlement, Securities lending-borrowing or other purposes in accordance with the provisions of the prevailing statutory regulations in the Capital Market.

3.6.2. KPEI may provide instruction to KSEI in order to:

3.6.2.1. convey information on the balance of the Securities and/or fund in Main Securities Account 002, Main Securities Account 003, Main Securities Account 004, Main Securities Account 005, Main Securities Account 012, Securities Sub-Account 004 and Securities Sub-Account 005 managed by the Account Holder;

3.6.2.2. overbook a number of Securities and/or an amount of fund in Main Securities Account 002, Main Securities Account 003, Main Securities Account 004, Main Securities Account 005, Main Securities Account 012, Securities Sub-Account 004 or Securities Sub-Account 005 managed by the Account Holder; and/or

3.6.2.3. freeze a number of Securities and/or an amount of fund in Main Securities Account 002, Main Securities Account 003, Main Securities Account 004, Main Securities Account 005, Main Securities Account 012, Securities Sub-Account 004 or Securities Sub-Account 005 managed by the Clearing Member.

3.6.3. The provisions as stipulated in the point 3.6.2 mentioned above may be carried out to the extent KPEI has received the power of attorney from the relevant Clearing Member, Account Holder acting as the lender, or the relevant Settlement Agent and the copy of the power of attorney aforesaid has been delivered to KSEI.

4. CLOSING OF MAIN SECURITIES ACCOUNT

The closing of Main Securities Account shall follow the mechanism for the revocation of status as Account Holder as stipulated in the Regulation of KSEI.

5. REPORT REGARDING MAIN SECURITIES ACCOUNT

- 5.1.** KSEI shall provide the report regarding the Main Securities Account at the end of every Working Day to the Account Holder through C-BEST or other mechanism which is stipulated by KSEI.
- 5.2.** The report as referred to in point 5.1 mentioned above shall indicate the balance of the Securities and/or fund, as well as the mutation of the Securities and/or fund in the Main Securities Account on the relevant Working Day.
- 5.3.** The Account Holder shall be obliged to verify the correctness of the report related to the Main Securities Account.
- 5.4.** In the event that there is any discrepancy of recordation of Securities and/or fund between the relevant report and the notes of the Account Holder, then, the Account Holder shall be obliged to deliver the confirmation to KSEI at the latest at 17:00 WIB on the subsequent Working Day after the report of KSEI aforesaid is available.
- 5.5.** If the delivery of confirmation over the discrepancy of the relevant report of KSEI is delivered later than 17:00 WIB on the subsequent Working Day after the relevant report of KSEI is available, then, KSEI shall not be responsible for the arising losses resulting from the recording error in the relevant report of KSEI.
- 5.6.** Unless proven otherwise, the report made available by KSEI as referred to in point 5.2 mentioned above, shall constitute the valid evidence of ownership for the Account Holder over the Securities and/or fund deposited in the Main Securities Account, in accordance with the prevailing statutory regulations.

Stipulated in: Jakarta
On: February 9th, 2018

PT Kustodian Sentral Efek Indonesia

Friderica Widyasari Dewi
President Director

Syafuruddin
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Director