

Type: REGULATION (PER)
By: CHAIRPERSON OF THE BOARD OF COMMISSIONERS OF
FINANCIAL SERVICE AUTHORITY
Number: 77/POJK.01/2016
Date: DECEMBER 28, 2016 (JAKARTA)
Title: INFORMATION TECHNOLOGY-BASED MONEY LENDING SERVICES

BY THE GRACE OF THE ALMIGHTY GOD

THE BOARD OF COMMISSIONERS OF FINANCIAL SERVICE AUTHORITY,

Considering:

- a. whereas information technology has been used to develop financial industry in order to promote the growth of alternative financing for public;
- b. whereas in the framework of supporting the growth of information technology based financial service institution so that it can contribute more to the national economy;
- c. whereas based on the considerations as referred to in letters a and b, it is necessary to stipulate a Regulation of Financial Service Authority regarding Information Technology-Based Money Lending Services;

In view of:

Law Number 21 Year 2011 regarding Financial Service Authority (State Gazette of the Republic of Indonesia Year 2011 Number 111, Supplement to the State Gazette of the Republic of Indonesia Number 5253);

HAS DECIDED:

To stipulate: REGULATION OF FINANCIAL SERVICE AUTHORITY REGARDING
INFORMATION TECHNOLOGY-BASED MONEY LENDING SERVICES.

CHAPTER I
GENERAL PROVISION

Article 1

In this Regulation of Financial Services Authority, referred to as:

1. Financial Service Authority, hereinafter abbreviated to OJK, shall be an independent institution, having the functions, duties, and authorities to regulate, supervise, examine, and investigate as referred to in Law Number 21 Year 2011 regarding Financial Service Authority.
2. Other Financial Service Institution shall be pawn shop, guarantee institution, Indonesian export financing agency, secondary housing financing company, and

institution that organizes mandatory public fund management, including organizer of social security, pension, and welfare programs, as referred to in laws and regulations regarding pawn shop, guarantee institution, Indonesian export financing agency, secondary housing financing company, and institution that organizes mandatory public fund management, as well as other financial service institutions declared as under the supervision of OJK by virtue of laws and regulations.

3. Information Technology-Based Money Lending Services shall be organization of financial services which allows the lender to meet the borrower in the framework of entering into lending agreement in rupiah directly through the electronic system by using internet.
4. Electronic System shall be a series of electronic devices and procedures that function to prepare, collect, process, analyze, store, display, announce, send, and/or disseminate electronic information in the field of financial services.
5. Information Technology shall be a method to collect, prepare, store, process, announce, analyze, and/or disseminate information in the field of financial services.
6. Provider of Information Technology-Based Money Lending Services, hereinafter referred to as Provider, shall be an Indonesian legal entity that provides, manages, and operates the Information Technology-Based Money Lending Services.
7. Borrower shall be a person and/or legal entity that owe debt arising from Information Technology-Based Money Lending Services agreement.
8. Lender shall be a person, legal entity and/or business entity that have receivables arising from Information Technology-Based Money Lending Services agreement.
9. User of Information Technology-Based Money Lending Services, hereinafter referred to as User, shall be Lender and Borrower that use the Information Technology-Based Money Lending Services.
10. Board of Directors:
 - a. for Provider in the form of limited liability company shall be the Board of Directors as referred to in Law Number 40 Year 2007 regarding Limited Liability Company; or
 - b. for Provider in the form of cooperative shall be the management as referred to in Law Number 25 Year 1992 regarding Cooperatives.
11. Commissioners:
 - a. for Provider in the form of limited liability company shall be the commissioners as referred to in Law Number 40 Year 2007 regarding Limited Liability Company; or
 - b. for Provider in the form of cooperative shall be the supervisor as referred to in Law Number 25 Year 1992 regarding Cooperatives.

12. Electronic Document shall be every electronic information that is drawn up, forwarded, delivered, received, or stored in the form of analog, digital, electromagnetic, optical, or the like, which can be viewed, displayed, and/or heard in computer or electronic system including but not limited to writing, audio, picture, design map, photograph or the like, letter, mark, number, access code, symbol or perforation that has a meaning or is understandable by a person who has the ability to understand it as referred to in Law Number 11 Year 2008 regarding Electronic Information and Transaction.
13. Electronic Certificate shall be electronic certificate containing Electronic signature and identity indicating the status of legal subject of the parties to electronic transaction as issued by the electronic certification organizer as referred to in Law Number 11 Year 2008 regarding Electronic Information and Transaction.
14. Electronic Certification Organizer shall be a legal entity that provides and audits Electronic Certificate registered with OJK.
15. Electronic Signature shall be signature that consists of electronic information and vested in, associated with or related to other electronic information, used as means of verification and authentication as referred to in Law Number 11 Year 2008 regarding Electronic Information and Transaction.

CHAPTER II PROVIDER OF INFORMATION TECHNOLOGY-BASED MONEY LENDING SERVICES

Part One Format of Legal Entity, Ownership, and Capital

Article 2

- (1) Provider shall be declared as Other Financial Service Institution.
- (2) Legal Entity Provider shall be in the form of:
 - a. limited liability company; or
 - b. cooperative.

Article 3

- (1) Provider in the form of legal entity limited liability company as referred to in Article 2 paragraph (2) letter a, may be established and owned by:
 - a. Indonesian citizen and/or Indonesian legal entity; and/or
 - b. foreign citizen and/or foreign legal entity.
- (2) Shareholding in the Provider by foreign citizen and/or foreign legal entity as referred to in paragraph (1) letter b, whether directly or indirectly, shall be at a maximum 85% (eighty five percent).

Article 4

- (1) Provider in the form of legal entity limited liability company shall be obliged to have minimum paid-up capital of Rp1.000.000.000,00 (one billion rupiah) at the time of registration.
- (2) Provider in the form of legal entity cooperative shall be obliged to have minimum own-equity of Rp1.000.000.000,00 (one billion rupiah) at the time of registration.
- (3) Provider shall be obliged to have paid-up capital as referred to in paragraph (1) or own-equity as referred to in paragraph (2) minimally Rp2.500.000.000,00 (two billion five hundred million rupiah) at the time of submission of application for licenses.

Part Two Business Activities

Article 5

- (1) Provider shall provide, manage, and operate the Information Technology-Based Money Lending Services from Lender to Borrower in which the source of fund shall be derived from the Lender.
- (2) Provider may cooperate with information technology-based financial services provider in accordance with the provisions of laws and regulations.

Part Three Limit of Lending Funds

Article 6

- (1) Provider shall be obliged to comply with the provisions on maximum limit of total lending funds to every Borrower.
- (2) The maximum limit of total lending funds as referred to in paragraph (1) shall be set at Rp2.000.000.000,00 (two billion rupiah).
- (3) OJK may review the maximum limit of total lending funds as referred to in paragraph (2).

Part Four Registration and Licenses

Article 7

Provider shall be obliged to apply for registration and licenses to OJK.

Paragraph 1 Registration

Article 8

- (1) Provider that wishes to undertake activities of Information Technology Based Money Lending Services shall submit an application for registration to OJK.
- (2) Provider that has carried out activities of Information Technology-Based Money Lending Services must, prior to the promulgation of this OJK regulation, submit

an application for registration to OJK by no later than 6 (six) months after this OJK regulation is effective.

- (3) Application for registration by Provider as referred to in paragraph (1) and paragraph (2), shall be submitted by the Board of Directors to the Chief Executive of Supervision on Insurance, Pension Fund, Financing Institution, and Other Financial Service Institution in Form 1 as set forth in the Attachment that constitutes an inseparable part of this OJK regulation, and shall be enclosed with documents that include, at least:
 - a. deed of establishment of legal entity including articles of association and the amendments thereto (if any) that have been legalized/approved by the competent agency or notified to the competent agency in accordance with the provisions of laws and regulations;
 - b. proof of self identity and curriculum vitae, completed with the latest 4x6 cm color photograph of:
 1. shareholder that holds at least 20% (twenty percent) of its shares;
 2. member of the Board of Directors; and
 3. member of Commissioners;
 - c. copy of corporate taxpayer identification number;
 - d. certificate of domicile of Provider as issued by the competent agency;
 - e. proof of operational preparedness of business activities in the form of documents related to Electronic System used by Provider and data of operational activities.
 - f. proof of fulfillment of capital requirements as referred to in Article 4 paragraph (1) or Article 4 paragraph (2);
 - g. statement of settlement plan related to the rights and obligations of User in the event that Provider license is not approved by OJK.
- (4) Approval to the application for registration shall be given by no later than 10 (ten) business days as from the receipt of document on application for registration in accordance with the requirements in this OJK regulation.
- (5) OJK shall stipulate approval for the registration of Provider by providing receipt of proof of registration.

Article 9

- (1) Provider that has been registered shall be obliged to submit periodic report every 3 (three) months for periods that end on 31 March, 30 June, 30 September, and 31 December to OJK along with information which contain at least:
 - a. number of Lender and Borrower;
 - b. quality of loan received by Borrower along with the basis of assessment on quality of loan; and

- c. activities that have been carried out after being registered in OJK.
- (2) Periodic report every 3 (three) months as referred to in paragraph (1) shall be submitted to OJK by no later than 10 (ten) business days as from the date of maturity of reporting.

Article 10

- (1) Provider that has been registered with OJK, shall be obliged to submit an application for permit as Provider by no later than 1 (one) year as from the date of being registered in OJK.
- (2) In the event that the period as referred to in paragraph (1) lapses, Provider that has obtained letter of proof of registration and does not submit an application for licenses or fails to fulfill the requirements on licenses, letter of proof of registration of Provider as referred to in Article 8 paragraph (5) shall be declared null and void.
- (3) Provider whose letter of proof of registration is declared null and void as referred to in paragraph (2) shall no longer qualify to submit application for registration to OJK.
- (4) Provider whose letter of proof of registration is declared null and void as referred to in paragraph (2) must settle the rights and obligations of its Users in accordance with the content in the statement of settlement plan.
- (5) Provider that is still registered and declared incapable of continuing its operational activities must submit an application to OJK along with the reasons of its incapability, and settlement plan of rights and obligations of its Users.

Paragraph 2 Licenses

Article 11

- (1) Application for licenses of Provider as referred to in Article 10 paragraph (1) shall be submitted by the Board of Directors of the Provider to the Chief Executive of Supervision on Insurance, Pension Fund, Financing Institution, and Other Financial Service Institution in Form 2 as set forth in Attachment that constitutes an inseparable part of this OJK regulation, and shall be enclosed at least with:
 - a. deed of establishment of legal entity including articles of association and the amendments thereto (if any) that have been legalized/approved by the competent agency or notified to the competent agency, containing at least:
 - 1. name and domicile;
 - 2. business activities as Information Technology-Based Money Lending Services Company;
 - 3. capital;
 - 4. ownership;

5. authorities, responsibilities, term of office of the Board of Directors, and Commissioners; and
 6. latest amendment to its articles of association (if any) furnished with proof of legalization, approval and/or receipt of notification from the competent agency;
- b. list of ownership, in the form of:
1. list of shareholders along with details of respective shareholding for Provider in the form of legal entity limited liability company; or
 2. list of members along with the amount of principal saving and mandatory saving for Provider in the form of legal entity cooperative;
- c. data of shareholders:
1. for individual, enclosed with:
 - a) copy of identity in the form of valid identity card or passport for foreign citizen;
 - b) copy of taxpayer identification number;
 - c) curriculum vitae, furnished with the latest 4x6 cm color photograph; and
 - d) statement on duly stamp duty confirming that:
 - 1) the Provider paid-up capital does not originate from loan;
 - 2) the Provider paid-up capital does not originate from money laundering activities and crimes in the financial sector;
 - 3) not included in the list of bad credit;
 - 4) never been punished for committing criminal acts in the field of financial service business and/or economy based on a court ruling that has obtained binding legal force within the last 5 (five) years;
 - 5) never been punished for committing felony based on a court ruling that has obtained binding legal force within the last 5 (five) years;
 - 6) never been declared bankrupt or guilty of causing a company/corporate to be declared bankrupt based on a court ruling that has obtained binding legal force within the last 5 (five) years; and

- 7) never served as a controlling shareholder, member of the Board of Directors, or member of the board of commissioners, in a financial service company in which the business permit revoked for committing a violation within the last 5 (five) years;
 2. for legal entity, enclosed with:
 - a) deed of establishment of legal entity including articles of association and the latest amendment thereto (if any), furnished with proof of legalization, approval or recording from the competent agency;
 - b) statement from the Board of Directors or the equivalent confirming that:
 - 1) the Provider paid-up capital does not originate from loan;
 - 2) the Provider paid-up capital does not originate from money laundering activities and crimes in the financial sector;
 - 3) not included in the list of bad credit;
 3. for central government, enclosed by government regulation regarding State capital participation for the establishment of company;
 4. for regional government, enclosed by regional regulation regarding regional capital participation for the establishment of company;
- d. data of the Board of Directors and Commissioners:
1. copy of identity in the form of valid identity card or passport for foreign citizen;
 2. curriculum vitae and furnished with latest 4x6 cm color photograph;
 3. copy of taxpayer identification number; and
 4. statement on duly stamp duty from each member of the Board of Directors, and Commissioners confirming:
 - a) not included in the list of bad credit;
 - b) never been punished for committing criminal acts in the field of financial service and/or economy based on a court ruling that has obtained binding legal force within the last 5 (five) years;

- c) never been punished for committing felony based on a court ruling that has obtained binding legal force within the last 5 (five) years;
 - d) never been declared bankrupt or guilty of causing a business entity to be declared bankrupt based on a court ruling that has obtained binding legal force within the last 5 (five) years; and
 - e) never been becoming shareholder, Board of Directors, commissioners in financial service company in which business permit revoked for committing violation within the last 5 (five) years;
 - e. copy of proof of capital fulfillment as legalized and remains valid during the process of application for licenses in the name of one of Indonesian incorporated commercial banks conducting business activities conventionally and/or based on sharia principles;
 - f. organizational structure of Provider;
 - g. manuals/standard operating procedures related to the application of anti-money laundering and terrorism funding prevention program;
 - h. work plan for the first 1 (one) year containing at least:
 - 1. overview of business activities that will be carried out;
 - 2. target and measures undertaken to realize the relevant target; and
 - 3. financial statement projection for the next 1 (one) year;
 - i. proof of operational preparedness in the form of:
 - 1. proof of ownership or control of building and office space or service unit (outlet), in the form of copy of certificates of right of ownership, right of use of building, or right of use in the name of Provider, or lease agreement of building/space; and
 - 2. list of inventory and office equipment;
 - j. copy of taxpayer identification number in the name of Provider;
 - k. statement of settlement plan related to the rights and obligations of User in the event that Provider is unable to continue the operational activities of Electronic System Information Technology Based Money Lending Services; and
 - l. proof of full payment of licensing fee.
- (2) OJK shall carry out analysis on the application for licenses submitted by Provider.

- (3) OJK shall grant approval or rejection to the application for licenses by no later than 20 (twenty) business days as from the receipt of document of application for licenses in accordance with the requirements in this OJK regulation.
- (4) Application for licenses shall be automatically valid if the period as referred to in paragraph (3) lapses.

Part Five
Change of Ownership

Article 12

Change of ownership of Provider must first obtain approval from OJK.

Part Six
Revocation of Permit at its Own Request

Article 13

- (1) Provider that acquires permit and declares as incapable to continue its operational activities, must submit an application to OJK along with the reason of its incapability, and settlement plan of rights and obligations of its Users.
- (2) OJK shall revoke the permit of Provider by no later than 20 (twenty) business days as from the date of application as referred to in paragraph (1).

Part Seven
Qualification of Human Resources

Article 14

- (1) Provider shall be obliged to have human resources that have skills and/or background in the field of information technology.
- (2) Provider shall be obliged to have at least 1 (one) member of the Board of Directors and 1 (one) member of the Commissioners having experience at least 1 (one) year in financial service industry.
- (3) Provider must improve the quality of human resources through education and training activities that support the development of Information Technology-Based Money Lending Services.

CHAPTER III
USER OF INFORMATION TECHNOLOGY-BASED MONEY LENDING SERVICES

Part One
Borrower

Article 15

- (1) Borrower must originate and domicile in the jurisdiction of the Unitary State of the Republic of Indonesia.
- (2) Borrower as referred to in paragraph (1) shall consist of:

- a. Individual Indonesian citizen; or
- b. Indonesian legal entity.

Part Two
Lender

Article 16

- (1) Lender may originate from inside and/or outside the country.
- (2) Lender as referred to in paragraph (1) shall consist of:
 - a. Individual Indonesian citizen;
 - b. foreign citizen individual;
 - c. Indonesian/foreign legal entity;
 - d. Indonesian/foreign business entity; and/or
 - e. international institute.

Article 17

- (1) Provider shall give input on interest rate offered by Lender and Borrower by taking into account fairness and development of national economy.
- (2) In the event that the Borrower receives offshore loan, provision of Information Technology-Based Money Lending Services shall comply with the provisions of laws and regulations.

CHAPTER IV
AGREEMENT ON INFORMATION TECHNOLOGY-BASED MONEY LENDING
SERVICES

Article 18

Agreement on the performance of Information Technology Based Money Lending Services shall include:

- a. agreement between Provider and Lender; and
- b. agreement between Lender and Borrower.

Part One
Agreement on Information Technology-Based Money Lending Services and Lender

Article 19

- (1) Agreement on the provision of Information Technology-Based Money Lending Services between Provider and Lender shall be set forth in Electronic Document.
- (2) Electronic Document as referred to in paragraph (1) must contain at least:
 - a. agreement number;
 - b. date of agreement;

- c. identities of the parties;
 - d. provisions on rights and obligations of the parties;
 - e. amount of loan;
 - f. interest rate of loan;
 - g. amount of commission;
 - h. tenor;
 - i. breakdown of relevant expenses;
 - j. provisions on fine (if any);
 - k. mechanism of dispute settlement; and
 - l. mechanism of settlement in the event that the Provider is unable to continue its operational activities.
- (3) Provider shall be obliged to provide Lender with access to information on appropriation of its funds.
- (4) Access to information as referred to in paragraph (3) shall not include information related to identity of Borrower.
- (5) Information of appropriation of funds as referred to in paragraph (3) shall include at least:
- a. amount of loaned funds to Borrower;
 - b. purpose of use of funds by Borrower;
 - c. amount of loan interest; and
 - d. tenor of loan.

Part Two
Agreement between Lender and Borrower

Article 20

- (1) Lending agreement between Lender and Borrower shall be set forth in the Electronic Document.
- (2) Electronic Document as referred to in paragraph (1) must include, at least:
- a. agreement number;
 - b. date of agreement;
 - c. identities of the parties;
 - d. provisions on rights and obligations of the parties;
 - e. amount of loan;
 - f. interest rate of loan;
 - g. installment value;
 - h. tenor;
 - i. object of guarantee (if any);

- j. breakdown of relevant expenses;
 - k. provisions on fine (if any); and
 - l. mechanism of dispute settlement.
- (3) Provider shall be obliged to provide the Borrower with access to information on the position of loan received.
- (4) Access to information as referred to in paragraph (3) shall not include information related to the identity of the Lender.

CHAPTER V RISK MITIGATION

Article 21

Provider and User must carry out risk mitigation.

Article 22

Provider may become a member of financial information service system of OJK or other information service system registered with OJK subject to the requirements in accordance with the provisions of laws and regulations.

Article 23

Provider may cooperate and carry out data exchange with information technology-based supporting service provider in the framework of improvement of quality of Information Technology-Based Money Lending Services.

Article 24

- (1) Provider shall be obliged to use escrow account and virtual account for the purpose of Information Technology-Based Money Lending Services.
- (2) Provider shall be obliged to provide virtual account for each Lender.
- (3) For the purpose of loan repayment, Borrower shall make the payment through the escrow account of Provider to be transferred to the virtual account of Lender.

CHAPTER VI MANAGEMENT OF INFORMATION TECHNOLOGY SYSTEM IN THE PROVISION OF INFORMATION TECHNOLOGY-BASED MONEY LENDING SERVICES

Part One Data Center and Disaster Recovery Center

Article 25

- (1) Provider shall be obliged to use data center and disaster recovery center.
- (2) Data center and disaster recovery center as referred to in paragraph (1) must be located in Indonesia.

- (3) Provider shall be obliged to meet the minimum standards of information technology system, risk management of information technology, information technology security, resistance from system interference and failure, as well as management transfer of information technology system.

Part Two
Confidentiality of Data

Article 26

Provider shall be obliged to:

- a. maintain the confidentiality, integrity, and availability of personal data, transaction data, and financial data that it managed as from the data are acquired until they are destroyed;
- b. ensure the availability of authentication, verification, and validation processes that supports non-repudiation in accessing, processing, and executing personal data, transaction data, and financial data that it managed;
- c. guarantee that the acquisition, use, utilization, and disclosure of personal data, transaction data, and financial data acquired by Provider are based on the approval of the owner of such personal data, transaction data, and financial data, except specified otherwise in the provisions of laws and regulations;
- d. provide other communication media other than Electronic System of Information Technology-Based Money Lending Services to ensure the continuity of customer services that may be in the form of electronic mail, call center, or other communication media; and
- e. notify in writing the owner of the personal data, transaction data, and financial data in the occurrence of failure in the protection of confidentiality of personal data, transaction data, and financial data that it managed.

Part Three
Track Record of Audit

Article 27

- (1) Provider shall be obliged to provide track record of audit on its entire activities in the Electronic System of Information Technology-Based Money Lending Services.
- (2) Provider must ensure that the information technology system device used supports the provision of track record of audit.
- (3) Audit track record as referred to in paragraph (1) shall be used for the purpose of supervision, law enforcement, dispute settlement, verification, testing, and other examination.

Part Four
Security System

Article 28

- (1) Provider shall be obliged to secure the components of information technology system by having and running procedures and facilities for securing Information Technology-Based Money Lending Services in order to prevent interference, failure, and loss.
- (2) Provider shall be obliged to provide security system that covers procedures, prevention system, and countermeasures against threats and attacks that may cause interference, failure, and loss.
- (3) Provider shall be obliged to participate in the management of security gap of information technology for supporting information security in the information technology-based financial service industry.
- (4) Provider shall be obliged to re-display the Electronic Document entirely in the format and according to the retention period set forth in accordance with the provisions of laws and regulations.

CHAPTER VII
EDUCATION AND PROTECTION OF USER OF INFORMATION
TECHNOLOGY-BASED MONEY LENDING SERVICES

Article 29

Provider shall be obliged to apply the basic principles of User protection, namely:

- a. transparency;
- b. fair treatment;
- c. reliability;
- d. data confidentiality and security; and
- e. simple, fast and affordable dispute settlement of User.

Article 30

- (1) Provider shall be obliged to provide and/or submit the latest information regarding Information Technology-Based Money Lending Services that is accurate, honest, clear, and non-misleading.
- (2) Information as referred to in paragraph (1) shall be set forth in the document or other media that is admissible as evidence.

Article 31

- (1) Provider shall be obliged to provide the User with information regarding any receipt, postponement, or rejection of application for Information Technology-Based Money Lending Services.
- (2) In the event that Provider provides information on postponement or rejection of application for financial service as referred to in paragraph (1), Provider shall be obliged to give the reasons of such postponement or rejection except specified otherwise in the provisions of laws and regulations.

Article 32

- (1) Provider shall be obliged to use simple terms, phrases, and/or sentences in Indonesian language that are readable and comprehensible by User in every Electronic Document.
- (2) Document in Indonesian language as referred to in paragraph (1) may be accompanied by other language if necessary.

Article 33

Provider shall support the performance of activities in the framework of increasing financial literacy and inclusion.

Article 34

Provider shall be obliged to take into account the conformity of the needs and capabilities of User with the services offered to User.

Article 35

Provider shall be obliged to include and/or mention in every offer or service promotion that consists of:

- a. name and/or logo of the Provider; and
- b. statement that Provider is registered and supervised by OJK.

Article 36

- (1) In the event that the Provider uses standard agreement, the standard agreement must be prepared in accordance with the provisions of laws and regulations.
- (2) Standard agreement as referred to in paragraph (1) used by the Provider shall not:
 - a. state transfer of responsibility or obligation of the Provider to the User; and
 - b. state that the User is subject to new regulation, addendum, supplementary and/or amendment drawn up unilaterally by Provider within the period during which the User uses the service.

Article 37

Provider must be responsible for the loss suffered by the User which arises from the mistake and/or negligence of the Board of Directors, and/or employees of the Provider.

Article 38

Provider must have standard operating procedures in serving User as set forth in the Electronic Document.

Article 39

- (1) Provider shall not in any way provide data and/or information on its User to any third party.

- (2) Prohibition as referred to in paragraph (1) shall be exempted in the event that:
 - a. User gives its approval electronically; and/or
 - b. it is required by the provisions of laws and regulations.
- (3) Cancellation or amendment to part of approval for the disclosure of data and/or information as referred to in paragraph (2) letter a shall be effected electronically by the User in the form of Electronic Document.

Article 40

Provider shall be obliged to report electronically every month any complaint from its User along with follow up to the settlement of such complaint to OJK.

CHAPTER VIII ELECTRONIC SIGNATURE

Article 41

- (1) Agreement as referred to in Article 18 shall be performed by using Electronic Signature.
- (2) Agreement other than that as referred to in paragraph (1) that is prepared in the framework of provision of Information Technology-Based Money Lending Services may use Electronic Signature.
- (3) Use of Electronic Signature as referred to in paragraph (1) and paragraph (2) shall comply with the provisions of laws and regulations governing Electronic Signature.

CHAPTER IX PRINCIPLES AND METHODS OF CUSTOMER RECOGNITION

Article 42

Provider shall be obliged to apply the anti-money laundering and terrorism funding prevention program in the financial service sector on its User in accordance with the provisions of laws and regulations regarding application of anti- money laundering and terrorism funding prevention program.

CHAPTER X PROHIBITION

Article 43

In conducting business activities, Provider shall be prohibited:

- a. to carry out business activities other than business activities of the Provider as set forth in this OJK regulation;
- b. to act as Lender or Borrower;

- c. to provide guarantee in any form for the fulfillment of obligation of other party;
- d. to issue bonds;
- e. to give recommendation to its User;
- f. to publish fictitious and/or misleading information;
- g. to offer service to its User and/or public through personal communication facility without their approval; and
- h. to impose any fee on User for filling a complaint.

CHAPTER XI PERIODIC REPORT

Article 44

Provider that has acquired permit shall be obliged to submit periodic report electronically to OJK, namely:

- a. monthly report; and
- b. annual report.

Article 45

(1) Monthly report of Provider must include, at least:

- a. financial performance report of the Provider of Information Technology-Based Money Lending Services that is submitted in the form of physical document and Electronic Document;
- b. performance report on the provision of Information Technology-Based Money Lending Services in the form of physical document and Electronic Document;
- c. Electronic Document in the format of database with element structure of database of Information Technology-Based Money Lending Services; and
- d. complaint from the User along with follow up to the settlement of complaint as referred to in Article 40;

in Form 3 as set forth in the Attachment that constitutes an inseparable part of this OJK regulation.

- (2) If required, OJK may request for additional information and/or data to Provider.
- (3) Monthly report shall be submitted in the form of physical document and Electronic Document.
- (4) Monthly report as referred to in paragraph (3) shall be submitted to the Chief Executive of Supervision on Insurance, Pension Fund, Financing Institution, and Other Financial Service Institution by no later than 10 (ten) business days in the subsequent month.

- (5) Submission of monthly report information as referred to in paragraph (1) letter d shall be forwarded to members of the Board of Commissioners for Education and Consumer Protection Division.

Article 46

- (1) Provider shall be obliged to submit annual report to OJK for the reporting period of 1 January up to 31 December.
- (2) Annual report shall consist of:
 - a. financial statements; and
 - b. report on activities in the provision of Information Technology-Based Money Lending Services;in Form 4 as set forth in the Attachment that constitutes an inseparable part of this OJK regulation.
- (3) In the event required, OJK may request for additional information and/or data to Provider.
- (4) Annual report shall be submitted in the form of physical document and Electronic Document.
- (5) Annual report as referred to in paragraph (4) shall be submitted to the Chief Executive of Supervision on Insurance, Pension Fund, Financing Institution, and Other Financial Service Institution by no later than 20 (twenty) business days following the expiration of reporting period.

CHAPTER XII SANCTIONS

Article 47

- (1) In the occurrence of violation of obligations and prohibition in this OJK regulation, OJK shall have the authority to impose administrative sanction on Provider in the form of:
 - a. written warning;
 - b. fine, namely obligation to pay a certain amount of money;
 - c. restriction of business activities; and
 - d. revocation of permit.
- (2) Administrative sanction as referred to in paragraph (1) letter b up to letter d, may be imposed with or without first imposing administrative sanction in the form of written warning as referred to in paragraph (1) letter a.
- (3) Administrative sanction in the form of fine as referred to in paragraph (1) letter b may be imposed separately or together with the imposition of administrative sanction as referred to in paragraph (1) letter c and letter d.

CHAPTER XIII
MISCELLANEOUS PROVISION

Article 48

Provider shall be obliged to be registered as member of association as designated by OJK.

CHAPTER XIV
TRANSITIONAL PROVISIONS

Article 49

Cooperation between the Provider and information technology-based supporting service provider registered with OJK as referred to in Article 23 shall come into effect 2 (two) years as from the promulgation of this OJK Regulation.

Article 50

At the time this OJK regulation comes into effect, agreement of Information Technology-Based Money Lending Services that remains effective which total loan exceeds the maximum limit of total lending funds as referred to in Article 6, shall continue up to the termination of period of the relevant agreement.

CHAPTER XV
CLOSING PROVISIONS

Article 51

Further provisions regarding Information Technology-Based Money Lending Services shall be among others related to change in the maximum limit of total lending funds, lending procedures, cooperation between the Provider and other information technology-based supporting service provider, placement of data center and minimum standards of information technology system, risk management of information technology, security of information technology, endurance to system disturbance and failure as well as management transfer of information technology system, security system, confidentiality of data, failure in transaction system of the Provider, security of information technology system, security gap management of information technology, information retention and/or Electronic Document, and procedures on the use of Electronic Signature in the provision of Information Technology-Based Money Lending Services, shall be set forth in circular letter of OJK.

Article 52

This OJK regulation shall come into effect as from the date of its promulgation.

For public cognizance, ordering that the promulgation of this OJK regulation is published in the State Gazette of the Republic of Indonesia.

Stipulated in Jakarta
on December 28, 2016

CHAIRPERSON OF THE BOARD OF COMMISSIONERS
FINANCIAL SERVICE AUTHORITY,

Signed
MULIAMAN D. HADAD

Promulgated in Jakarta
on December 29, 2016

MINISTER OF LAW AND HUMAN RIGHTS
REPUBLIC OF INDONESIA,

Signed
YASONNA H. LAOLY

STATE GAZETTE OF THE REPUBLIC OF INDONESIA YEAR 2016 NUMBER 324

Issued as a true copy
Legal Director 1
Legal Department

Signed
Yuliana

ELUCIDATION OF
REGULATION OF FINANCIAL SERVICE AUTHORITY
NUMBER 77/POJK.01/2016
REGARDING
INFORMATION TECHNOLOGY-BASED MONEY LENDING SERVICES

I. GENERAL

Direct money borrowing activity under an agreement whether written or not is a practice that has been taken place in public life. Direct borrowing is in great demand by the parties that need fast funds or parties who due to one thing or another are not qualified to receive funding by the conventional financial service industry such as Bank, Capital Market, or Financing Company.

All economic benefits, losses incurred, as well as legal impact of lending activities that are carried out directly become full responsibility of the parties in accordance with the commitment as agreed. This practice is deemed as still posing many weaknesses such as among others lending activities are carried out by the parties who already know each other in which they must meet face-to-face, subjectivity to the assessment of default risk, difficulty in collecting payment, as well as lack of system to record full payment of loan that has been made.

In the era of digital economy development, the public continues to develop innovation in providing services in lending activities one of which is marked by the existence of provision of Information Technology-Based Money Borrowing Service which is considered to also contribute to the development and national economy.

Information Technology-Based Money Lending Services is a key supporting factor in increasing public access to products of financial service by online either

with various parties without having to know each other. Key advantage of Information Technology-Based Money Lending Services is among others the availability of agreement document in electronic form by online for the purpose of the parties, availability of legal proxy to facilitate online transaction, risk assessment on the parties by online, delivery of collection information by online, provision of information on loan status to the parties by online, and provision of escrow account and virtual account in banks to the parties, so that overall performance of fund payment takes place in the banking system. Upon this matter, it is expected that Information Technology-Based Money Lending Services is able to meet the need for cash fund rapidly, easily, and efficiently, as well as improving competitiveness. Moreover, it is also expected that Information Technology-Based Money Lending Services is able to offer one of the solutions to assist the micro, small, and medium (UMKM) business actors in obtaining access to funding.

Up to now, there are no laws and regulations governing business activities of information technology-based financial service. It is feared that this condition would disadvantage the User. Therefore, regulation on business activities of Information Technology-Based Money Lending Services is considered to be very urgent. Based on this consideration, business activities of Information Technology-Based Money Lending Services need to be regulated and supervised in the framework of User protection, organization of activities of Information Technology Based Money Lending Services, and protection of national interest by constantly providing room for the growth of start-up company in the framework of enhancement of financial inclusion in Indonesia. This OJK regulation contains among others provisions to minimize credit risks, protect User interests from such as misuse of funds and data of User, and to protect national interest such as activities of anti- money laundering and prevention of terrorism funding, as well as disturbance to the stability of financial system.

II. ARTICLE BY ARTICLE

Article 1

Self-explanatory.

Article 2

Paragraph (1)

Self-explanatory.

Paragraph (2)

Letter a

Self-explanatory.

Letter b

Provider in the form of legal entity of cooperative shall be limited to only cover the type of service cooperative.

Article 3

Paragraph (1)

Letter a

Indonesian legal entity shall be, among others, in the form of central government, regional government, foundation, or limited liability company.

Letter b

Foreign legal entity shall be among others *naamloze vennootschap* (NV), private limited (Pte. Ltd), or *sendirian berhad* (Sdn. Bhd).

Paragraph (2)

Self-explanatory.

Article 4

Paragraph (1)

Self-explanatory.

Paragraph (2)

Referred to as "own-equity" shall be principal saving, compulsory saving, reserve funds, and grant as referred to in Law Number 25 Year 1992 regarding Cooperative.

Paragraph (3)

Self-explanatory.

Article 5

Paragraph (1)

Self-explanatory.

Paragraph (2)

Referred to as "information technology-based financial services provider" shall be among others information technology-based financial services provider in the field of payment system, insurance, pension fund, microfinance institution, financing, venture capital, pawn shop, or guarantee institution.

Article 6

Paragraph (1)

Self-explanatory.

Paragraph (2)

Self-explanatory.

Paragraph (3)

Change in the maximum limit of total lending funds shall be performed by taking into account among others economic development and/or condition of Provider of Information Technology-Based Money Lending Services industry.

Article 7

Self-explanatory.

Article 8

Paragraph (1)

Self-explanatory.

Paragraph (2)

Self-explanatory.

Paragraph (3)

Letter a
Self-explanatory.

Letter b
Self-explanatory.

Letter c
Self-explanatory.

Letter d
Self-explanatory.

Letter e
Example of documents related to Electronic System shall be among others proof of testing of Electronic System used by Provider.

Letter f
Self-explanatory.

Letter g
Self-explanatory.

Paragraph (4)
Self-explanatory.

Paragraph (5)
Self-explanatory.

Article 9

Paragraph (1)
Self-explanatory.

Paragraph (2)
Periodic report shall be submitted through Electronic System among others through electronic mail (email), or reporting portal as provided by OJK.

Article 10

Paragraph (1)
Self-explanatory.

Paragraph (2)
Self-explanatory.

Paragraph (3)
Self-explanatory.

Paragraph (4)
Self-explanatory.

Paragraph (5)

Referred to as "incapable" shall be a condition that causes the Provider unable to perform activities of Information Technology-Based Money Lending Services, such as the system used is damaged and cannot be repaired or there is a plan for company dissolution.

Article 11

Paragraph (1)

Letter a

Self-explanatory.

Letter b

Self-explanatory.

Letter c

Figure 1

Self-explanatory.

Figure 2

Self-explanatory.

Figure 3

Self-explanatory.

Figure 4

Referred to as "regional government" shall be Regional Government of Province or Regional Government of Regency/City.

Letter d

Self-explanatory.

Letter e

Self-explanatory.

Letter f

Self-explanatory.

Letter g

Self-explanatory.

Letter h

Self-explanatory.

Letter i

Figure 1

Self-explanatory.

Figure 2

Referred to as "inventory" shall be among others:

- a. computer; and
- b. information system equipment.

Letter j
Self-explanatory.

Letter k
Referred to as "statement of settlement plan related to the rights and obligations of User", shall be a form of commitment that needs to be prepared formally and legally by the Provider related to the settlement plan of rights and obligations of User in the event that Provider is unable to continue its operational activities.

Letter l
Referred to as "proof of full payment of license fee", shall be valid proof of payment of license fee by Provider to OJK.

Paragraph (2)
Self-explanatory.

Paragraph (3)
Self-explanatory.

Paragraph (4)
Self-explanatory.

Article 12
Approval to the change of ownership of Provider shall be carried out to assess the feasibility and compliance of candidate owner by taking into account the requirements that have been set in this OJK regulation.

Article 13
Self-explanatory.

Article 14
Paragraph (1)
Referred to as "skills in the field of information technology" shall include development and maintenance of application, as well as database security.

Skills shall be proven with certification of proficiency or certificate of work experience at least 1 (one) year in the field of information technology.

Paragraph (2)
Self-explanatory.

Paragraph (3)
Education and training that support the development of Information Technology-Based Money Lending Services may be carried out among others through private education center or Incubator Center of OJK.

Article 15
Self-explanatory.

Article 16
Self-explanatory.

Article 17

Paragraph (1)

Fairness may be measured among others through the inflation rate, or national interest.

Paragraph (2)

Provisions of laws and regulations as referred to in this article shall be among others provisions regarding offshore debts.

Article 18

Self-explanatory.

Article 19

Paragraph (1)

Self-explanatory.

Paragraph (2)

Self-explanatory.

Paragraph (3)

Self-explanatory.

Paragraph (4)

Self-explanatory.

Paragraph (5)

Letter a

Self-explanatory.

Letter b

Self-explanatory.

Letter c

Referred to as "amount of loan interest", shall be interest rate as agreed upon between the Provider and Lender.

Letter d

Referred to as "tenor of loan", shall be the agreed period of full payment of loan.

Article 20

Self-explanatory.

Article 21

Referred to as "risk mitigation" shall cover all risks vested in the Information Technology-Based Money Lending Services, among others operational risk and credit risk.

Article 22

Self-explanatory.

Article 23

Referred to as "information technology-based supporting service provider" shall be a party that supports the provision of Information Technology-Based Money Lending Services.

Example of information technology-based supporting service provider shall be among others *big data analytic*, *aggregator*, *robo advisor*, or *blockchain*.

Big data analytic shall be information technology-based analysis service compared to a set of large volume and varied data, which consist of various types of data such as structured/non-structured data, streaming/batch, in different size of data volume to disclose pattern, unknown relation, market trend, consumer preference, and business information that is able to produce more effective marketing process, new profit opportunity, better consumer service, efficiency improvement of operational activities, improvement of competitiveness, as well as other advantages.

Aggregator shall be information technology-based service that connects the system from various online sources to collect and provide information that has had added value to consumers so that they are able to select product or service in accordance with its preference needs. Robo advisor shall be information technology-based investment management service that provides automatic portfolio management service based on algorithm to assist the investor in managing finance and investment without involving human investment manager.

Blockchain shall be information technology-based financial transaction accounting service that records and stores data of proof of transaction or ledger that is distributed through the computer network whether privately as well as publicly.

Article 24

Paragraph (1)

The purpose of obligation to use virtual account and escrow account in the organization of activities of Information Technology-Based Money Lending Services shall be to prohibit the Provider in collecting public funds through its account.

Paragraph (2)

Self-explanatory.

Paragraph (3)

Self-explanatory.

Article 26

Self-explanatory.

Article 27

Self-explanatory.

Article 28

Self-explanatory.

Article 29

Self-explanatory.

Article 30

Self-explanatory.

Article 31

Self-explanatory.

Article 32

Paragraph (1)

Referred to as "readable and comprehensible" shall include using letters, writings, symbols, diagrams, signs, terms, phrases, sentences and/or symbols, diagrams for convenience, clarity, and ease of reference of the User.

Obligation to use simple terms, phrases and/or sentences in Indonesian Language that are readable and comprehensible shall apply to documents that:

- a. set out the rights and obligations of the User;
- b. can be used by the User in decision-making; and
- c. set out the requirements and may legally bind the User.

Paragraph (2)

Referred to as "other language", shall be language that can be used namely regional language or foreign language that is comprehensible by Consumer.

In the event of difference in interpretation between the Indonesian language and other language in every document, Indonesian language shall prevail.

Article 33

Referred to as "supporting the performance of activities in the framework of improving financial literacy and inclusion" shall be participating in activities that improve financial literacy and inclusion whether directly or indirectly.

Article 34

Self-explanatory.

Article 35

Letter a

Self-explanatory.

Letter b

Referred to as "registered" shall be to acquire business permit, approval, registration, authorization, or effective statement from OJK.

Article 36

Paragraph (1)

Referred to as "standard agreement", shall be written agreement as set forth unilaterally by Provider which contains standard clauses regarding content, format, as well as method of production, and used to make mass offer of service to User.

Paragraph (2)

Letter a

Provider that provides service shall be prohibited to include standard clauses stating that in the event that a problem occurs, the Provider is not responsible for the service used by the User.

Letter b

Example of clause that is prohibited in this letter shall be "Subject to the terms and conditions applicable to the Provider along with all amendments thereto shall become an inseparable unit of this application form."

Based on the principles of appropriateness, the parties shall be bound to the terms of agreement that they should have been aware before. It is impossible for the parties to know and understand terms that are not yet existed.

Article 37

Referred to as "mistake and/or negligence" in this article shall be a mistake and/or negligence of the Provider in conducting its business activities, whether by the management, its employees and/or third party working for the interest of the Provider.

Article 38

Referred to as "standard operating procedures" shall among others relate to submission and settlement of complaint. Standard operating procedures for services and settlement of complaint shall include the mechanism for the implementation of service and settlement of complaint as notified to User. Mechanism of service and settlement of complaint shall also include dispute settlement between the User and Provider with regard to the performance of rights and obligations of the parties after the complaint from User is received. Mechanism of service and settlement of complaint shall be carried out by prioritizing the principle of "interactive", namely settling the service and settlement for User actively and informatively.

Article 40

Reporting is carried out in the form of written report and/or through a mechanism of integrated system that is provided by OJK.

Article 41

Self-explanatory.

Article 42

User as referred to in this OJK regulation shall be customer as referred to in laws and regulations regarding application of anti- money laundering and terrorism funding prevention program in financial service sector.

Article 43

Letter a
Self-explanatory.

Letter b
Self-explanatory.

Letter c
Self-explanatory.

Letter d
Referred to as "bonds" shall be securities issued by Provider to other party such as in the form of promissory note, or medium term notes (MTN).

Letter e
Self-explanatory.

Letter f
Self-explanatory.

Letter g
Referred to as "personal communication facility", shall be personal communication device not in the name of the Provider for its interest.

Letter h
Self-explanatory.

Article 44
Self-explanatory.

Article 45
Self-explanatory.

Article 46
Paragraph (1)
Self-explanatory.

Paragraph (2)

Letter a
Financial statements shall be prepared by taking into account the principles of financial accounting standards.

Letter b
Self-explanatory.

Paragraph (3)
Self-explanatory.

Paragraph (4)
Self-explanatory.

Paragraph (5)
Self-explanatory.

Article 47
Self-explanatory.

Article 48
Self-explanatory.

Article 49
Self-explanatory.

Article 51
Self-explanatory.

Article 52
Self-explanatory.

SUPPLEMENT TO THE STATE GAZETTE OF THE REPUBLIC OF INDONESIA
NUMBER 6005

NOTE

ATTACHMENT
REGULATION OF FINANCIAL SERVICE AUTHORITY
NUMBER 77/POJK.01/2016
REGARDING INFORMATION TECHNOLOGY-BASED MONEY LENDING SERVICE
FORM 1 APPLICATION FOR REGISTRATION OF PROVIDER

Number: , 20 ...
Enclosure:
Re.: Application for Registration of Provider of
Information Technology-Based Money Lending Service

To
The Honorable Chief Executive of Supervision on Insurance, Pension Fund,
Financing Institution, and Other Financial Service Institution
for the attention of Director of Institution and Products of IKNB/Director of Sharia IKNB*)

With reference to Regulation of Financial Service Authority Number 77/POJK.01/2016 regarding Information Technology-Based Money Lending Service, we hereby submit an application for registration of Provider in the name of PT/Cooperative **)/***)

To complete this application, we hereby submit the following documents:

- a. deed of establishment of legal entity including articles of association and its amendments (if any) that have been legalized/approved by the competent agency or notified to the competent agency in accordance with the provisions of laws and regulations;
- b. proof of self identity and curriculum vitae along with the latest 4x6 color photograph of:

1. shareholder that holds at least 20% (twenty percent) of the shares;
 2. member of the Board of Directors; and
 3. member of Commissioners;
- c. copy of corporate taxpayer identification number;
- d. certificate of domicile of Provider from the competent agency;
- e. proof of operational preparedness of business activities in the form of Electronic System related document used by Provider and data of operational activities;
- f. proof of fulfillment of capital requirements; and
- g. Statement of settlement plan related to the rights and obligations of User in the event that application for the Provider license is not approved by OJK.

This is our application and thank you for your attention.

Yours sincerely,
 Board of Directors of PT/Cooperative**)/***)

Rp.6000,- stamp duty

.....
 (Clear name and signature)

- *) For Company conducting conventional business activities it is addressed to Director of Institution and Products of IKNB and for company conducting business activities based on Sharia Principles it is addressed to Director of Sharia IKNB
- ***) Delete as applicable
- ***) Please state

FORM 2 APPLICATION FOR LICENSES OF PROVIDER

Number: , 20 ...

Attachment:

Re.: Application for Licenses of Provider
 Information Technology-Based Money lending Service

To the Honorable Chief Executive of Supervision on Insurance, Pension Fund, Financing Institution, and Other Financial Service Institution for the attention of Director of Institution and Products of IKNB/Director of Sharia IKNB*)

With reference to Regulation of Financial Service Authority Number 77/POJK.01/2016 regarding Information Technology-Based Money Lending Service, we hereby submit an application to obtain business permit as Provider:

Name of Applicant :
 Title of Applicant :
 Address of Applicant :
 City ... Postal Code ...

Province ...

Telephone Number of Applicant :

Mobile Phone Number of Applicant :

Email of Applicant :

Company Name : PT/Cooperative**)/***)

Company Address :

City ...

Province ...

Company Telephone/Fax No. :

Company Website Address :

Company Email :

To complete this application, we hereby submit the following documents:

- a. deed of establishment of legal entity including articles of association and its amendments (if any) that have been legalized/approved by the competent agency or notified to the competent agency, containing at least:
 1. name and domicile;
 2. business activities as Information Technology-Based Money Lending Service Company;
 3. capital;
 4. ownership;
 5. authorities, responsibilities, term of office of the Board of Directors, and Commissioners; and
 6. latest amendment to its articles of association (if any) furnished with proof of legalization, approval and/or receipt of notification from the competent agency.
- b. list of ownership, in the form of:
 - 1) list of shareholders along with details of each shareholding for legal entity in the form of limited liability company; or
 - 2) list of members along with the amount of principal saving and mandatory saving for legal entity in the form of cooperative.
- c. data of shareholder:
 - 1) For individual, to be enclosed by:
 - a) copy of identity in the form of valid identity card or passport for foreign citizen;
 - b) copy of taxpayer identification number;
 - c) curriculum vitae completed with the latest 4x6 cm color photograph; and

- d) statement, duly stamped that states:
 - 1) paid-up capital of the Provider does not originate from loan;
 - 2) paid-up capital of the Provider does not originate from money laundering activities and financial crime;
 - 3) it is not included in the list of bad credit;
 - 4) it has never been punished for committing criminal acts in the field of financial service business and/or economy based on a court ruling that has obtained binding legal force within the last 5 (five) years;
 - 5) it has never been punished for committing felony based on a court ruling that has obtained binding legal force within the last 5 (five) years;
 - 6) it has never been declared bankrupt or guilty of causing a company/corporate to be declared bankrupt based on a court ruling that has obtained binding legal force within the last 5 (five) years; and
 - 7) it has never served as a controlling shareholder, member of the board of directors, or member of the board of commissioners, in financial service company which business permit is revoked due to violation within the last 5 (five) years.
- 2) For legal entity, to be enclosed by:
 - a) deed of establishment of legal entity including articles of association and its latest amendment (if any), furnished with proof of legalization, approval or registration from the competent agency;
 - b) statement from the board of directors or the equivalent stating that:
 - i. paid-up capital of the Provider does not originate from loan;
 - ii. paid-up capital of the Provider does not originate from money laundering activities and financial crime; and
 - iii. it is not included in the list of bad credit.
- 3) For Central Government, enclosed by government regulation regarding State capital investment for the establishment of company.
- 4) For Regional Government, enclosed by regional regulation regarding regional capital investment for the establishment of company.

- d. data of the Board of Directors and Commissioners:
 - 1) copy of identity in the form of valid identity card or passport for foreign citizen;
 - 2) curriculum vitae along with latest 4x6cm color photograph;
 - 3) copy of taxpayer identification number; and
 - 4) statement, duly stamped from each Board of Directors, and Commissioners stating:
 - a) it is not included in the list of bad credit;
 - b) it has never been punished for committing criminal acts in the field of financial service business and/or economy based on a court ruling that has obtained binding legal force within the last 5 (five) years;
 - c) it has never been punished for committing felony based on a court ruling that has obtained binding legal force within the last 5 (five) years;
 - d) it has never been declared bankrupt or guilty of causing a company/corporate to be declared bankrupt based on a court ruling that has obtained binding legal force within the last 5 (five) years; and
 - e) it has never served as a controlling shareholder, member of the board of directors, or member of the board of commissioners, in financial service company which business permit is revoked due to violation within the last 5 (five) years.
- e. copy of proof of capital fulfillment that is legalized and still valid during the process of application for licenses in the name of one of the Indonesian incorporated commercial banks conducting business activities conventionally and/or based on sharia principles;
- f. organizational structure of Provider;
- g. guidelines/standard operating procedures related to the application of anti money laundering and terrorism funding prevention program;
- h. work plan for the first 1 (one) year containing at least:
 - 1. overview of business activities to be carried out;
 - 2. target and measures undertaken to realize target; and
 - 3. financial statement projection for the next 1 (one) year.
- i. proof of operational preparedness in the form of:
 - 1. proof of ownership or control of building and office space or service unit (outlet), in the form of copy of right of ownership certificate, right of use of

building, or right of use in the name of Provider, or lease agreement of building/space; and

2. list of inventory and office equipment.
- j. copy of taxpayer identification number in the name of Provider;
- k. statement of settlement plan related to the rights and obligations of User in the event that Provider is unable to continue the operational activities of Electronic System Information Technology-Based Borrowing Money Service; and
- l. proof of payment of license fee.

This is our application and thank you for your attention.

Yours sincerely,
Board of Directors of PT/Cooperative**)/***)

Rp.6000,- stamp duty

.....
(Clear name and signature)

- *) For Company conducting conventional business activities to be addressed to Director of Institution and Products of IKNB and for company conducting business activities based on Sharia Principles to be addressed to Director of Sharia IKNB
- ***) Delete as applicable
- ***) Please state

CURRICULUM VITAE

Personal Data

1. Name :
2. Place/Date of Birth :
3. Gender :
4. Religion :
5. Nationality :
6. Full Address :
- City: Postal Code:
- Province:
7. Telephone Number :
8. Mobile phone Number :
9. Individual Permit owned : 1)
2)

Education Resume

1. Formal

Education Level	Major/Specialization	Name/Place	Year of Graduation
-----------------	----------------------	------------	--------------------

2. Non-Formal (Certified)

Course/Seminar	Organizer	Year

3. Competency Education (Professional)

Certification	Organizer	Year of Graduation

Employment Resume

Company Name	Title	Description of Principal Duties	Date of Commencement of Employment	Date of Termination of Employment	Reason for Termination

..., 20 ...

Applicant,

Rp.6000,- stamp duty

.....
(Clear name and signature)

REPORT ON PROOF OF OPERATIONAL PREPAREDNESS OF BUSINESS ACTIVITIES

To

The Honorable Chief Executive of Supervision on Insurance, Pension Fund, Financing Institution, and Other Financial Service Institution for the attention of Director of Institution and Products of IKNB/Director of Sharia IKNB*)

With reference to Regulation of Financial Service Authority Number 77/POJK.01/2016 regarding Information Technology-Based Money Lending Service, we hereby report that PT/Cooperative **)/***) has started the activities of Information Technology-Based Money Lending Service on

For the completeness of report, we hereby submit:

1. Documents related to Electronic System that is used by Provider; and
2. Data of operational activities.

We submit this report and thank you for your attention.

..., 20 ...
Board of Directors of PT/Cooperative**)/***)

Rp.6000,- stamp duty

.....
(Clear name and signature)

- *) For Company conducting conventional business activities to be addressed to Director of Institution and Products of IKNB and for company conducting business activities based on Sharia Principles to be addressed to Director of Sharia IKNB
- ***) Delete as applicable
- ***) Please state

STATEMENT OF SETTLEMENT PLAN RELATED TO THE RIGHTS AND
OBLIGATIONS OF USER IN THE EVENT THAT APPLICATION FOR LICENSE OF
PROVIDER IS NOT APPROVED BY OJK

To
The Honorable Chief Executive of Supervision on Insurance, Pension Fund,
Financing Institution, and Other Financial Service Institution
for the attention of Director of Institution and Products of IKNB/Director of Sharia IKNB*)

I, the undersigned:

Name :
Title :
Full Address :
City Postal Code
Province
Company Name :
Company Address :
Company Website Address :

hereby state in truth that I am willing to carry out the settlement of rights and obligations of User in the event that application for the provider license is not approved by OJK.

This statement is duly made for proper use

..., 20 ...
Board of Directors of PT/Cooperative**)/***)

Rp.6000,- stamp duty

.....
(Clear name and signature)

- *) For Company conducting conventional business activities to be addressed to Director of Institution and Products of IKNB and for company conducting business activities based on Sharia Principles to be addressed to Director of Sharia IKNB

- ***) Delete as applicable
- ***) Please state

STATEMENT OF INDIVIDUAL SHAREHOLDER

To
 The Honorable Chief Executive of Supervision on Insurance, Pension Fund,
 Financing Institution, and Other Financial Service Institution
 for the attention of Director of Institution and Products of IKNB/Director of Sharia IKNB*)

I, the undersigned:

Name :
 Title :
 Full Address :
 City Postal Code
 Province

Company Name :
 Company Address :
 Company Website Address :

hereby state in truth that:

1. the paid-up capital of Provider does not originate from loan;
2. the paid-up capital of Provider does not originate from money laundering activities and financial crime;
3. I am not included in the list of bad credit;
4. I has never been punished for committing criminal acts in the field of financial service business and/or economy based on a court ruling that has obtained binding legal force within the last 5 (five) years;
5. I has never been punished for committing felony based on a court ruling that has obtained binding legal force within the last 5 (five) years;
6. I has never been declared bankrupt or guilty of causing a company/corporate to be declared bankrupt based on a court ruling that has obtained binding legal force within the last 5 (five) years; and
7. I has never served as a controlling shareholder, member of the board of directors, or member of the board of commissioners, in financial service company which business permit is revoked due to violation within the last 5 (five) years.

This statement is duly made for proper use.

..., 20 ...

Rp.6000,- stamp duty

.....
(Clear name and signature)

STATEMENT OF SHAREHOLDER IN THE FORM OF LEGAL ENTITY

To
The Honorable Chief Executive of Supervision on Insurance, Pension Fund,
Financing Institution, and Other Financial Service Institution
for the attention of Director of Institution and Products of IKNB/Director of Sharia IKNB*)

I, the undersigned:

Name :
Title :
Full Address :
City Postal Code
Province
Company Name :
Company Address :
Company Website Address :

hereby state in truth that:

1. the paid-up capital of Provider does not originate from loan;
2. the paid-up capital of Provider does not originate from money laundering activities and financial crime; and
3. I am not included in the list of bad credit.

This statement is duly made for proper use.

..., 20 ...
Board of Directors of PT/Cooperative**)/***)

Rp.6000,- stamp duty

.....
(Clear name and signature)

STATEMENT OF THE BOARD OF DIRECTORS

To
The Honorable Chief Executive of Supervision on Insurance, Pension Fund,
Financing Institution, and Other Financial Service Institution
for the attention of Director of Institution and Products of IKNB/Director of Sharia IKNB*)

I, the undersigned:

Name :

Title :
Full Address :
City Postal Code
Province
Company Name :
Company Address :
Company Website Address :

hereby state in truth that I:

1. am not included in the list of bad credit;
2. has never been punished for committing criminal acts in the field of financial service business and/or economy based on a court ruling that has obtained binding legal force within the last 5 (five) years;
3. I has never been punished for committing felony based on a court ruling that has obtained binding legal force within the last 5 (five) years;
4. I has never been declared bankrupt or guilty of causing a company/corporate to be declared bankrupt based on a court ruling that has obtained binding legal force within the last 5 (five) years; and
5. I has never served as a controlling shareholder, member of the board of directors, or member of the board of commissioners, in financial service company which business permit is revoked due to violation within the last 5 (five) years.

This statement is duly made for proper use.

..., 20 ...
Board of Directors of PT/Cooperative**)/***)

Rp.6000,- stamp duty

.....
(Clear name and signature)

STATEMENT OF COMMISSIONER

To
The Honorable Chief Executive of Supervision on Insurance, Pension Fund,
Financing Institution, and Other Financial Service Institution
for the attention of Director of Institution and Products of IKNB/Director of Sharia IKNB*)

I, the undersigned:

Name :
Title :
Full Address :
City Postal Code
Province

Company Name :
Company Address :
Company Website Address :

hereby state in truth that I:

1. am not enlisted in the list of bad credit;
2. has never been punished for committing criminal acts in the field of financial service business and/or economy based on a court ruling that has obtained binding legal force within the last 5 (five) years;
3. I has never been punished for committing felony based on a court ruling that has obtained binding legal force within the last 5 (five) years;
4. I has never been declared bankrupt or guilty of causing a company/corporate to be declared bankrupt based on a court ruling that has obtained binding legal force within the last 5 (five) years; and
5. I has never served as a controlling shareholder, member of the board of directors, or member of the board of commissioners, in financial service company which business permit is revoked due to violation within the last 5 (five) years.

I duly made this statement for proper use.

..., 20 ...
Commissioner of PT/Cooperative**)/***)
.....

Rp.6000,- stamp duty

.....
(Clear name and signature)

FORM 3 MONTHLYREPORT

The systematic of Monthly Report consists of:

TITLE PAGE
EXECUTIVE SUMMARY
1. PERFORMANCE OF INFORMATION TECHNOLOGY-BASED MONEY LENDING SERVICE
2. FINANCIAL PERFORMANCE OF PROVIDER OF INFORMATION TECHNOLOGY-BASED MONEY LENDING SERVICE
2.1 Financial Position Report
2.2 Profit and Loss Statement and Other Comprehensive Income

Form 3-A Report on financial performance of provider of information technology-based money lending service that is submitted in the form of physical document and electronic document

Form 3-B Report on performance of provision of information technology-based money lending service in the form of physical document and electronic document

Form 3-C Electronic document in database format with database element structure of information technology-based money lending service

FORM 4 ANNUAL REPORT

Systematic of Annual Report consists of:

Description	Explanation
TITLE PAGE	The front page of report contains the title of annual report
EXECUTIVE SUMMARY	Summary of content of annual report
1. PERFORMANCE IN BRIEF	General description of the performance of provider of information technology-based money lending service seen from the aspect of financial performance and provider activities for 3 consecutive years (if data of 2 previous years are available)
1.1. Financial Summary	Report on financial performance of provider of information technology-based money lending service
1.1.1 Profit and Loss Statement	Report on profit and loss performance that includes among others: <ul style="list-style-type: none"> • Total Operating Revenues • Total Operating Expenses • Other Operating Expenses (Revenues) • Operating Profit (Loss) • Profit (Loss) Before Tax • Tax Benefits (Expenses) • Net Profit (Loss) of Current Year • Profit (Loss) that is Attributable to Owner • Profit (Loss) Per Basic Share
1.1.2 Financial Position Report	Report on profit and loss performance that includes among others: <ul style="list-style-type: none"> • Assets and liabilities <ul style="list-style-type: none"> - Total current assets - Total sub-standard assets - Total assets - Long-term liabilities - Short-term liabilities • Equity <ul style="list-style-type: none"> - Subscribed and paid-up capital - Additional paid-up capital - Retained earning
1.1.3 Cash Flow Report	Cash flow report that consists of: <ul style="list-style-type: none"> • Cash flow from operational activities • Cash flow from investment activities • Cash flow from financing activities
1.1.4 Financial Ratio	Financial ratio consists of, among others: <ul style="list-style-type: none"> • return on average assets

	<ul style="list-style-type: none"> • return on average equity • current ratio • ratio of total debt to equity • ratio of total debt to asset • operating profit margin • net profit margin • ebitda margin
1.2. Summary of Operation	<p>Report on performance of provider of information technology-based money lending service that includes:</p> <ul style="list-style-type: none"> • status of loan application in one year that includes: number of person, amount of money, weighted average interest, and weighted average tenor • status of loan approval in one year that includes: number of person, amount of money, weighted average interest, weighted average tenor, average of current status, average of unclassified status, and average NPL • status of accumulated loan in one year that includes: number of person, amount of money, weighted average interest, weighted average tenor, average of current status, average of unclassified status, and average of NPL
1.3. Testimony of Customer and Business Partner	Summary of testimony from user of Information Technology-Based Money Lending Service
1.4. Award and Certification	Description of award and certification that have been acquired
2. MANAGEMENT REPORT	General report regarding various activities and achievement acquired
2.1 Report of the Board of Commissioners	General report submitted by the board of commissioners
2.2 Profile of the Board of Commissioners	Profile of the Board of Commissioners
2.3 Report of the Board of Directors	General report submitted by the board of directors
2.4 Profile of the Board of Directors	Profile of the Board of Directors
3. COMPANY PROFILE	Description of company profile
3.1 Identity of Provider	Description of identity of provider
3.2 Vision, Mission, and Framework of Value	Description of vision, mission, and framework of value
3.3 Provider in Brief	Description of provider, track record, business line, organizational structure, and milestones in one year
3.4 Track Record	
3.5 Line of Business	
3.6 Organizational Structure	
3.7 Group Structure	
3.8 Milestones in one year	
4. REVIEW OF BUSINESS	Description of strategies and development of

SUPPORT UNIT	business supporting unit
4.1. Human Resources	Description of strategies and development of human resources
4.2. Information Technology	Description of strategies and development of information technology
5. MANAGEMENT ANALYSIS AND DISCUSSION	This section describes management analysis and discussion in connection with future business and continuity
5.1. Macro Economy Review	Description of management understanding on macroeconomic condition as the environment of business activities performed
5.2. Industry Review	Description of management regarding development of Information Technology-Based Money Lending Service industry
5.3. Business Review	Description of management on opportunity, challenge, and risk potential for business continuity of the provider of Information Technology-Based Money Lending Service
5.4. Financial Review	Description of management on impacts of macroeconomic management, industry, and business competition to financial performance of provider of Information Technology-Based Money Lending Service
5.5. Aspect of Marketing	Description of management on strategies and development of marketing for business continuity
5.6. Business Prospect and Strategies of Next Year	Description of management on prospect and business development plan in future years
6. CORPORATE GOVERNANCE	This section explains the application of corporate governance
6.1. Risk Management	Description of application of risk management
6.2. Internal Control System	Description of application of internal control system
6.3. Important Case and Administrative Sanction	Description of event of important case and administrative sanction
6.4. Code of Conduct and Company Culture	Description of code of conduct and company culture and their application
6.5. Infringement Reporting System	Description of the application of infringement reporting system
6.6 Transparency of Information	
7. ADDITIONAL INFORMATION	Description of application of transparency of information
7.1. Senior Official	Description of information on senior official
7.2. Cooperation Program	Description of development of cooperation of provider with other parties
7.3. Branch Office	Description of development of branch office
8. STATEMENT OF ACCOUNTABILITY OF ANNUAL REPORT	The page contains statement of accountability of the board of commissioners to the annual report
9. FINANCIAL STATEMENTS	The page contains complete financial statements of provider within the last 3 years (if the financial

	statements of the last 2 years are already available)
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Stipulated in Jakarta
on 28 December 2016

CHAIRPERSON OF THE BOARD OF COMMISSIONERS
FINANCIAL SERVICE AUTHORITY,

Signed
MULIAMAN D. HADAD

Issued as a true copy
Legal Director 1
Legal Department

Signed
Yuliana

Form 3-A													
Monthly Report on Financial Performance of Provider Submitted in the Form of Physical Document and Electronic Document													
Description	Monthly Report on Financial Performance (Rp Million)												Total
	January	February	March	April	May	June	July	August	September	October	November	December	
1. Profit-loss													
1.1 Revenues													
1.2 Operating Expenses													
1.3 Profit and Loss													
2. Financial Position													
2.1 Asset													
2.2. Liabilities													
2.3 Equity													
2.3.1 Paid-up Capital													
2.3.2 Profit and Loss													

Form 3-B				
Monthly Report on Performance of Provision of Information Technology-Based Money Lending Service in the Form of Physical Document and Electronic Document				
Description	Explanation on Description	Month		
		West	Central	East
1. Loan application	This section contains information on submission of loan application every month per area			
a. Number of person	Data on the number of person submitting loan application every month per area			
b. Number of company	Data on the number of company submitting loan application every month per area			
c. Total money (Rp Million)	Data on total value of loan offered by the applicant of loan every month per area			
d. Weighted average of interest (%)	Data on weighted average of interest of loan offered by the applicant of loan every month per area			
e. Weighted average of tenor (%)	Data on weighted average of tenor of loan offered by the applicant of loan every month			

	non-performing status due to delay in fulfillment of payment obligations for more than 3 months, per area													
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Form 3-C		
Electronic Document in Database Format with Database Element Structure of Information Technology-Based Money Lending Service		
No	Section	Description
	A. Individual Profile	this section contains information regarding the profile of loan provider and beneficiary
1	Date-of-Record	date of data entry
2	Provider-ID	code of Provider
3	User-ID	code of User whether as Loan Provider or Loan Beneficiary
4	User-Name	name of User
5	User-Type	type of User may be in the form of 1=person, 2=entity
6	Legal-Entity-ID	number of SK of Business Entity if User is in the form of legal entity
7	Legal-Entity-Type	1=Limited Liability Company (PT), 2=Cooperative, 3=Central Government, 4=Regional Government, and 5=others
8	Legal-Entity-Name	registered name of legal entity
9	ID	identity of individual as individual or person that represents legal entity
10	Place-of-Birth	place of birth of individual
11	Date-of-Birth	date of birth of individual
12	Age	age of person at the time of registration data entry
13	Gender	gender of person
14	Education	highest education, 1=Elementary School (SD), 2=Junior High School (SMP), 3=Senior High School (SMA), 4=Diploma, and 5=Bachelor
15	Occupation	occupation of person, 1=Civil Servant (PNS), 2=BUMN, 3=Private, 4=Entrepreneur, and 5=others
16	Field of Work	field of work of person/line of business of entity
	B. Profile of Cooperation Ecosystem of Provider of Information Technology-Based Money Lending Service	This section explains the ecosystem of Information Technology-Based Money Lending Service if it is in cooperation with information technology-based financial service and other type of information technology-based support service
17	Code-of-provider-of-information technology-based financial service-and-other type of information technology-based support service-origin	code of provider of information technology-based financial service and other type of information technology-based support service origin
18	Type-of-information technology-based financial service-and-other type of information technology-based support	type of provider of information technology-based financial service and other type of information technology-based support service origin, 1=Provider, 2=micro insurance, 3=micro guarantor, 4=micro financing, 5=LKM, 6=internet banking, 7= robo advisor,

	service-origin	8=block chain, 9=other information technology-based support service
19	Domicile-of-provider of information technology-based financial service and other type of information technology based support service-origin	domicile of provider of information technology based financial service and other type of information technology-based support service origin
	C. Geographical Profile	this section explains geographical profile of User
20	Religion	religion of the person as User
21	Address	address of the person or legal entity of User
22	City	city where the person or legal entity of User is domiciled
23	Province	province where the person or legal entity of User is domiciled
	D. Profile of Loan	This section explains the profile of loan that includes profile of offer, profile of request-approval, profile of utilization, and profile of loan performance
	D1. Profile of Loan application	This section explains the profile of loan application
24	Date-Application-Loan	it is the date of loan application data entry
25	Total-Application-Loan	is the total value of loan application
26	Rating-Application-Loan	it is the rating of loan application
27	Information-Credit	it is information on total outstanding loan in Other Financial Service Institution
28	Total-Application-Loan-Approved	it is the total value of loan application approved
	D2. Profile of Offer of Grant of Loan	This section explains the profile of offer of grant of loan
29	Date-Offer-Grant-Loan	it is the date of entry of data on offer of grant of loan
30	Total-Offer-Grant-Loan	it is the total offer of grant of loan
31	Request-Guarantee	it is data on request for guarantee if required
32	Total-Offer-Grant-Loan-Approved	it is the total offer of grant of loan approved
	D3. Utilization Profile	This section explains the purpose of use of loan
33	Utilization-of-Loan	it is information on the use of loan
	D4. Loan Performance Profile	this section explains the profile and performance of loan
34	Payment-Frequency	it is information on frequency of payment, 1=daily, 2=weekly, 3=monthly, 4=quarterly, 5=semester, 6=annual
35	Type-of-Payment	it is information on type of loan payment, 1=amortization, 2=bullet payment, 3=discount, 4=grace period, 5=others
36	Interest-Rate-of-Loan	it is information on interest rate of loan
37	Maturity-Date-of-Loan	it is information on maturity date of loan

38	Tenor-of-Loan	it is information on tenor of loan
39	Outstanding-Current-Loan	it is information on outstanding current loan
40	Status-of-Loan	it is information on loan, 1=current, 2=unclassified, 3=non-performing

Source: LOOSE LEAF REGULATION OF THE CHAIRPERSON OF THE BOARD OF COMMISSIONERS OF FINANCIAL SERVICE AUTHORITY YEAR 2016