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12/12/PBI/2010; 12/13/PBI/2010

Type: REGULATION (PER)  
By: GOVERNOR OF BANK INDONESIA  
Number: 17/18/PBI/2015  
Date: NOVEMBER 12, 2015 (JAKARTA)  
Title: ORGANIZATION OF TRANSACTIONS, ADMINISTRATION OF  
SECURITIES, AND IMMEDIATE FUND SETTLEMENT

BY THE GRACE OF THE ALMIGHTY GOD

GOVERNOR OF BANK INDONESIA,

Considering:

- a. whereas in the framework of strengthening the infrastructure of payment system and financial system as administered by Bank Indonesia, it is necessary to develop system that can support the implementation of organization of transactions, administration of securities, and immediate fund settlement;
- b. whereas system development that can support the implementation of organization of transactions, administration of securities, and immediate fund settlement is performed through the administration of integrated Bank Indonesia-Electronic Trading Platform System, Bank Indonesia-Scripless Securities Settlement System, and Bank Indonesia-Real Time Gross Settlement System, in order to be safer and more efficient;
- c. whereas the administration of integrated Bank Indonesia-Electronic Trading Platform System, Bank Indonesia-Scripless Securities Settlement System, and Bank Indonesia-Real Time Gross Settlement System is performed by taking into account progress in the application of internationally applicable principles;
- d. whereas based on the considerations as referred to in letter a, letter b, and letter c, it is necessary to stipulate Bank Indonesia Regulation regarding Organization of Transactions, Administration of Securities, and Immediate Fund Settlement;

In view of:

1. Law Number 23 Year 1999 regarding Bank Indonesia (State Gazette of the Republic of Indonesia Year 1999 Number 66, Supplement to the State Gazette of the Republic of Indonesia Number 3843) as already amended several times, the latest by Law Number 6 Year 2009 regarding Stipulation of Government Regulation in Lieu of Law Number 2 Year 2008 regarding Second Amendment to Law Number 23 Year 1999 regarding Bank Indonesia into Law (State Gazette of the Republic of Indonesia Year 2009 Number 7, Supplement to the State Gazette of the Republic of Indonesia Number 4962);

2. Law Number 24 Year 2002 regarding Sovereign Securities (State Gazette of the Republic of Indonesia Year 2002 Number 110, Supplement to the State Gazette of the Republic of Indonesia Number 4236);
3. Law Number 19 Year 2008 regarding Sovereign Sharia Securities (State Gazette of the Republic of Indonesia Year 2008 Number 70, Supplement to the State Gazette of the Republic of Indonesia Number 4852);
4. Law Number 3 Year 2011 regarding Fund Transfer (State Gazette of the Republic of Indonesia Year 2011 Number 39, Supplement to the State Gazette of the Republic of Indonesia Number 5204);

HAS DECIDED:

To stipulate: BANK INDONESIA REGULATION REGARDING ORGANIZATION OF TRANSACTIONS, ADMINISTRATION OF SECURITIES, AND IMMEDIATE FUND SETTLEMENT.

## CHAPTER I GENERAL PROVISION

### Article 1

In this Bank Indonesia Regulation, referred to as:

1. Administrator shall be Bank Indonesia that organizes system in Transaction, Administration of Securities, and Immediate Fund Settlement activities.
2. Transaction shall be Transaction With Bank Indonesia and Financial Market Transaction.
3. Transaction With Bank Indonesia shall be transaction performed by Bank Indonesia in the framework of monetary operation, sharia monetary operation, and/or transaction of Sovereign Securities for and on behalf of the Government, as well as other transactions performed with Bank Indonesia.
4. Financial Market Transaction shall be transaction of Securities and transaction of conventional lending and borrowing, or the equivalent based on sharia principles in the framework of money market transaction and/or transaction of Securities in secondary market.
5. Administration shall be activities that include registration of ownership, clearing and Settlement, as well as payment of coupon/interest or yield and repayment of principal/nominal amount on the result of transaction using Securities and result of transaction without using Securities.
6. Settlement shall be the final settlement process of financial transaction by debiting and crediting Fund Settlement Account, Securities Account, and/or other accounts with Bank Indonesia.
7. Bank Indonesia-Electronic Trading Platform System, hereinafter referred to as BI-ETP System, shall be an infrastructure used as facility for Transaction that is performed electronically.

8. Bank Indonesia-Scripless Securities Settlement System, hereinafter referred to as BI-SSSS, shall be an infrastructure used as facility for Administration of Transaction and Administration of Securities that is performed electronically.
9. Bank Indonesia-Real Time Gross Settlement System, hereinafter referred to as BI-RTGS System, shall be an infrastructure used as facility for electronic fund transfer which settlement is made immediately per individual transaction.
10. Participant shall be a party that has met the requirements and has obtained approval from the Administrator to become a participant in the administration of BI-ETP System, BI-SSSS, and/or BI-RTGS System.
11. Central Registry shall be Bank Indonesia that performs Administrative function for the interests of Participant of BI-SSSS.
12. Sub-Registry shall be Bank Indonesia and a party that meets the requirements and approved by the Administrator to become the Participant of BI-SSSS, to perform administrative function for the interests of customer.
13. Intraday Liquidity Facility, hereinafter abbreviated to FLI, shall be funding facility given by Bank Indonesia to the Participating Bank in BI-RTGS System whether conventionally or based on sharia principles in order to cope with funding difficulties that occurred during the operational hours of BI-RTGS System and/or at the time of Fund Settlement on the result of calculation in the organization of Bank Indonesia National Clearing System.
14. Fund Settlement Account shall be the account of Participant of BI-RTGS System in Rupiah and/or foreign currency that is administered in Bank Indonesia for the implementation of Fund Settlement.
15. Securities Account shall be the account of Participant of BI-SSSS in Rupiah and/or foreign currency that is administered in Bank Indonesia for the purpose of registration of ownership and Settlement of Securities transaction, Transaction With Bank Indonesia, and/or Financial Market Transaction.
16. Securities shall be securities issued by Bank Indonesia, Government, and/or other institution which are administered in BI-SSSS.
17. Sovereign Securities, hereinafter abbreviated to SBN, shall be Sovereign Securities and Sovereign Sharia Securities.
18. Sovereign Securities, hereinafter abbreviated to SUN, shall be Securities in the form of promissory notes in Rupiah and foreign currency which payment of interest and principal is guaranteed by the State of the Republic of Indonesia, in accordance with its validity period.
19. Sovereign Sharia Securities, hereinafter abbreviated to SBSN, or may be referred to as Sovereign *Sukuk*, shall be SBN issued based on sharia principles, as evidence of portion of participation in SBSN assets, both in Rupiah and foreign currency.
20. Bank shall be Commercial Bank as referred to in Law governing banking including the branch office of a bank domiciled in overseas and Sharia Commercial Bank including Sharia Business Unit as referred to in Law governing sharia banking.

21. Abnormal Condition shall be a situation or condition that occurred due to interference or damage to the hardware, software, communication network, application as well as supporting facilities which affect smooth administration of BI-ETP System, BI-SSSS, and/or BI-RTGS System.
22. Emergency shall be a situation that occurred beyond the power of Administrator and/or Participant which as a result, the operational activities of BI-ETP System, BI-SSSS, and/or BI-RTGS System cannot be administered caused by including, but not limited to fire, mass riot, sabotage, as well as natural disaster such as earthquake and flood as declared by the authorities or competent local official, including Bank Indonesia.

## Article 2

Organization of Transactions, Administration of Securities, and Immediate Fund Settlement shall be performed through 3 (three) system, namely:

- a. BI-ETP System;
- b. BI-SSSS; and
- c. BI-RTGS System.

## CHAPTER II ADMINISTRATOR

### Article 3

- (1) In the organization of Transaction, Administration of Securities, and Immediate Fund Settlement, Administrator shall perform, at least, the followings:
  - a. to stipulate provisions and procedures on the administration of BI-ETP System, BI-SSSS, and BI-RTGS System;
  - b. to provide facilities and infrastructure of BI-ETP System, BI-SSSS, and BI-RTGS System;
  - c. to carry out operational activities of BI-ETP System, BI-SSSS, and BI-RTGS System;
  - d. to make efforts to guarantee the reliability, availability, and security of the administration of BI-ETP System, BI-SSSS, and BI-RTGS System; and
  - e. to monitor the compliance of Participant with this Bank Indonesia Regulation and the implementing regulations.
- (2) Further provisions regarding administration as referred to in paragraph (1) shall be set forth in a Circular Letter of Bank Indonesia.

## CHAPTER III MEMBERSHIP

### Part One Participant of BI-ETP System

#### Article 4

- (1) Parties qualified to become Participant of BI-ETP System shall be:
  - a. Bank Indonesia;
  - b. Ministry of Finance;
  - c. Indonesia Deposit Insurance Company;
  - d. Banks;
  - e. rupiah and foreign currency money market broker companies;
  - f. securities companies; and
  - g. other institutions as approved by the Administrator.
- (2) Party as referred to in paragraph (1) must have the following roles:
  - a. issuer of Securities;
  - b. participant of monetary operation or participant of sharia monetary operation;
  - c. intermediary institution in monetary operation or sharia monetary operation;
  - d. participant of SBN transaction in primary market;
  - e. participant of Financial Market Transaction; and/or
  - f. other roles as set forth by the Administrator.

#### Article 5

- (1) Party as referred to in Article 4 paragraph (1) shall qualify as Participant of BI-ETP System after meeting the requirements and obtaining approval from the Administrator.
- (2) Further provisions regarding requirements to become Participant of BI-ETP System shall be set forth in a Circular Letter of Bank Indonesia.

#### Article 6

In the event that Participant of BI-ETP System is a Bank conducting conventional business activities as well as business activities based on sharia principles in the form of Sharia Business Unit, therefore, its membership in the administration of BI-ETP System for conventional business activities must be separated from membership for business activities based on sharia principles.

#### Part Two Participant of BI-SSSS

#### Article 7

- (1) Party qualified as Participant of BI-SSSS, shall be:
  - a. Bank Indonesia;
  - b. Ministry of Finance;

- c. Banks;
- d. depository and settlement institutions;
- e. securities companies; and
- f. other institutions as approved by the Administrator.

(2) Party as referred to in paragraph (1) may have the following functions:

- a. issuer of Securities;
- b. Securities holder in Central Registry;
- c. administration for the interests of customer; and/or
- d. other functions as set forth by the Administrator.

#### Article 8

(1) Party as referred to in Article 7 paragraph (1) may become Participant of BI-SSSS after complying with the requirements and obtaining approval from the Administrator.

(2) Further provisions regarding requirements to become Participant of BI-SSSS shall be set forth in a Circular Letter of Bank Indonesia.

#### Article 9

In the event that Participant of BI-SSSS is a Bank conducting conventional business activities as well as business activities based on sharia principles in the form of Sharia Business Unit, therefore, its membership in the administration of BI-SSSS for conventional business activities must be separated from membership for business activities based on sharia principles.

#### Article 10

Membership of Participant of BI-SSSS that does only serve the function as referred to in Article 7 paragraph (2) letter a, letter b, and/or letter d, but also administrative function for the interests of customer as referred to in Article 7 paragraph (2) letter c in the administration of BI-SSSS must be separated from its membership as Sub-Registry.

### Part Three Participant of BI-RTGS System

#### Article 11

Party qualified as Participant of BI-RTGS System, shall be:

- a. Bank Indonesia;
- b. Bank;
- c. clearing and/or settlement administrators; and
- d. other institutions as approved by the Administrator.

#### Article 12

(1) Party as referred to in Article 11 may become Participant of BI-RTGS System after complying with the requirements and obtaining approval from the Administrator.

(2) Further provisions regarding requirements to become Participant of BI-RTGS System shall be set forth in a Circular Letter of Bank Indonesia.

## Article 13

In the event that Participant of BI-RTGS System is a Bank conducting conventional business activities as well as business activities based on sharia principles in the form of Sharia Business Unit, therefore, its membership in the administration of BI-RTGS for conventional business activities must be separated from membership for business activities based on sharia principles.

## Part Four Legal Relationship

## Article 14

Legal relationship between the Administrator and Participant in the framework of administration of BI-ETP System, BI-SSSS, and BI-RTGS System shall be set forth in this Bank Indonesia Regulation, implementing regulations hereof, and agreement between the Administrator and Participant.

## CHAPTER IV STATUS AND CHANGE OF STATUS OF PARTICIPANT

### Part One Status of Participant

## Article 15

- (1) In the administration of BI-ETP System, 3 (three) types of status of membership shall apply, namely:
  - a. active;
  - b. frozen; or
  - c. closed.
- (2) Status of membership of frozen as referred to in paragraph (1) letter b shall not apply for Participant of BI-ETP System having the function as issuer of Securities.

## Article 16

- (1) In the administration of BI-SSSS and BI-RTGS System, 4 (four) types of status of membership shall apply, namely:
  - a. active;
  - b. postponed;
  - c. frozen; or
  - d. closed.
- (2) Status of membership of postponed as referred to in paragraph (1) letter b and status of membership of frozen as referred to in paragraph (1) letter c shall not apply for Participant of BI-SSSS having the function as issuer of Securities and Sub-Registry.

### Part Two

## Change of Status of Participant

### Article 17

- (1) Administrator may change the status of membership as referred to in Article 15 and Article 16.
- (2) Change of status of membership as referred to in paragraph (1) shall be performed:
  - a. for the purpose of imposition of administrative sanction by the Administrator;
  - b. based on written request of the party authorized to supervise the activities of Participant; and/or
  - c. based on written request of the relevant Participant.
- (3) Written request of the party authorized to supervise the activities of Participant as referred to in paragraph (2) letter b shall be based on the following considerations:
  - a. presence of violation of the applicable laws and regulations;
  - b. as preventive measures to minimize possible risk that may endanger business continuity of Participant; and/or
  - c. for freezing the business activities of Participant, revocation of business permit, bankruptcy decision, and/or liquidation.
- (4) Change of status of membership upon written request of Participant as referred to in paragraph (2) letter c shall include, among others, when the Participant carries out consolidation, merger, separation, self-liquidation as approved by the competent authority, and self-resignation as Participant.

### Article 18

- (1) Change of status of membership as referred to in Article 17 paragraph (2) letter a and letter b in BI-ETP System may be in the form of change of status from:
  - a. active to become frozen;
  - b. active to become closed; or
  - c. frozen to become closed.
- (2) Change of status of membership as referred to in Article 17 paragraph (2) letter a and letter b in BI-SSSS and BI-RTGS System may be in the form of change of status from:
  - a. active to become postponed or vice versa;
  - b. active to become frozen;
  - c. active to become closed;
  - d. postponed to become frozen; or
  - e. frozen to become closed.



- (3) Change of status of membership performed based on written request from the relevant Participant as referred to in Article 17 paragraph (2) letter c may be only in the form of request for change of status from active to become closed.
- (4) Further provisions regarding change of status of membership shall be set forth in a Circular Letter of Bank Indonesia.

#### Article 19

- (1) In the event that the status of Participant changes to closed as referred to in Article 18 paragraph (1) letter b and letter c, and paragraph (2) letter c and letter e, Participant must settle all of its obligations which have arisen in the administration of BI-ETP System, BI-SSSS, and/or BI-RTGS System.
- (2) In the framework of settlement of obligations as referred to in paragraph (1), Administrator may open an escrow account with Bank Indonesia in the name of Participant.

#### Article 20

- (1) For Participant of BI-ETP System and/or Participant of BI-SSSS that becomes Participant of BI-RTGS System, change of status of its membership in BI-RTGS System shall affect the status of its membership in BI-ETP System and/or BI-SSSS.
- (2) For Participant of BI-ETP System that becomes Participant of BI-SSSS, change of status of its membership in BI-SSSS shall affect the status of its membership in BI-ETP System.

### CHAPTER V OBLIGATIONS OF PARTICIPANT

#### Article 21

- (1) In the administration of BI-ETP System, BI-SSSS, and BI-RTGS System, Participant shall have the obligations as follows:
  - a. to maintain smooth and security in the use of BI-ETP System, BI-SSSS, and BI-RTGS System;
  - b. to be responsible for the validity of Settlement Transaction and/or instruction, as well as all information delivered by Participant to the Administrator through BI-ETP System, BI-SSSS, and BI-RTGS System;
  - c. to carry out operational activities related to BI-ETP System, BI-SSSS, and BI-RTGS System in accordance with agreement on the use of system between the Administrator and Participant, and provisions governing administration of BI-ETP System, BI-SSSS, and BI-RTGS System, as well as other related provisions;
  - d. to inform customers of the transaction fee through BI-ETP System, BI-SSSS, and BI-RTGS System transparently;

- e. to provide data and information related to the operational activities of BI-ETP System, BI-SSSS, and BI-RTGS System to Bank Indonesia; and
  - f. to comply with the provisions issued by the association related to the administration of BI-ETP System, BI-SSSS, and BI-RTGS System.
- (2) Further provisions regarding obligations of Participant shall be set forth in a Circular Letter of Bank Indonesia.

CHAPTER VI  
ADMINISTRATION OF BI-ETP SYSTEM, BI-SSSS, AND BI-RTGS SYSTEM

Part One  
Administration of BI-ETP System

Article 22

- (1) Implementation of Transaction through BI-ETP System shall be performed by auction or non-auction.
- (2) Further provisions regarding implementation of Transaction through BI-ETP System shall be set forth in a Circular Letter of Bank Indonesia.

Article 23

- (1) Transaction as referred to in Article 22 may be performed directly and/or by appointing other Participant of BI-ETP System as broker.
- (2) In the event that the Participant of BI-ETP System appoints another Participant of BI-ETP System as broker as referred to in paragraph (1), such Participant of BI-ETP System must determine the maximum nominal limit of bidding (broker bidding limit) per day for the appointed broker.
- (3) Determination of the maximum nominal limit of bidding (broker bidding limit) as referred to in paragraph (2) shall be set forth in:
- a. separate agreement between the Participant of BI-ETP System and broker; or
  - b. internal procedures of Participant of BI-ETP System.

Part Two  
Administration of BI-SSSS

Paragraph 1  
Administration

Article 24

- (1) Administration performed by the Administrator in BI-SSSS shall include:
- a. Administration of securities; and
  - b. Administration of proceeds of Transaction.

- (2) Administration as referred to in paragraph (1) shall be performed electronically and scripless.

#### Article 25

- (1) In the Administration as referred to in Article 24, Administrator shall act as the Central Registry.
- (2) In the framework of supporting the Administration, Central Registry as referred to in paragraph (1) may cooperate with Sub-Registry or other party to support the Administration.
- (3) Further provisions regarding Administration and cooperation between the Central Registry and Sub-Registry shall be set forth in a Circular Letter of Bank Indonesia.

#### Article 26

Administration shall be performed by:

- a. Central Registry for the interests of Participant of BI-SSSS; and
- b. Sub-Registry for the interests of customer.

#### Article 27

A Party performing transaction of Securities but has no Securities Account must appoint a Sub-Registry to perform administration of their securities.

### Paragraph 2 Registration of Securities

#### Article 28

- (1) Registration of ownership and transfer of ownership of Securities shall be performed by way of book entry by Central Registry and Sub-Registry.
- (2) Registration of ownership of Securities in Central Registry and Sub-Registry shall serve as evidence of valid ownership of Securities as referred to in paragraph (1).

#### Article 29

- (1) Registration of ownership of Securities owned by customer in Securities Account of Sub-Registry in Central Registry shall be on a global scale (omnibus account).
- (2) Registration of ownership of Securities owned by individual customer shall be performed in the internal system of Sub- Registry.
- (3) Sub-Registry must register the Securities owned by customer with the Securities owned by Sub-Registry separately.
- (4) Sub-Registry shall be prohibited to maintain Securities Account for and its own behalf, the management, shareholders, and administrator.

- (5) Sub-Registry shall be responsible for the validity of registration and report on ownership of Securities in the name of customer.

#### Article 30

- (1) Sub-Registry must deliver:
  - a. report on registration of ownership of Securities owned by customer as referred to in Article 29 paragraph (1) to Central Registry; and
  - b. report on settlement of transaction of Securities owned by customer of Sub-Registry, in accordance with the time limit specified by the Administrator.
- (2) Sub-Registry shall be responsible for the validity of report as referred to in paragraph (1).
- (3) In the event of mistake found in the report, as referred to in paragraph (1), Sub-Registry must deliver its correction in accordance with the time limit specified by the Administrator.
- (4) In the event that Sub-Registry is late in delivering the report as referred to in paragraph (1) and correction of the report as referred to in paragraph (3), the obligation of Sub-Registry to deliver periodic report within the time limit specified by the Administrator shall remain applicable.
- (5) Sub-Registry shall be declared as not delivered the report as referred to in paragraph (1) and correction of the report as referred to in paragraph (3) if the Sub-Registry fails to meet the obligation to deliver report up to the time limit specified by the Administrator.
- (6) Further provisions regarding procedures and time limit for delivery of report of Sub-Registry shall be set forth in a Circular Letter of Bank Indonesia.

#### Paragraph 3 Settlement

#### Article 31

Settlement through BI-SSSS shall be final.

#### Article 32

- (1) Settlement through BI-SSSS shall be made with Fund Settlement or without Fund Settlement.
- (2) Settlement as referred to in paragraph (1) shall be only made if:
  - a. Securities available in Securities Account; and/or
  - b. funds available in Fund Settlement Account of Participant,are sufficient for the implementation of Settlement.
- (3) Further provisions regarding Settlement as referred to in paragraph (1) shall be set forth in a Circular Letter of Bank Indonesia.

### Article 33

- (1) In the context of making Fund Settlement as referred to in Article 32 paragraph (1) and/or payment of other obligation through BI-SSSS, Participant of BI-SSSS that is not Participant of BI-RTGS System must appoint a Participating Bank in BI-RTGS System as the Receiving Bank and/or Paying Bank.
- (2) Participating Bank in BI-RTGS System that is appointed as Paying Bank as referred to in paragraph (1) must manage the limit of Fund Settlement for every Participant of BI-SSSS appointing the Paying Bank.
- (3) Limit of Fund Settlement managed by the Participating Bank in BI-RTGS System that is appointed as Paying Bank as referred to in paragraph (2) shall be set forth in:
  - a. separate agreement between the Paying Bank and Participant of BI-SSSS appointing the relevant Paying Bank; and/or
  - b. internal procedures of the Paying Bank.

### Article 34

Administrator shall make Settlement through BI-SSSS based on:

- a. Settlement instruction delivered by Participant of BI-SSSS through BI-SSSS;
- b. Settlement instruction delivered through BI-ETP System; and/or
- c. Settlement instruction of Participant of BI-SSSS as issuer of Securities.

### Article 35

- (1) Administrator may not forward the Settlement instruction based on the request of one of the Participants of BI-SSSS, decision of the competent supervisory institution, decision of arbitration institution, and/or court decision that has obtained permanent legal force.
- (2) Request not to forward the Settlement instruction as referred to in paragraph (1) shall be made for transaction of Securities having 2 (two) Settlement processes namely first transaction Settlement (first leg) and second transaction Settlement (second leg).
- (3) Administrator shall not forward the Settlement instruction based on the request of one of the Participants of BI-SSSS as referred to in paragraph (1), if the Participant of BI-SSSS is able to show that there has been an authority granted to the relevant Participant of BI-SSSS to cancel the Settlement instruction from the Participant of BI-SSSS as its counterparty.
- (4) Participant of BI-SSSS submitting the request to the Administrator as referred to in paragraph (1) shall be responsible for the validity of granting of authority to cancel the Settlement instruction.
- (5) Further provisions regarding non-forwarding of Settlement instruction shall be set forth in a Circular Letter of Bank Indonesia.

### Article 36

Sub-Registry must forward the result of Settlement to customer on the same date as the date of Settlement.

Paragraph 4  
Payment of Coupon/Interest or Yield and Repayment of  
Principal/Nominal Value of Securities

Article 37

Participant of BI-SSSS issuing Securities must have sufficient funds in Fund Settlement Account to pay coupon/interest or yield and for repayment of principal/nominal value of Securities at maturity.

Article 38

- (1) Administrator shall make payment of coupon/interest or yield and repayment of principal/nominal value of Securities at maturity to the Securities holder Account on Fund Settlement Account of Participant of BI-SSSS issuing the Securities.
- (2) Administrator can make payment of repayment of principal/nominal value of Securities prior to the maturity date and accrued interest on coupon/interest or portion of yield to the Securities holder Account upon written request of Participant of BI-SSSS issuing the Securities, as long as the funds in the account of issuer of Securities with Bank Indonesia are sufficient.
- (3) Sub-Registry must forward the payment of coupon/interest or yield and repayment of principal/nominal value of Securities to customer as Securities holder on the same date as the date the Sub-Registry receives payment of coupon/interest or yield and repayment of principal/nominal value of Securities from the issuer of Securities.
- (4) Sub-Registry must provide services, interest, or compensation to customer as Securities holder, in the event that Sub-Registry fails to forward the payment of coupon/interest or yield and principal/nominal value of Securities on the same date to customer as Securities holder as referred to in paragraph (3).
- (5) Further provisions regarding payment of coupon/interest or yield, repayment of principal/nominal value of Securities, and services, interest, or yield shall be set forth in a Circular Letter of Bank Indonesia.

Paragraph 5  
Imposition of Securities Account of Participant and/or  
Fund Settlement Account

Article 39

In the framework of Administrative activities, Administrator shall debit the Securities Account of Participant of BI-SSSS, Fund Settlement Account of Participant of BI-SSSS, and/or Fund Settlement Account of Paying Bank appointed by Participant of BI-SSSS.

Part Three  
Administration of BI-RTGS System

Paragraph 1

## Fund Transfer in BI-RTGS System

### Article 40

Fund transfer made through BI-RTGS System shall include services as follows:

- a. single credit;
- b. multiple credit; and
- c. single debit.

### Article 41

- (1) Bank Indonesia as Participant of BI-RTGS System may use all fund transfer services as referred to in Article 40.
- (2) Participant of BI-RTGS System other than Bank Indonesia may only use single credit fund transfer service as referred to in Article 40 letter a and multiple credit fund transfer service as referred to in Article 40 letter b.

### Article 42

Fund transfer that can be made in single credit fund transfer service as referred to in Article 40 letter a and multiple credit fund transfer service as referred to in Article 40 letter b shall include:

- a. fund transfer from Participant of BI-RTGS System to another Participant of BI-RTGS System;
- b. fund transfer from Participant of BI-RTGS System to customer of another Participant of BI-RTGS System and vice versa; and
- c. fund transfer from customer of Participant of BI-RTGS System to customer of another Participant of BI-RTGS System.

### Article 43

Fund transfer that can be made in single debit fund transfer service as referred to in Article 42 letter c shall include:

- a. settlement of obligations of Participant of BI-RTGS System to Bank Indonesia;
- b. correction over the transaction delivered by Bank Indonesia; and
- c. implementation of Fund Settlement over the transaction and settlement of other obligations as set forth in the provisions of Bank Indonesia.

### Article 44

- (1) In the implementation of fund transfer as referred to in Article 40, Administrator shall determine:
  - a. type of transaction required to be performed through BI-RTGS System;
  - b. restriction as to type of transaction through BI-RTGS System that can be used by particular Participant of BI-RTGS System; and/or

- c. limit of nominal value of fund transfer allowed to be performed through BI-RTGS System.
- (2) Further provisions regarding type of transaction, restriction on type of transaction, and limit of nominal value of fund transfer through BI-RTGS System shall be set forth in a Circular Letter of Bank Indonesia.

#### Article 45

- (1) Sending Participant in BI-RTGS System must generate Fund Settlement instruction in accordance with the procedures set forth by the Administrator.
- (2) Fund Settlement instruction as referred to in paragraph (1), must use the transaction code set forth by the Administrator.
- (3) Further provisions regarding procedures on generation and delivery of Settlement instruction as well as use of transaction code shall be set forth in a Circular Letter of Bank Indonesia.

#### Article 46

- (1) Sending Participant of BI-RTGS System shall require the sending customer to fill out the fund transfer order completely and correctly by taking into account the applicable provisions.
- (2) Sending Participant of BI-RTGS System must deliver Fund Settlement instruction as referred to in Article 45 paragraph (1) on the same date as the date of receipt of fund transfer instruction from the sending customer.
- (3) Fund Settlement instruction as referred to in paragraph (2) must be delivered by the sending Participant of BI-RTGS System at the latest 1 (one) hour since the sending Participant of BI-RTGS System accepts the fund transfer instruction from customer.
- (4) Provisions as referred to in paragraph (2) and paragraph (3) shall not be applicable if the conditions set forth by the Administrator are met.
- (5) In the event that the sending Participant of BI-RTGS System fails to deliver the Fund Settlement instruction as referred to in paragraph (2), the sending Participant of BI-RTGS System must pay service, interest, or yield to the sending customer.
- (6) Further provisions regarding implementation of fund transfer instruction, delivery of Fund Settlement instruction, determination of particular condition, and amount of service, interest, or yield to the sending customer shall be set forth in a Circular Letter of Bank Indonesia.

#### Paragraph 2 Fund Settlement

#### Article 47

Fund settlement through BI-RTGS System shall be final.



#### Article 48

- (1) Fund settlement through BI-RTGS System shall be performed by using funds available in Fund Settlement Account.
- (2) Fund settlement as referred to in paragraph (1) may only be performed if the funds available in Fund Settlement Account are sufficient for the implementation of Fund settlement.
- (3) Administrator shall determine the mechanism of Fund settlement as referred to in paragraph (2), in the event that funds for the implementation of Fund settlement are not sufficient.
- (4) Further provisions regarding Fund settlement shall be set forth in a Circular Letter of Bank Indonesia.

#### Article 49

- (1) In the event that the receiving Participant of BI-RTGS System accepts the Fund Settlement instruction as referred to in Article 45 paragraph (1), the receiving Participant of BI-RTGS System must forward the funds to the receiving customer on the same date as the date of Fund settlement.
- (2) Fund forwarding to the receiving customer as referred to in paragraph (1) must be performed as soon as possible or by no later than 1 (one) hour as from the receipt of the Fund Settlement instruction by the receiving Participant.
- (3) Provisions as referred to in paragraph (2) and paragraph (3) shall not be applicable if the conditions set forth by the Administrator are met.
- (4) In the event that the receiving Participant of BI-RTGS System fails to forward the funds as referred to in paragraph (1), the receiving Participant of BI-RTGS System must provide service, interest, or yield to the receiving customer.
- (5) Further provisions regarding time limit of fund forwarding resulting from Fund settlement, determination of particular condition, and amount of service, interest, or yield to the receiving customer shall be set forth in a Circular Letter of Bank Indonesia.

#### Article 50

- (1) BI-RTGS System shall provide liquidity risk and credit risk management facilities for Participant of BI-RTGS System.
- (2) Further provisions regarding type of risk management facilities shall be set forth in a Circular Letter of Bank Indonesia.

#### Paragraph 3 Imposition of Fund Settlement Account

#### Article 51

For the purpose of Fund settlement, Administrator shall debit the Fund Settlement Account.

Paragraph 4  
Intraday Liquidity Facility

Article 52

- (1) Administrator shall provide FLI to Participating Bank in BI-RTGS System that consists of FLI RTGS and FLI Kliring.
- (2) Administrator shall determine requirements on the use of FLI that must be met by Participating Bank in BI-RTGS System.
- (3) Further provisions regarding requirements on the use of FLI as referred to in paragraph (2) shall be set forth in a Circular Letter of Bank Indonesia.

Article 53

- (1) Participating Bank in BI-RTGS System that will use FLI must provide Securities as stipulated by the Administrator.
- (2) Use of FLI as referred to in paragraph (1) shall be on the basis of repurchase agreement (repo) of FLI RTGS and/or FLI Kliring on Securities owned by Participating Bank in BI-RTGS System.
- (3) Securities provided for FLI Kliring as referred to in paragraph (2) cannot be used for FLI RTGS.
- (4) Further provisions regarding requirements on Securities that can be used to obtain FLI and on use of FLI shall be set forth in a Circular Letter of Bank Indonesia.

Article 54

- (1) Use of FLI RTGS shall be automatic when the fund available in the Fund Settlement Account in Rupiah of the Participating Bank in BI-RTGS System is not sufficient to make Fund settlement for outgoing transaction.
- (2) Use of FLI Kliring shall be automatic when the fund available in the Fund Settlement Account in Rupiah of the Participating Bank in BI-RTGS System is not sufficient to fulfill the obligation at the time of Fund settlement against the result of calculation in the organization of Bank Indonesia National Clearing System.
- (3) Use of FLI as referred to in paragraph (1) and paragraph (2) shall be based on sufficiency of Securities available in the account of FLI RTGS and account of FLI Kliring as set forth by the Administrator.

Article 55

- (1) Administrator shall impose fee for the use of FLI and/or other fees related to the use of FLI on Participating Bank in BI-RTGS System.
- (2) Further provisions regarding fee for the use of FLI and other fees related to the use of FLI shall be set forth in a Circular Letter of Bank Indonesia.

Article 56

- (1) Participating Bank in BI-RTGS System must settle the use of FLI up to the time limit specified by the Administrator.
- (2) In the event that Participating Bank in BI-RTGS System is unable to settle the use of FLI up to the time limit as referred to in paragraph (1), the use of FLI that cannot be settled shall be treated as lending/financing facility transaction with Bank Indonesia.
- (3) Lending/financing facility transaction as referred to in paragraph (2) shall comply with the provisions of Bank Indonesia governing monetary operation and sharia monetary operation.
- (4) Further provisions regarding settlement of the use of FLI shall be set forth in a Circular Letter of Bank Indonesia.

Part Four  
Transaction and Settlement Data

Article 57

- (1) Administrator shall deliver transaction data and/or data on the result of Settlement to the respective Participant at the end of every day.
- (2) In the event that there are differences between the transaction data and/or data on the result of Settlement of the respective Participant and the transaction data and/or data on the result of Settlement of the Administrator, data available at the Administrator shall be used.

Part Five  
Operational Time

Article 58

- (1) Administration of BI-ETP System, BI-SSSS, and BI-RTGS System shall be performed at the operational time set forth by the Administrator.
- (2) Operational time of BI-ETP System as referred to in paragraph (1) shall consist of:
  - a. operational day; and
  - b. operational hours.
- (3) Operational time of BI-SSSS and BI-RTGS System as referred to in paragraph (1) shall consist of:
  - a. operational day;
  - b. operational hours; and
  - c. activity period.
- (4) Participant must perform operational activities related to BI-ETP System, BI-SSSS, and BI-RTGS System in accordance with the operational time as referred to in paragraph (2) and paragraph (3), except in conditions as specified by the Administrator.

- (5) Administrator may change the operational time as referred to in paragraph (2) and paragraph (3).
- (6) Participant may only submit application for extension of activity period in BI-SSSS and BI-RTGS System.
- (7) Further provisions regarding operational time and particular condition specified by the Administrator shall be set forth in a Circular Letter of Bank Indonesia.

Part Six  
Fee  
Article 59

- (1) Administrator shall determine the type and amount of fees in the administration of BI-ETP System, BI-SSSS, and BI-RTGS System.
- (2) Administrator may exempt fees in the administration of BI-ETP System, BI-SSSS, and BI-RTGS System in the occurrence of Abnormal Condition and/or Emergency.
- (3) Further provisions regarding type and amount of fees, exemption of fees, as well as procedures for imposition of fees shall be set forth in a Circular Letter of Bank Indonesia.

Article 60

- (1) Administrator may determine the maximum limit of fees that the Participant may impose on customer in the administration of BI-RTGS System.
- (2) Administrator may request the Participant to deliver information regarding the amount of fees imposed by Participant on customer in the administration of BI-ETP System, BI-SSSS, and BI-RTGS System.
- (3) Administrator may announce the amount of fees imposed by the Administrator on Participant and fees imposed by Participant on customer in the administration of BI-ETP System, BI-SSSS, and BI-RTGS System as referred to in paragraph (2) to the public.
- (4) Further provision regarding determination of maximum limit of fees that Participant may impose on customer shall be set forth in a Circular Letter of Bank Indonesia.

Part Seven  
Management of Abnormal Condition and/or Emergency

Article 61

- (1) In the occurrence of Abnormal Condition in the administration of BI-ETP System, BI-SSSS, and BI-RTGS System and/or Emergency at the location of Administrator, Administrator shall notify the Participant of such condition together with measures for managing such Abnormal Condition and/or Emergency.
- (2) In the occurrence of Abnormal Condition and/or Emergency at the location of Participant causing the Participant to be unable to deliver Transaction and/or

Settlement instruction, therefore, such Transaction and/or Settlement instruction may be delivered by using the facility provided by the Administrator.

- (3) Further provisions regarding the management of Abnormal Condition and Emergency shall be set forth in Circular Letter of Bank Indonesia.

## CHAPTER VII INDEMNITY OF ADMINISTRATOR

### Article 62

Administrator shall be released from all claims against the loss of Participant or third party which arise and/or will arise due to:

- a. delayed or non-performance of Transaction, Settlement, and payment of coupon/interest or yield as well as repayment of principal/nominal value of Securities, caused by the negligence of Participant, Abnormal Condition, and/or Emergency;
- b. delivery of Transaction and/or Settlement instruction by the unauthorized official;
- c. error in transaction data or Settlement instruction delivered by Participant; and/or
- d. non-forwarding of Settlement instruction as referred to in Article 35 paragraph (1).

## CHAPTER VIII MONITORING OF PARTICIPANT'S COMPLIANCE

### Article 63

- (1) Administrator shall monitor the Participant's compliance with the provisions set forth by the Administrator.
- (2) Monitoring as referred to in paragraph (1) shall be performed directly and indirectly.
- (3) For the purpose of monitoring the Participant compliance as referred to in paragraph (2), Participant shall have the obligations as follows:
  - a. to deliver report on a periodical basis and at any time;
  - b. to provide data, information, and/or documents as required by the Administrator related to the administration of BI-ETP System, BI-SSSS, and BI-RTGS System;
  - c. to provide access to Administrator, allowing it to perform direct inspection to the documents, physical facilities, supporting application related to the administration of BI-ETP System, BI-SSSS, and BI-RTGS System, and operational activities of Participant; and
  - d. to follow up the results of monitoring performed by the Administrator.

- (4) In the framework of monitoring as referred to in paragraph (1), Administrator may request the Participant to perform testing to its infrastructure which is used in the operational administration of BI-ETP System, BI-SSSS, and BI-RTGS System.
- (5) Further provisions regarding procedures on monitoring of Participant's compliance, type of report, and procedures on delivery of report in the framework of monitoring of Participant compliance shall be set forth in a Circular Letter of Bank Indonesia.

#### Article 64

Monitoring of Participant's compliance as referred to in Article 63 paragraph (1) shall include monitoring of compliance of administrative activities performed by Sub-Registry and/or other party as referred to in Article 25 paragraph (2).

#### Article 65

- (1) Administrator may appoint other party for and on behalf of Administrator in the framework of implementation of monitoring of Participant's compliance.
- (2) Other party that carries out monitoring as referred to in paragraph (1) must keep the information and data obtained from the monitoring confidential.
- (3) Further provisions regarding monitoring of Participant's compliance shall be set forth in a Circular Letter of Bank Indonesia.

#### Article 66

- (1) Periodic report as referred to in Article 63 paragraph (3) letter a must be delivered within the time limit specified by the Administrator.
- (2) In the event that Participant is late in delivering periodic report within the time limit specified by the Administrator, Participant's obligation to deliver the periodic report within the time limit specified by the Administrator shall remain applicable.
- (3) Participant shall be declared as not delivered the periodic report if the Participant fails to deliver periodic report up to the time limit as set forth in paragraph (2).

### CHAPTER IX MISCELLANEOUS PROVISION

#### Article 67

- (1) A Party as referred to in Article 4 paragraph (1) that has become Participant of BI-SSSS by virtue of Bank Indonesia Regulation Number 10/2/PBI/2008 regarding Bank Indonesia-Scripless Securities Settlement System (State Gazette of the Republic of Indonesia Year 2008 Number 11, Supplement to the State Gazette of the Republic of Indonesia Number 4809) as already amended by Bank Indonesia Regulation Number 12/12/PBI/2010 (State Gazette of the Republic of Indonesia Year 2010 Number 93, Supplement to the State Gazette of the Republic of Indonesia Number 5146) and has the role as referred to in Article 4 paragraph (2), shall be declared as Participant of BI-ETP System by virtue of this Bank Indonesia Regulation.

- (2) A Party as referred to in Article 7 paragraph (1) that has become Participant of BI-SSSS by virtue of Bank Indonesia Regulation Number 10/2/PBI/2008 regarding Bank Indonesia-Scripless Securities Settlement System (State Gazette of the Republic of Indonesia Year 2008 Number 11, Supplement to the State Gazette of the Republic of Indonesia Number 4809) as already amended by Bank Indonesia Regulation Number 12/12/PBI/2010 (State Gazette of the Republic of Indonesia Year 2010 Number 93, Supplement to the State Gazette of the Republic of Indonesia Number 5146) and performs the function as referred to in Article 7 paragraph (2), shall be declared as Participant of BI-SSSS by virtue of this Bank Indonesia Regulation.
- (3) A Party as referred to in Article 11 that has become Participant of BI-RTGS System by virtue of Bank Indonesia Regulation Number 10/6/PBI/2008 regarding Bank Indonesia Real Time Gross Settlement System (State Gazette of the Republic of Indonesia Year 2008 Number 32, Supplement to the State Gazette of the Republic of Indonesia Number 4820), shall be declared as Participant of BI-RTGS by virtue of this Bank Indonesia Regulation.

## CHAPTER X SANCTION

### Article 68

- (1) Any Participant that fails to meet the obligation to maintain smooth and security in the use of BI-ETP System, BI-SSSS, and BI-RTGS System as referred to in Article 21 paragraph (1) letter a shall be subject to administrative sanction in the form of written warning.
- (2) In the event that a Participant does not follow up the written warning as referred to in paragraph (1) by no later than 30 (thirty) days as from the receipt of written warning, it may be subject to administrative sanction in the form of downgrading the status of membership.

### Article 69

A Participant that fails to inform transaction fee in the administration of BI-ETP System, BI-SSSS, and BI-RTGS System to customer transparently as referred to in Article 21 paragraph (1) letter d shall be subject to administrative sanction in the form of written warning.

### Article 70

- (1) Delayed delivery of report as referred to in Article 30 paragraph (1) by Sub-Registry shall be subject to administrative sanction in the form of financial penalty amounting to Rp100.000,00 (one hundred thousand rupiah) per business day of delay as from the time limit of delivery of report as stipulated by the Administrator up to Rp10.000.000,00 (ten million rupiah).
- (2) Delayed and/or non-delivery by Sub-Registry of correction of report within the time limit as stipulated by the Administrator as referred to in Article 30 paragraph (4) shall be subject to administrative sanction in the form of written warning.

- (3) In the event that Sub-Registry fails to deliver report as referred to in Article 30 paragraph (5), Sub-Registry shall be subject to administrative sanction in the form of written warning.

#### Article 71

Sending Participant of BI-RTGS System that fails to fill out the transaction code as stipulated by the Administrator as referred to in Article 45 paragraph (2) shall be subject to administrative sanction in the form of financial penalty of Rp100.000,00 (one hundred thousand rupiah) per Fund Settlement instruction, with maximum amount of financial penalty in the current month of Rp10.000.000,00 (ten million rupiah).

#### Article 72

- (1) In the event that Fund Settlement instruction of the sending Participant of BI-RTGS System is not sent by the sending Participant BI-RTGS System within the time limit as referred to in Article 46 paragraph (3), sending Participant BI-RTGS System shall be subject to administrative sanction in the form of financial penalty of Rp100.000,00 (one hundred thousand rupiah) per Fund Settlement instruction, with maximum amount of financial penalty of Rp10.000.000,00 (ten million rupiah) per 1 (one) monitoring period.
- (2) In the event that receiving Participant of BI-RTGS System does not forward the funds to the receiving customer in accordance with the time limit as referred to in Article 49 paragraph (2), receiving Participant of BI-RTGS System shall be subject to administrative sanction in the form of financial penalty of Rp100.000,00 (one hundred thousand rupiah) per Fund Settlement instruction, with the maximum amount of financial penalty of Rp10.000.000,00 (ten million rupiah) per 1 (one) monitoring period.

#### Article 73

A Participant that fails to deliver:

- a. report at any time as referred to in Article 63 paragraph (3) letter a; and/or
- b. data, information, and/or documents related to the administration of BI-ETP System, BI-SSSS, and BI-RTGS System as referred to in Article 63 paragraph (3) letter b; shall be subject to administrative sanction in the form of written warning.

#### Article 74

- (1) A Participant that fails to grant access to Administrator to perform direct inspection as referred to in Article 63 paragraph (3) letter c shall be subject to administrative sanction in the form of written warning.
- (2) In the event that Participant does not follow up the written warning as referred to in paragraph (1) by no later than 7 (seven) days as from the receipt of written warning, it may be subject to administrative sanction in the form of downgrading the status of membership.

#### Article 75



- (1) A Participant that fails to follow up the result of monitoring performed by the Administrator as referred to in Article 63 paragraph (3) letter d shall be subject to administrative sanction in the form of written warning.
- (2) In the event that Participant fails to follow up the written warning as referred to in paragraph (1), it may be subject to administrative sanction in the form of downgrading the status of membership.

#### Article 76

- (1) Delayed delivery by Participant of periodic report in accordance with the time limit as referred to in Article 66 paragraph (2) shall be subject to administrative sanction in the form of financial penalty of Rp500.000,00 (five hundred thousand rupiah) per business day of delay, with maximum amount of financial penalty of Rp15.000.000,00 (fifteen million rupiah).
- (2) In the event that Participant fails to deliver periodic report as referred to in Article 66 paragraph (3), it shall be subject to administrative sanction in the form of written warning.
- (3) A Participant that fails to follow up the written warning as referred to in paragraph (2) by no later than 30 (thirty) days as from the date of written warning may be subject to administrative sanction in the form of downgrading the status of membership.

#### Article 77

Further provisions regarding procedures for imposition of administrative sanction shall be set forth in a Circular Letter of Bank Indonesia.

### CHAPTER XI CLOSING PROVISIONS

#### Article 78

Further provisions of this Bank Indonesia Regulation shall be set forth by a Circular Letter of Bank Indonesia.

#### Article 79

At the time this Bank Indonesia Regulation comes into effect:

- a. Bank Indonesia Regulation Number 10/2/PBI/2008 regarding Bank Indonesia-Scripless Securities Settlement System (State Gazette of the Republic of Indonesia Year 2008 Number 11, Supplement to the State Gazette of the Republic of Indonesia Number 4809);
- b. Bank Indonesia Regulation Number 10/6/PBI/2008 regarding Bank Indonesia Real Time Gross Settlement System (State Gazette of the Republic of Indonesia Year 2008 Number 32, Supplement to the State Gazette of the Republic of Indonesia Number 4820);
- c. Bank Indonesia Regulation Number 10/29/PBI/2008 regarding Intraday Liquidity Facility for Commercial Bank (State Gazette of the Republic of Indonesia Year

2008 Number 174, Supplement to the State Gazette of the Republic of Indonesia Number 4922);

- d. Bank Indonesia Regulation Number 11/30/PBI/2009 regarding Intraday Liquidity Facility Based on Sharia Principles (State Gazette of the Republic of Indonesia Year 2009 Number 108, Supplement to the State Gazette of the Republic of Indonesia Number 5034);
- e. Bank Indonesia Regulation Number 12/12/PBI/2010 regarding Amendment to Bank Indonesia Regulation Number 10/2/PBI/2008 regarding Bank Indonesia-Scripless Securities Settlement System (State Gazette of the Republic of Indonesia Year 2010 Number 93, Supplement to the State Gazette of the Republic of Indonesia Number 5146); and
- f. Bank Indonesia Regulation Number 12/13/PBI/2010 regarding Amendment to Bank Indonesia Regulation Number 10/29/PBI/2008 regarding Intraday Liquidity Facility for Commercial Bank (State Gazette of the Republic of Indonesia Year 2010 Number 94, Supplement to the State Gazette of the Republic of Indonesia Number 5147),

shall be revoked and declared null and void.

#### Article 80

- (1) Provision regarding maximum fee limit that the Participant may impose on customer in the administration of BI-RTGS System as referred to in Article 60 paragraph (1) shall come into effect on 1 July 2016.
- (2) Provision regarding obligation of the Participant to deliver periodic report as referred to in Article 66 and administrative sanction on the obligation to deliver report as referred to in Article 76 shall come into effect for report period year 2016.
- (3) Provisions regarding administrative sanction in the form of financial penalty on:
  - a. delayed delivery of report by Sub-Registry as referred to in 70 paragraph (1);
  - b. violation on filling out transaction code as referred to in Article 71 other than particular transaction code as stipulated in the Circular Letter of Bank Indonesia regarding administration of immediate fund settlement through Bank Indonesia-Real Time Gross Settlement System;
  - c. violation of time limit in the delivery of Fund Settlement instruction to the receiving Participant of BI-RTGS System as referred to in Article 72 paragraph (1); and
  - d. violation of time limit in fund forwarding to the receiving customer as referred to in Article 72 paragraph (2),

shall come into effect on 1 July 2016.

#### Article 81

This Bank Indonesia Regulation shall come into effect as from 16 November 2015.

For public cognizance, ordering the promulgation of this Bank Indonesia Regulation in the State Gazette of the Republic of Indonesia.

Stipulated in Jakarta  
on November 12, 2015

GOVERNOR OF BANK INDONESIA,

AGUS D.W. MARTOWARDOJO

Promulgated in Jakarta  
on November 12, 2015

MINISTER OF LAW AND HUMAN RIGHTS  
REPUBLIC OF INDONESIA,

YASONNA H. LAOLY

STATE GAZETTE OF THE REPUBLIC OF INDONESIA YEAR 2015 NUMBER 273

ELUCIDATION OF  
BANK INDONESIA REGULATION  
NUMBER 17/18/PBI/2015  
REGARDING  
ORGANIZATION OF TRANSACTIONS, ADMINISTRATION OF SECURITIES, AND  
IMMEDIATE FUND SETTLEMENT

I. GENERAL

BI-RTGS System that has been used since 2000 has become an important infrastructure in the payment system, financial system, and Indonesian economy. This system has been the inlet of various financial transactions in Indonesia, whether for retail transaction, financial market transaction as well as capital market transaction. Other than as a primary infrastructure in the Indonesian financial system, BI-RTGS System has been also known and widely used for interbank settlement of payment from other multiple economic transactions. This condition causes the increasing volume of interbank payment transaction settled through BI-RTGS System from year to year.

The increasing volume of payment transaction in BI-RTGS System cannot be separated from the contribution of the rise in volume of transaction of securities in BI-SSSS. BI-SSSS is a facility used for doing transactions in monetary operation, providing funding facilities of Bank Indonesia to Bank, carrying out SBN auction and trade as well as administration of Bank Indonesia Certificate and SBN.

In line with the increase in volume of payment transaction in BI-RTGS System and BI-SSSS, for the purpose of improving the efficiency of liquidity management, Bank Indonesia sees the need to make development in the currently existing BI-RTGS System and BI-SSSS.

Furthermore, in order to accommodate the development of transaction in monetary operation and transaction in financial market, development of the relevant system is not only limited to the development of BI-RTGS System and BI-SSSS, but also include development of BI-ETP System.

With regard to the abovementioned matters, in order to realize a safer and more efficient administration of BI-ETP System, BI-SSSS, and BI-RTGS System as well as for easier integration with other financial system infrastructure both domestic and international, its development is performed by integrating BI-RTGS System, BI-SSSS, and BI-ETP System which refer to the Principles for Financial Market Infrastructure (PFMI's) issued by the Committee on Payment and Financial Market Infrastructure and International Organization of Securities Commission (CPMI-IOSCO).

Hereinafter, in the framework of providing comprehensive legal ground in the administration of BI-ETP System, BI-SSSS, and BI-RTGS System, it requires one Bank Indonesia Regulation governing Organization Transactions, Administration of Securities, and Immediate Fund Settlement.

## II. ARTICLE BY ARTICLE

### Article 1

Self-explanatory.

### Article 2

Self-explanatory.

### Article 3

Paragraph (1)

#### Letter a

Provisions and procedures on administration of BI-ETP System, BI-SSSS, and BI-RTGS System shall include among others provisions and procedures on administration of BI-ETP System, BI-SSSS, and BI-RTGS System in normal condition, Abnormal Condition, and/or Emergency.

#### Letter b

Referred to as "facilities and infrastructure" shall be among others helpdesk, information system, and contingency facility for Participant.

#### Letter c

Referred to as "operational activities" shall be among others for operational activities in the administration of BI-ETP System, BI-SSSS, and BI-RTGS System in accordance with the applicable provisions.

#### Letter d

Efforts to assure the reliability, availability, and security in the administration of BI-ETP System, BI-SSSS, and BI-RTGS System shall include among others preparing minimum service standards for the administration of BI-ETP System, BI-SSSS, and BI-RTGS System, as well as procedures for management of Abnormal Condition and/or Emergency.

Letter e

Monitoring of Participant's compliance shall be based on provisions governing organization of transactions, administration of securities, and Immediate fund settlement.

Paragraph (2)

Self-explanatory.

Article 4

Paragraph (1)

Letter a

Self-explanatory.

Letter b

Self-explanatory.

Letter c

Self-explanatory.

Letter d

Self-explanatory.

Letter e

Referred to as "rupiah and foreign currency money market brokerage company" shall be a company specifically established to perform intermediary services activities for the activities of its customers in the field of rupiah and foreign currency money market on a fee for its services.

Letter f

Referred to as "securities company" shall be a party performing business activities as underwriters, brokerage and/or investment manager.

Letter g

Another institution may become the Participant of BI-ETP System upon the approval of Administrator insofar as the membership of such another institution is based on the applicable laws and regulations and/or consideration of financial market development in Indonesia.

Paragraph (2)

Letter a

Self-explanatory.

Letter b

Self-explanatory.

Letter c

Self-explanatory.

Letter d

Self-explanatory.

Letter e

Self-explanatory.

Letter f

Determination of other role for Participant of BI-ETP System by the Administrator if deemed necessary shall be based among others on the applicable laws and regulations, consideration of financial market development in Indonesia and/or technical considerations.

Article 5

Self-explanatory.

Article 6

Self-explanatory.

Article 7

Paragraph (1)

Letter a

Self-explanatory.

Letter b

Self-explanatory.

Letter c

Self-explanatory.

Letter d

Referred to as “depository and settlement institution” shall be a party that organizes central custodian activities for Custodian Bank, securities company, and other party, as set forth in the applicable laws and regulations.

Letter e

Referred to as “securities company” shall be a party performing business activities as underwriters, brokerage and/or investment manager.

Letter f

Another institution may become a Participant of BI-SSSS upon the approval of Administrator insofar as the membership of such another institution is based on the applicable laws and regulations and/or consideration of securities market development in Indonesia and/or technical considerations.

Paragraph (2)

Letter a

Self-explanatory.

Letter b

Self-explanatory.

Letter c  
Self-explanatory.

Letter d  
Determination of other function as Participant of BI-SSSS by the Administrator shall be based among others on the applicable laws and regulations, consideration of financial market development in Indonesia and/or technical considerations.

Article 8  
Self-explanatory.

Article 9  
Self-explanatory.

Article 10  
Separation of membership in the administration of BI-SSSS on its own behalf with membership of Sub-Registry shall be intended to confirm the separation of ownership of Securities assets in the name of the relevant Participant of BI-SSSS with Securities assets in the name of customer.

Article 11  
Letter a  
Self-explanatory.

Letter b  
Self-explanatory.

Letter c  
Clearing administrator and/or settlement administrator shall be among others clearing administrator and/or final settlement administrator as referred to in the provisions of Bank Indonesia governing administration of fund transfer and scheduled clearing and provisions of Bank Indonesia governing administration of card-based payment instrument activities.

Letter d  
Another institution may become Participant of BI-RTGS System upon the approval of the Administrator insofar as the membership of such other institution supports, among others:

- a. safer and more efficient settlement of payment transaction, transaction of securities, and Financial Market Transaction in Indonesia; and
- b. effectiveness of monetary policy operation by Bank Indonesia.

Article 12  
Self-explanatory.

Article 13  
Self-explanatory.

Article 14  
Self-explanatory.

Article 15  
Paragraph (1)

Letter a  
Referred to as “active” status shall be where a Participant may perform all functions in the administration of BI-ETP System in accordance with its access right.

Letter b  
Referred to as “frozen” status shall be where all transactional activities of a Participant in the administration of BI-ETP System are ceased.

Letter c  
Referred to as “closed” status shall be where membership of a Participant is permanently terminated in the administration of BI-ETP System and cannot be reactivated as Participant.

Paragraph (2)  
Self-explanatory.

Article 16  
Paragraph (1)

Letter a  
Referred to as “active” status shall be where a Participant may perform all functions in the administration of BI-SSSS and BI-RTGS System in accordance with its access right.

Letter b  
Referred to as “postponed” status shall be where a Participant is unable to perform particular transactional activities in the administration of BI-SSSS and BI-RTGS System in accordance with the restrictions made by the Administrator.

Letter c  
Referred to as “frozen” status shall be where all transactional activities of a Participant in the administration of BI-SSSS and BI-RTGS System are ceased.

Letter d  
Referred to as “closed” status shall be where the membership of a Participant is permanently terminated in the administration of BI-SSSS and BI-RTGS System and cannot be reactivated as Participant.

Paragraph (2)  
Exemption to this provision shall be intended among others to provide certainty so that the customer of Sub-Registry may perform transaction and Settlement of Securities.

Article 17



Paragraph (1)  
Self-explanatory.

Paragraph (2)

Letter a  
Self-explanatory.

Letter b  
Referred to as “party authorized to perform supervision” shall be among others Bank Indonesia as the macroprudential and payment system supervisory authority, as well as Financial Services Authority as the microprudential supervisory authority.

Letter c  
Self-explanatory.

Paragraph (3)  
Self-explanatory.

Paragraph (4)  
Self-explanatory.

Article 18  
Self-explanatory.

Article 19  
Paragraph (1)  
Self-explanatory.

Paragraph (2)  
Escrow account shall be used among others to receive payment of coupon/interest or yield and repayment of principal/nominal value of Securities.

Article 20  
Paragraph (1)  
Referred to as “affect” shall be among others:

- a. Change of status of membership in BI-RTGS System to postponed causes the status of membership in BI-SSSS to postponed and in BI-ETP System to frozen.
- b. Change of status of membership in BI-RTGS System to frozen causes the status of membership in BI-SSSS and BI-ETP System to frozen.
- c. Change of status of membership in BI-RTGS System to closed causes the status of membership in BI-SSSS and BI-ETP System to closed.

Paragraph (2)  
Referred to as “affect” shall be among others:

- a. Change of status of membership in BI-SSSS to postponed and frozen causes the status of membership in BI-ETP System to frozen.
- b. Change of status of membership in BI-SSSS to closed causes the status of membership in BI-ETP to closed.

#### Article 21

##### Paragraph (1)

##### Letter a

Example of activities performed by Participant for maintaining smooth and security of system used in the administration of BI-ETP System, BI-SSSS, and BI-RTGS System shall be among others by preparing written policies and procedures for the operational administration of BI-ETP System, BI-SSSS, and BI-RTGS System, performing internal audit, and security audit.

##### Letter b

In the framework of ensuring the validity of Transaction and/or Settlement instruction, delivery of transaction and/or Settlement instruction must be based on the supporting documents.

##### Letter c

Self-explanatory.

##### Letter d

Referred to as "transaction fees" shall be transaction fee charged by the Administrator to Participant and transaction fee charged by Participant to customer.

##### Letter e

Self-explanatory.

##### Letter f

Self-explanatory.

##### Paragraph (2)

Self-explanatory.

#### Article 22

Self-explanatory.

#### Article 23

##### Paragraph (1)

Other Participant of BI-ETP System as broker shall be Participant of BI-ETP System designated by Government and the relevant authority, including, among others:

- a. rupiah and foreign currency money market brokerage company, securities company as participant in monetary operation and sharia monetary operation; and
- b. Bank and securities company as participant in SBN transaction.

Paragraph (2)  
Self-explanatory.

Paragraph (3)

Letter a  
Self-explanatory.

Letter b  
Regulation in the internal procedures of Participant of BI-ETP System shall be applicable in the event that the Participant of BI-ETP System that appoints and the Participant of BI-ETP System that is appointed as broker forms an integral part of the same legal entity.

Article 24  
Self-explanatory.

Article 25  
Self-explanatory.

Article 26  
Letter a  
Self-explanatory.

Letter b  
In the Administration for the interests of customer, Sub-Registry shall use the internal system of Sub-Registry.

Article 27  
Self-explanatory.

Article 28  
Paragraph (1)  
Referred to as "book entry" shall be registration of ownership and transfer of ownership in one journal.

Paragraph (2)  
Registration of ownership of Securities as proceeds of Settlement of repurchase agreement (repo) transaction of collateralized borrowing and pledge shall not be considered as the property of lender or recipient of collateral.

Article 29  
Paragraph (1)  
Referred to as "on global scale (omnibus account)" shall be registration is not performed individually and detailed per customer. Individual and detailed registration per customer shall be performed by Sub-Registry.

Paragraph (2)  
Self-explanatory.

Paragraph (3)

Self-explanatory.

Paragraph (4)

Referred to as “management” shall be an official in charge of the operation of Sub-Registry.

Paragraph (5)

Self-explanatory.

Article 30

Self-explanatory.

Article 31

Referred to as “be final” shall be Settlement that has been made is irrevocable.

Article 32

Paragraph (1)

Self-explanatory.

Paragraph (2)

Requirements of fund sufficiency available in Fund Settlement Account of Participant shall also include for the purpose of payment for and in the name of other Participant, which appoints the relevant Participant as Paying Bank.

Paragraph (3)

Self-explanatory.

Article 33

Paragraph (1)

Referred to as “payment of other obligation” shall be among others payment of fee for using the system.

Paragraph (2)

Determination of Fund Settlement limit shall be intended to mitigate risks in the implementation of Settlement.

Paragraph (3)

Letter a

Self-explanatory.

Letter b

Determination of Fund Settlement limit in internal procedures shall be applicable if the appointing Participant of BI-SSSS and Paying Bank constitute an integral part of the same legal entity.

Article 34

Self-explanatory.

Article 35

Paragraph (1)

Self-explanatory.

Paragraph (2)  
Self-explanatory.

Paragraph (3)  
The granting of authority to cancel the Settlement instruction from counterpart Participant is proven with the existence of clause on the granting of authority to cancel the Settlement instruction in a separate agreement or a power of attorney.

Paragraph (4)  
Self-explanatory.

Paragraph (5)  
Self-explanatory.

Article 36  
Self-explanatory.

Article 37  
Self-explanatory.

Article 38  
Self-explanatory.

Article 39  
Self-explanatory.

Article 40  
Letter a  
Referred to as "single credit" shall be fund transfer that only contains 1 (one) Fund Settlement instruction to be forwarded to the Fund Settlement Account of receiving Participant of BI-RTGS System, for both the interests of receiving Participant of BI-RTGS System and the interests of fund recipient as mentioned in Fund Settlement instruction.

Letter b  
Referred to as "multiple credit" shall be fund transfer that contains more than 1 (one) and maximum 10 (ten) Fund Settlement instructions to be forwarded to several accounts of recipient customer in 1 (one) receiving Participant of BI-RTGS System.

Letter c  
Referred to as "single debit" shall be fund transfer made by Bank Indonesia containing 1 (one) Fund Settlement instruction for debiting the account of Participant of BI-RTGS System for both the interest of Bank Indonesia and the interest of fund recipient as mentioned in Fund Settlement instruction.

Article 41  
Self-explanatory.

Article 42  
Letter a  
Self-explanatory.

Letter b

Referred to as “customer” shall be customers holding and not holding an account with the Participant.

Letter c

Self-explanatory.

#### Article 43

Letter a

Referred to as “settlement of obligations of Participant of BI-RTGS System to Bank Indonesia” shall be the current account is debited by Bank Indonesia among others for charging fees for the services provided by Bank Indonesia and imposing administrative sanction in the form of payment of financial penalty to Bank Indonesia for violation of provisions of Bank Indonesia.

Letter b

Self-explanatory.

Letter c

Implementation of Fund Settlement on transaction shall be among others:

- a. Fund settlement on Transaction;
- b. financial penalty for negative spread in cash deposit;
- c. Settlement of proceeds from clearing; and/or
- d. Fund settlement on transaction of Sovereign Securities.

Referred to as “other settlement of obligations” shall be among others Fund Settlement Account of Participant of BI-RTGS System is debited by Bank Indonesia upon the request of authority in accordance with the provisions of Bank Indonesia governing current account with Bank Indonesia.

#### Article 44

Self-explanatory.

#### Article 45

Self-explanatory.

#### Article 46

Paragraph (1)

Referred to as “applicable provisions” shall be among others laws and regulations governing criminal act of money laundering especially related to the monitoring of suspicious transactions, and laws and regulations governing fund transfer.

Paragraph (2)

Self-explanatory.

Paragraph (3)

Referred to as “acceptance” shall be activity carried out by the sending Participant of BI-RTGS System that shows its approval to

carry out or fulfill the fund transfer instruction which has been received.

Paragraph (4)  
Self-explanatory.

Paragraph (5)  
Self-explanatory.

Paragraph (6)  
Self-explanatory.

Article 47

Referred to as “be final” shall be Fund settlement that has been made is irrevocable.

Article 48

Paragraph (1)  
Self-explanatory.

Paragraph (2)  
Sufficiency of fund available in Fund Settlement Account shall also calculate the FLI owned by Participant of BI-RTGS System.

Paragraph (3)  
Mechanism of completion of Fund Settlement set forth by the Administrator shall be among others:

- a. queuing mechanism namely arrangement of order of Fund Settlement instruction that cannot be Settled.
- b. determining the level of priority in the implementation of Fund Settlement.

Paragraph (4)  
Self-explanatory.

Article 49

Paragraph (1)  
Referred to as “acceptance” shall be activity carried out by the receiving Participant of BI-RTGS System that shows its approval to carry out or fulfill the Fund Settlement instruction which has been received.

Paragraph (2)  
Self-explanatory.

Paragraph (3)  
Self-explanatory.

Paragraph (4)  
Self-explanatory.

Paragraph (5)  
Self-explanatory.

Article 50

Self-explanatory.

Article 51

Self-explanatory.

Article 52

Paragraph (1)

Referred to as “FLI RTGS” shall be FLI used to handle funding difficulties which occurred during the operational hours of BI-RTGS System.

Referred to as “FLI Kliring” shall be FLI used to handle funding difficulties which occurred during Fund Settlement against the result of calculation in the organization of Bank Indonesia National Clearing System.

Paragraph (2)

Self-explanatory.

Paragraph (3)

Self-explanatory.

Article 53

Paragraph (1)

Self-explanatory.

Paragraph (2)

Referred to as “repurchase agreement (repo)” shall be transaction to sell Securities, with the obligation to make repurchase at the agreed price and tenor.

Paragraph (3)

Self-explanatory.

Paragraph (4)

Self-explanatory.

Article 54

Paragraph (1)

Automatic use of FLI RTGS shall be intended to allow the Securities provided for repo by Participating Bank in BI-RTGS System, are used directly to cover the insufficiency of fund in Fund Settlement Account.

Paragraph (2)

Self-explanatory.

Paragraph (3)

Self-explanatory.

Article 55

Self-explanatory.



Article 56

Self-explanatory.

Article 57

Paragraph (1)

Self-explanatory.

Paragraph (2)

Differences in transaction data and/or data on the result of Settlement shall occur among others due to technical problem and/or data communication network problem.

Article 58

Paragraph (1)

Self-explanatory.

Paragraph (2)

Letter a

Referred to as “operational day” shall be a day designated by the Administrator as the day in which the operational administration of BI-ETP System is organized.

Letter b

Referred to as “operational hours” shall be the time designated by the Administrator as the time when the operational administration of BI-ETP System is organized.

Paragraph (3)

Letter a

Referred to as “operational day” shall be a day designated by the Administrator as the day in which the operational administration of BI-SSSS and BI-RTGS System is organized.

Letter b

Referred to as “operational hours” shall be the time designated by the Administrator as the time when the operational administration of BI-SSSS and BI-RTGS System is organized in every operational day.

Letter c

Referred to as “activity period” shall be the period designated by the Administrator to carry out transactional activities in the administration of BI-SSSS and BI-RTGS System, such as activity period for delivering Fund Settlement instruction for the interest of customer, activity period for delivering Settlement instruction on Securities for the interest of Participant.

Paragraph (4)

Self-explanatory.

Paragraph (5)

Change of operational time shall be caused by, among others:

- a. Abnormal Condition and/or Emergency at the location of Administrator;
- b. delay in Settlement of fund resulting from calculation in the organization of fund transfer and scheduled clearing; and/or
- c. other reasons for the purpose of maintaining smooth payment system.

Paragraph (6)

Reason for extension of activity period by Participant shall include among others Abnormal Condition and/or Emergency at the location of Participant.

Paragraph (7)

Self-explanatory.

Article 59

Paragraph (1)

Type of fees in the administration of BI-ETP System, BI-SSSS, and BI-RTGS System shall include among others fee for every delivery of Settlement instruction, fee for extension of activity period, fee for the use of system at the location of Administrator, and fee for administrative message.

Paragraph (2)

Referred to as "exempt fees in the administration of BI-ETP System, BI-SSSS, and BI-RTGS System" shall be to exempt particular fees during Abnormal Condition and/or Emergency.

Paragraph (3)

Self-explanatory.

Article 60

Paragraph (1)

Determination of maximum fees that a Participant may impose on customer shall be for the purpose of protection of customer as user of BI-RTGS System.

Paragraph (2)

Self-explanatory.

Paragraph (3)

Announcement of amount of fees to the public shall be for the purpose of protection of customer as user of BI-RTGS System, among others through Bank Indonesia website.

Paragraph (4)

Self-explanatory.

Article 61

Self-explanatory.

Article 62

Self-explanatory.

Article 63

Paragraph (1)

Self-explanatory.

Paragraph (2)

Direct monitoring shall be performed through conducting onsite visit periodically or at any time if necessary.

Indirect monitoring shall be performed with the mechanism of analysis and evaluation of the report delivered by Participant to the Administrator, data and/or information obtained by the Administrator whether from Participant, other party, as well as data and/or information available at the Administrator.

Paragraph (3)

Self-explanatory.

Paragraph (4)

Infrastructure testing shall be one of means for ensuring the primary and backup infrastructure used by Participant is functioning well.

Paragraph (5)

Self-explanatory.

Article 64

Self-explanatory.

Article 65

Paragraph (1)

Referred to as "other party" shall be a party that has expertise among others in the field of system development in the administration of BI-ETP System, BI-SSSS, and BI-RTGS System, data communication network, and information technology audit.

Paragraph (2)

Other party that must keep the information and data confidential shall be all commissioners, directors, managers, expert staff, supervisory staff, and other supporting staff related to the implementation of monitoring.

Paragraph (3)

Self-explanatory.

Article 66

Self-explanatory.

Article 67

Self-explanatory.

Article 68

Self-explanatory.

Article 69  
Self-explanatory.

Article 70  
Self-explanatory.

Article 71  
Self-explanatory.

Article 72  
Referred to as "1 (one) monitoring period" shall be one cycle of activity in the process of monitoring of Participant's compliance.

Article 73  
Self-explanatory.

Article 74  
Self-explanatory.

Article 75  
Self-explanatory.

Article 76  
Self-explanatory.

Article 77  
Self-explanatory.

Article 78  
Self-explanatory.

Article 79  
Self-explanatory.

Article 80  
Self-explanatory.

Article 81  
Self-explanatory.

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NOTE

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