



**DECISION OF THE BOARD OF DIRECTORS
PT KLIRING PENJAMINAN EFEK INDONESIA**

Number : Kep-008/DIR/KPEI/0120

Subject Matter : KPEI Regulation Number XI regarding
KPEI Participant

Issuance Date : 28 January 2020

Effective Date : 28 January 2020

Reference : Otoritas Jasa Keuangan Letter Number
S-23/PM.21/2019 dated 14 January
2020 regarding Approval of the
Regulation Draft of PT KPEI Number
XI regarding KPEI Participant

PT Kliring Penjaminan Efek Indonesia (Indonesia Clearing
and Guarantee Corporation)

Indonesia Stock Exchange Building, Tower 1, 5th Fl., Jl.
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- Considering : 1. That in order to support the implementation of KPEI business development both as a Clearing and Guarantee Institution as well as a Central Counterparty, it is deemed necessary to expand KPEI membership as a participant which is a user of service outside the scope of the Securities Exchange Transaction Settlement Guarantee.
2. That the scope of KPEI Regulation Number II-3

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2 | 8

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regarding Clearing Member is only limited to regulating KPEI membership as Clearing Member.

3. That for the purpose of providing optimal services to every KPEI services user, it is required a legal basis for the expansion of KPEI membership.

Taking into account : 1. Law Number 8 of 1995 regarding Capital Market (the State Gazette of the Republic of Indonesia Number 64 of 1995, Supplement to



the State Gazette of the Republic of Indonesia Number 3608 of 1995).

2. Government Regulation Number 45 of 1995 regarding Implementation of the Capital Market Activities (the State Gazette of the Republic of Indonesia Number 86 of 1995, Supplement to the State Gazette of the Republic of Indonesia Number 3617 of 1995).

3. Decision of the Chairman of Bapepam Number Kep-

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26/PM/1998 dated 1 June 1998
regarding the Granting of
Business Licenses as
Clearing and Guarantee
Institution to PT Kliring
Penjaminan Efek Indonesia.

4. Otoritas Jasa Keuangan
Regulation Number
26/POJK.04/2014 regarding
Securities Exchange
Transaction Settlement
Guarantee.

5. Otoritas Jasa Keuangan
Regulation Number
47/POJK.04/2016 regarding

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Rule Making Procedure by
Clearing and Guarantee
Institution.

6. Decision of the Board of
Directors of KPEI Number
Kep-030/DIR/KPEI/0219 dated
07 February 2019 regarding
KPEI Regulation Number II -
3 regarding Clearing Member.

7. Articles of Association of
PT Kliring Penjaminan Efek
Indonesia.

HAS DECIDED

PT Kliring Penjaminan Efek Indonesia (Indonesia Clearing
and Guarantee Corporation)

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To Stipulate : 1. KPEI Regulation Number XI regarding KPEI Participant.

2. This Decision is effective on the date it is issued provided that all and everything shall be amended and corrected accordingly if in the future it turns out that it needs perfection or there is a mistake in this stipulation

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7 | 8

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Stipulated in : Jakarta
On : 28 January 2020

(signed)

(signed)

(signed)

Sunandar

Umi Kulsum

Iding Pardi

President Director

Director

Director

PT Kliring Penjaminan Efek Indonesia (Indonesia Clearing
and Guarantee Corporation)

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ATTACHMENT to
Decision of the Board of Directors
PT Kliring Penjaminan Efek
Indonesia
Number : KEP-008/DIR/KPEI/0120
Dated : 28-01-2020

KPEI REGULATION NUMBER: XI

KPEI PARTICIPANTS

I. DEFINITION

- I.1. **Financial Services Institutions** shall be institutions which carry out activities in the sector of Banking, Capital Market, Insurance, Pension Funds, Financing Institution and Other Financial Services Institution as referred to in Law Number 21 of 2011 regarding Otoritas Jasa Keuangan.
- I.2. **KPEI Participant** shall be Financial Services Institution or any other Party which have met the requirements for obtaining KPEI services which are securities transaction

ENGLISH TRANSLATION

outside the scope of the Securities Exchange Transaction Settlement Guarantee.

I.3. **KPEI Participant Agreement** shall be an agreement between KPEI Participant and KPEI as services provider using KPEI standard agreement format.

I.4. **KPEI Participant Approval** shall be an approval to become a KPEI Participant granted by KPEI through the issuance of a Participant Approval Letter (SPP).

I.5. **KPEI Regulation** shall be regulation issued by KPEI and shall be effective after obtaining approval from OJK, including implementing regulations issued by KPEI from time to time.

I.6. **General Meeting of Shareholders**, hereinafter shall be referred to as **GMS**, is a corporate organ having an authority which is not granted to the board of directors or the board of commissioners within the limits specified in Law Number 40 of 2007 regarding

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Limited Liability Companies and/or the articles of association.

I.7. **Securities Transaction** shall be any activity or contract in the context of acquiring, releasing, or using Securities which results in a transfer of ownership or does not result in a transfer of ownership as referred to in Article 1 number 2 of Otoritas Jasa Keuangan Regulation Number 22/POJK.04/2019 regarding Securities Transaction.

I.8. **Securities Exchange Transaction** shall be contract entered into by Member(s) of a Stock Exchange in accordance with the requirement determined by the Stock Exchange regarding sale-purchase of Securities, Securities lending and borrowing, or any other contract regarding Securities or Securities price as provided in Article I number 9 of Otoritas Jasa Keuangan Regulation Number 26/POJK.04/2014 regarding Securities Exchange Transaction Settlement Guarantee.

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II. REQUIREMENTS TO BECOME KPEI PARTICIPANT

II.1. General requirements which must be met to become a KPEI Participant shall be as follows:

II.1.1. it already has a business license, approval and/or registration certificate from Otoritas Jasa Keuangan and/or any other authorized institution in accordance with the prevailing Laws and Regulations; and

II.1.2. it has signed KPEI Participant Agreement.

II.2. Special requirements which must be met to become a KPEI Participant shall be specifically regulated in KPEI Regulation for each type of KPEI services.

III. PROCEDURES TO BECOME KPEI PARTICIPANT

III.1. General procedures, namely:

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III.1.1. to submit a written registration application for candidate of KPEI Participant to KPEI;

III.1.2. to complete the registration with the following documents:

III.1.2.1. a copy of proof of business license, approval and/or registration certificate from Otoritas Jasa Keuangan and/or any other authorized institution in accordance with the prevailing Laws and Regulations;

III.1.2.2. a copy of Deed of Establishment and Articles of Association of the company and amendments thereto which have been obtained ratification by or

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receipt from the
Minister of Law and
Human Rights;

III.1.2.3. specimen of company
seal, and signature of
officer and employee
appointed and/or
authorized by the
candidate of KPEI
Participant;

III.1.2.4. a letter of
Appointment or Power
of Attorney for
officer and/or
employee appointed by
the candidate of KPEI
Participant to handle
any matters with KPEI;
and

III.1.2.5. other documents
required by KPEI to
meet the requirements
as KPEI services user.

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III.1.3. In the event that the documents as referred to in number III.1.2 have been declared complete and appropriate, KPEI shall conduct an analysis on the requirement forms and the required documents within 5 (five) Exchange Days after the registration documents and the completeness thereof are declared complete and appropriate.

III.1.4. In the event that the said KPEI Participant candidate has met the requirements, then:

III.1.4.1. KPEI Participant candidate must sign KPEI Participant Agreement;

III.1.4.2. KPEI shall submit a Participant Approval Letter to candidate of KPEI Participant within 3 (three) Exchange Days as from

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KPEI Participant Agreement which has been signed by the Participant is received by KPEI.

III.2. Special procedures to become KPEI Participant shall be specifically regulated in KPEI Regulation for each type of KPEI services.

IV. RIGHTS AND OBLIGATIONS OF KPEI PARTICIPANT

IV.1. The Rights of KPEI Participant shall be:

IV.1.1. to obtain KPEI services and/or facilities; and

IV.1.2. to obtain information provided by KPEI in respect of KPEI services.

IV.2. The Obligations of KPEI Participant shall be:

IV.2.1. to comply with KPEI Regulation for each type of KPEI Participant services;

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IV.2.2. to maintain the condition of the company so that it still meet the requirements as KPEI Participants;

IV.2.3. to ensure that data submitted to KPEI is true, accurate and up to date;

IV.2.4. to report to KPEI regarding changes related to KPEI Participant, including but not limited to:

IV.2.4.1. members of the Board of Directors and members of the Board of Commissioners;

IV.2.4.2. Company name and domicile;

IV.2.4.3. conditions which cause the non-fulfilment of requirements of the provisions of the prevailing laws and regulations to perform its functions related to KPEI services.

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V. KPEI PARTICIPANT COMPLIANCE MONITORING

V.1. KPEI shall conduct monitoring to know about the fulfillment of the compliance with the obligations and/or if there is suspected violations committed by KPEI Participant, against KPEI Regulation for each type of KPEI Participant services.

V.2. KPEI may impose sanctions on KPEI Participant who violates KPEI Regulation for each type of KPEI Participant services, which may be in the form of:

V.2.1. Written Reprimand Letter;

V.2.2. Written Warning;

V.2.3. Prohibition from using any services facility of KPEI Participant or shall be referred to as a suspension;

V.2.4. Revocation of KPEI Participant Approval.

VI. REVOCATION OF KPEI PARTICIPANT APPROVAL

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VI.1. KPEI Participant Approval may be revoked due to:

VI.1.1. the request from the concerned KPEI Participant;

VI.1.2. the non-fulfillment of the requirements and obligations in accordance with KPEI Regulation for each type of services used by KPEI Participant and KPEI Participant Agreement;

VI.1.3. it is decided bankrupt by the Court and no further legal action is filed by the concerned KPEI Participant;

VI.1.4. the revocation or cancellation of business license, approval, and/or registration certificate from Otoritas Jasa Keuangan and/or by any other authorized institution in accordance with the prevailing Laws and Regulations;

VI.1.5. the freezing of business activities by Otoritas Jasa Keuangan and/or any authorized

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institution in accordance with the prevailing Laws and Regulations;

VI.1.6. GMS or based on the Court's decision it is decided to dissolve the company;

VI.1.7. as a legal entity it is no longer operates because of a business merger or amalgamation with any other company or acquisition by any other company; or

VI.1.8. Sanctions imposed by KPEI.

VI.2. The revocation of KPEI Participant Approval which is based on the requests from KPEI Participant as referred to in number VI.I.1 shall be carried out under the following terms:

VI.2.1. KPEI Participant shall submit a request for the revocation of KPEI Participant Approval to KPEI;

VI.2.2. KPEI participant shall settle all of its obligations to KPEI, if any.

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VI.3. In the event that Participant Approval of KPEI Participant is revoked by KPEI, then:

VI.3.1. KPEI shall announce in writing and electronically the revocation of the said KPEI Participant approval;

VI.3.2. KPEI ceases all services and facilities provided to the said KPEI Participant;

VI.3.3. Revocation of Approval as KPEI Participant does not release the KPEI Participants from its responsibility to fulfill its obligations towards KPEI in accordance with the prevailing regulations.

VII. TRANSITIONAL PROVISIONS

VII.1. For Financial Services Institution or any other party which has obtained approval as KPEI Participant before this Regulation comes into effect, it is not necessary to re-apply to be KPEI Participant.

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VII.2. This regulation shall apply to all KPEI Participant unless it is specifically provided in the relevant Regulation.

Stipulated in Jakarta, on 28-01-2020

(signed)

(signed)

(signed)

Sunandar

Umi Kulsum

Iding Pardi

President Director

Director

Director