FINANCIAL SERVICES AUTHORITY
REPUBLIC OF INDONESIA

REGULATION OF FINANCIAL SERVICES AUTHORITY NUMBER 24/POJK.04/2016 CONCERNING BROKER DEALER AGENT

BY THE GRACE OF THE GOD ALMIGHTY

THE BOARD OF COMMISSIONERS OF FINANCIAL SERVICES AUTHORITY,

Considering : that in order to increase number of Indonesian Capital Market investors and utilize the potential of Indonesian Capital Market as well as to optimize the marketing function of Broker-Dealer, it is necessary to enact Financial Services Authority regulation concerning the Broker Dealer agent;

In view of :
1. Law Number 8 of 1995 concerning Capital Markets (State Gazette of the Republic of Indonesia of 1995 Number 64, Supplement to the State Gazette of the Republic of Indonesia number 3608);
2. Law Number 21 of 2011 concerning the Financial Services Authority (State Gazette of the Republic of Indonesia of 2011 Number 111, Supplement to the State Gazette of the Republic of Indonesia 5253)

HAS DECIDED:

To enact : FINANCIAL SERVICES AUTHORITY REGULATION CONCERNING BROKER DEALER AGENT.

CHAPTER I
GENERAL PROVISIONS

Article 1

In this Financial Services Authority Regulation, the following definitions shall apply:

1. Brokers-Dealers are Parties who buy or sell Securities for their own interests or on behalf of other Parties.
2. Broker-Dealer Agent is a Person referring a prospective client to a Securities Company to become a Broker-Dealer client and taking up commission under a cooperation contract.
3. A Limited Broker-Dealer Representative License is a Limited Broker Dealer Representative License as referred to in the Financial Services Authority Regulation concerning Licensing Segmentation of Broker-Dealer Representative.
4. Financial Service Institution is a Financial Services Institution as defined in the Financial Services Authority Regulation concerning Consumer Protection of Financial Services Sector.
5. A booth is a means of activities of a non-permanent Broker-Dealer Agent, with a maximum period of 3 (three) months at 1 (one) place.

CHAPTER II
THE SCOPE AND REQUIREMENT OF BROKER DEALER AGENT

Part One
The Scope of Broker Dealer Agent

Article 2

Broker-Dealer Agent consists of Institutional Broker-Dealer Agent and Individual Brokers-Dealer Agent.

Article 3

(1) Any Party who performs activity as an Institutional Broker Dealer Agent must had been registered with the Financial Services Authority and meet the requirements set forth in this Financial Services Authority Regulation.

(2) The Institutional Broker-Dealer Agent referred to in paragraph (1) may only be performed by a Financial Services Institution that is a legal entity.

Article 4

(1) The activities as an individual Broker-Dealer Agent might be performed by any individual who hold a license as Underwriter Representative, Broker-Dealer Representative, Marketing Broker-Dealer Representative, and / or Limited Marketing Broker-Dealer Representative.

(2) Individuals who hold licenses as Underwriter Representative, Broker-dealer Representative, Broker-Dealer Representative, and / or Limited Marketing Broker-Dealer Representative as referred to in paragraph (1) may conduct activities as individual Broker Dealer agent without priorly filing for registration to Financial Services Authority.

(3) An individual who hold license as Underwriter Representative, Broker-Dealer Representative, Marketing Broker-Dealer Representative, and / or Limited Marketing Broker-Dealer Representative as referred to in paragraph (1) may conduct activities as an individual Broker Dealer Agent ifnot working for Securities Companies and Financial Service Institution.

Article 5

(1) The Institutional Broker-Dealer Agent as referred to in Article 3 may only engage in offering activities to a prospective client to become a Broker-dealer client and other activities allowed by the Financial Services Authority.

(2) The Institutional Broker-Dealer Agent as referred to in Article 3 may only engage in offering activities to a prospective client to become a Broker-dealer client and other activities allowed by the Financial Services Authority.

(3) An individual Broker-Dealer Agent as referred to in Article 4 may only engage in an offering activity to a prospective client to become a Broker-dealer client.

Article 6

Employee of the Institutional Broker Dealer Agent who performs Broker-Dealer Agent activity must hold individual license from the Financial Service Authority a as a Limited Marketing Broker Dealer Representative at the lowest.

Part Two

The Requirements of Institutional Broker Dealer Agent

Article 7

In order to obtain a Registered Letter as an Institutional Broker-Dealer Agent, a Financial Services Institution obliged to:

a. Employ an officer conducting broker-Dealer Agent activities at any head office, other offices other than head office, other locations and / or booth in which the broker dealer agent provide services.
b. Employ a person in charge of Broker-Dealer Agent activities for each head office, office other than the head office, other locations and / or Booth the broker dealer agent provide services; and
c. Employ an adequate internal control system.

Article 8

Employees who perform activity as Broker Dealer Agent and / or responsible officers as referred to in Article 7 letter a and letter b shall be required to:

a. hold an individual license from Financial Services Authority at least as a Limited Marketing Broker-Dealer Representative; and
b. obtain a particular assignment in writing from its institutional broker dealer agent to perform as a Broker Dealer Agent and / or as an officer in charge for Broker Dealer Agent's activity.

Article 9

An adequate internal control system as referred to in Article 7 letter shall be in written and at least contain requierements as follows:

a. granting of authorities and responsibilities to n avoid the occurrence of conflict of interest;
b. standard operating procedures of the activities of Broker Dealer Agent ; and
c. any means and actions that should be taken to rectify any violation.

CHAPTER III
REGISTRATION PROCEDURE, ELECTRONIC DOCUMENT AND TIME LIMIT

Part One
The Registration of the Institutional Broker Dealer Agent

Article 10

(1) Registration as an Institutional Broker-Dealer Agent to be submitted by the applicants in the form of hardcopy to the Financial Services Authority in accordance with the format as attached, as a part of this Financial Services Authority Regulation.

(2) Application for registration as Broker-Dealer Agent as referred to in paragraph (1) shall be accompanied by the following documents:

a. photocopy of the deed of establishment certified by the competent authority and the latest amendment of the articles of association;

b. photocopy of corporate Tax Identification Number;

c. photocopy of business license;

d. head office data containing the address of the office and the rperson in charge and the list of employees engaged in Broker Dealer Agent;

e. documents relating to the names, data and information of the responsible officers of the Broker Dealer Agent, include:

1. the signed latest curriculum vitae;
2. a photocopy of National identity Card or a valid passport;
3. photocopy of Foreign Workers licence for foreign nationals;
4. photocopy of decision of the Board of Directors in relation to appointment or placement as an officer in charge of the activities of Broker-

Dealer Agent at the head office;

5. photocopy of individual licence from the Financial Service Authority , at the lowest as Limited Marketing Broker-Dealer Representative, in the name of the respective person;

f. documents of employees who will engage in Broker Dealer Agent which include:

1. the signed latest curriculum vitae;
2. a photocopy of National identity Card or a valid passport;
3. photocopy of Foreign Workers licence for foreign nationals;
4. photocopy of decision of the Board of Directors in relation to appointment or placement as an officer in charge of the activities of Broker-Dealer Agent at the head office;
5. photocopy of individual licence from the Financial Service Authority , at the lowest as Limited Marketing Broker-Dealer Representative, in the name of the respective person;

g. diagram of the organizational structure which shows the line of responsibility of each function to the responsible person or member of the Board of Directors whose responsible for the implementation of the activities of the Broker Dealer Agent along with its job description;

h. standard operating procedures for conducting the activities of the Broker Dealer Agent;

i. a projection of the busniess plan of the Broker Dealer Agent at least the next one year, at least include the following information:

1. target type of prospective client (market share);
2. target number of prospective client.

Article 11

The Financial Services Authority may request additional data and / or information to complete the application for registration as referred to in Article 10.

Part Two

Electronic Document, Registration Process and Time Limit

Article 12

(1) The application for registration as referred to in Article 10 shall also be prepared in digital format and submitted to the Financial Services Authority bin the form of digital disc media, or electronic mail at the address of pendaftaranappe@ojk.go.id.

(2) In the case that the Financial Services Authority has provided an electronic application system, the application for registration as referred to in Article 10 may be submitted through the electronic system.

(3) In the case that a Financial Service Institution submited application for registration through an electronic application system as referred to in paragraph (2), the Financial Services Institution shall keep the hard copy of the registration application as submitted through the electronic application system.

(4) The Financial Services Authority could at any time request a printed-form document of application for the Financial Services Institution as referred to in paragraph (3) when necessary.

Article 13

(1) In order to process the application for registration as Broker-Dealer Agent as referred to in Article 10, the Financial Services Authority is authorized to examine on the completeness of the application documents.

(2) In the case that the application for registration as Broker-Dealer Agent as referred to in Article 10 does not meet the requirement, no later than 45 (forty five) days after receiving the application, the Financial Services Authority shall give notice to the applicant stating that:

a. the application has not yet fullfill the document completeness; or

b. the application is rejected because it does not meet the requirements.

(3) The applicant is required to complete the required lack of documents as referred to in paragraph (2) letter a no later than 45 (forty five) days after the date of notification.

(4) An applicant who fails to complete the lack of documents as referred to in paragraph (3) shall be deemed to cancel the application for registration as Broker Dealer Agent.

(5) The Financial Services Authority shall provide a Registered Letter as Broker-Dealer Agent to the applicant applying for registration as referred to in Article 10 no later than 45 (forty five) days after receiving the complete and qualified application.

Article 14

(1) An Institutional Broker-Dealer Agent must engage in the activity of Broker-Dealer Agent within 6 (six) months since:

a. obtaining a Registered Letter from the Financial Services Authority; or

b. The cooperation agreement of Broker Dealer Agent has been terminated.

(2) In the case that the Institutional Broker-Dealer Agent fails to perform the activities of the Broker Dealer Agent within 6 (six) months as referred to in paragraph (1), the Registered Certificate of Br the Institutional Broker Dealer Agent shall become invalid.

CHAPTER IV
COOPERATION AGREEMENT

Article 15

The activities of Broker-Dealer Agenct shall be based on a cooperation agreement between the securities Broker-dealer and the Broker-Dealer Agent.

Article 16

The cooperation agreement referred to in Article 15 shall at least contain the following:

a. the identity of the party involved in the agreement;
b. rights and obligations of the parties;
c. c.the commissions received by the Broker Dealer Agent and the expenses incurred by the Broker Dealer;
d. term of the agreement;
e. The appointment of judicial institutions or other institutions as institutions to resolve disputes and civil disputes between the Parties;
f. term and condition of termination agreement.

Article 17

In conducting cooperation with a Broker Dealer Agent, Securities Broker-Dealer is obliged to:

a. Have a written cooperation agreement with the Broker Dealer Agent;
b. Liable for the cooperation agreement between Broker-Dealer and Broker-Dealer Agent;
c. Liable for the conduct of the individual Broker-Dealer Agent;
d. examines the fulfillment of the requirements and due diligence process of the prospective Broker Dealer Agent;
e. ensure that the Institutional Broker-Dealer Agent has the officer in charge for the activities of the Broker Dealer Agent;

f. Liable for deed and act of Broker-Dealer Agent that fall within the scope of the Broker-DealerAgent pursuant to those specified in the cooperation agreement;

g. monitor and supervise the activities of the Broker Dealer Agent directly, either periodically or incidentally.

Article 18

(1) Broker-Dealer Agent shall submit a report on the commencement and / or termination of the cooperation agreement with the Securities Broker-Dealer to the Financial Services Authority.

(2) The report on the commencement of the cooperation agreement as meant in sub-article (1) shall be accompanied by the cooperation agreement document and the due diligence document with Broker-Dealer.

(3) Submission of reports as referred to in paragraph (1) shall be made no later than 7 (seven) working days since the effective start of cooperation and / or termination of cooperation.

CHAPTER V
THE OFFICER IN CHARGE AND EMPLOYEE OF THE BROKER DEALER AGENT

Article 19

(1) The institutional broker Dealer Agent must have at least 1 (one) officer in charge of the activities of an Institutional Broker Dealer Agent.

(2) The officer in charge for the activities of the Institutional Broker Dealer Agent as referred to in paragraph (1)must have experience in marketing activities for a minimum of 3 (three) years.

(3) The officer in charge as referred to in paragraph (1) shall have the following duties and functions :

a. ensuring the process of Broker Dealer Agents has been carried out in accordance with:

1. the cooperation agreement between Institutional Broker Dealer Agent and Broker Dealer;
2. standard operating procedure of Institutional Broker Dealer Agent; and
3. the cooperation agreement between the Institutional Broker Dealer Agent and other party in order to carry out a Broker Dealer Agent activity in a Booth;

b. ensuring that documents on the operational of Broker Dealer Agent as referred to in letter a is complete;

c. ensuring that the process of Broker Dealer Agent has been running in accordance with the provisions of laws and regulations.

(4) The officer in charge of an Institutional Securities Broker Dealer is prohibited from working at other companies.

Article 20

(1) Employee of an Institutional Broker Dealer Agent who performs activity of Broker Dealer Agent are prohibited to work for other companies.

(2) Employee of an Institutional Broker Dealer Agent as referred to in paragraph (1) shall be prohibited from registered at more than 1 (one) location of the Institutional Broker Dealer Agent.

(3) The prohibition from working concurrently as referred to in paragraph (2) is not applicable to the employee who works in Booth.

Article 21

In the case all employees who performs Broker Dealer Agent activity and / or responsible officer for the activities of the Institutional Broker Dealer Agent as referred to in Article 7 letter a and letter b vacant, the Broker Dealer Agent issuspended from performing the functions, duties, and the authority of an Institutional Broker Dealer Agent until there is officer performing the activity of Broker Dealer Agent and / or an officer in charge of the Broker Dealer's activities with the license at least as a Limited Marketing Broker Dealer.

CHAPTER VI
OFFICES OTHER THAN HEAD OFFICE, OTHER LOCATIONS, AND BOOTH OF BROKER DEALER AGENT

Part One
Offices Other than Head Office and Other Location Office Of Broker Dealer Agent

Article 22

(1) The institutional Broker Dealer Agent perform activities of Broker-Dealer Agent in an office other than the head office and / or other locations shall report to the Financial Services Authority no later than 7 (seven) working days after the commencement of such Broker Dealer activity.

(2) The report as referred to in paragraph (1) shall be submitted in accordance with the format of report of the activities of an Institutional Broker Dealer Agent in an office other than the head office and / or other location as contained in the Attachment which is an inseparable part of this Regulation of Financial Services Authority.

(3) The submission of reports as referred to in paragraph (2) shall be accompanied by the following documents:
   a. document of the responsible officer of the Institutional Broker Dealer Agent at office other than head office and/or other location which include:
      1. the signed latest curriculum vitae;
      2. a photocopy of National identity Card or a valid passport;
      3. photocopy of Foreign Workers licence for foreign nationals;

4. photocopy of decision of the Board of Directors in relation to appointment or placement as an officer in charge of the activities of Broker-Dealer Agent at the head office;
5. photocopy of individual licence from the Financial Service Authority , at minimum as Limited Marketing Broker-Dealer Representative, in the name of the respective person ;

b. documents of employees that engage in Broker Dealer Agent activity in other offices other than head office, including:
1. the signed latest curriculum vitae;
2. a photocopy of National identity Card or a valid passport;
3. photocopy of Foreign Workers licence for foreign nationals;
4. photocopy of decision of the Board of Directors in relation to appointment or placement as an officer in charge of the activities of Broker-Dealer Agent at the head office;
5. photocopy of individual licence from the Financial Service Authority , at the lowest as Limited Marketing Broker-Dealer Representative, in the name of the respective person;

c. certificate of domicile of an office other than the head office frome the building operator or authorized institution; and

d. list of offices other than the head office and / or other locations office along with the address of the office and the person in charge and the list of employees of broker-Dealer Agent who performs acitvity as broker-dealer agent, in accordance with the format of the list of offices other than the head office and / or other locations office of the Institutional Broker Dealer Agent as contained in the Attachment as an inseparable part of this Regulation of Financial Services Authority.

Article 23

Documents concerning activities of Broker-Dealer Agent in offices other than the head office and / or other locations as referred to in Article 22 paragraph (2) and paragraph (3) shall also be prepared in digital format and submitted to the Financial Services Authority by using digital discs or other, or electronic mail with the address of appeev@ojk.go.id.

Part Two

Booth of Broker Dealer Agent

Article 24

(1) A Broker Dealer agent may open a Booth through cooperation with other parties.

(2) The activities of Broker-Dealer Agent in the Booth shall be made by an individual who holds a license from the Financial Services Authority at least in the form of a license as a Limited Marketing Broker-Dealer Representative.

CHAPTER VII

OBLIGATION AND PROHIBITION OF BROKER DEALER AGENT

Part One

Obligation of Broker Dealer Agent

Article 25

For Broker dealer Agent:

a. For an institutional broker dealer agent, it is mandatory to:

1. liable for any action relating to the activities of a Broker-Dealer Agent conducted by an employee and / or other party who cooperates with that Broker-Dealer Agent;
2. have a supervisory system on the activities of its employees conducting activities of Broker-Dealer Agent to ensure compliance with all provisions of regulations in the Capital Market;
3. perform the best duties in good faith and with full responsibility in accordance with the contract of cooperation;

b. For an Individual, it is mandatory to:

1. be responsible for any action relating to the activities of a Broker-Dealer Agent;
2. perform the best duties in good faith and with full responsibility in accordance with the cooperation contract with Broker-Dealer.

Part Two

Prohibition of Broker Dealer Agent

Article 26

For Broker Dealer Agent:

a. An Institutional Agent is prohibited for :

1. taking orders from customers or forwarding customer transactions;
2. collecting customers receivable and share commissions with customers;
3. providing false explanation and exaggerated statement related to investment in the Capital Market;
4. ensuring and promising investment returns;
5. giving an advice to client to transact
6. making a negative statement to particular Securities Broker-Dealer;

7. providing recommendation on certain Securities to prospective customersto get profit;
8. promising commission deductions to prospective customers;
9. acting as Broker-Dealer Agent to more than 1 (one) Securities Broker-Dealer;

b. an Individual agent is prohibited for:
   1. taking orders from customers or forwarding customer transactions;
   2. collecting customers receivable and share commissions with customers;
   3. providing false explanation and exaggerated statement related to investment in the Capital Market;
   4. ensuring and promising investment returns;
   5. giving an advice to client to transact
   6. making a negative statement to particular Securities Broker-Dealer;
   7. providing recommendation on certain Securities to prospective customersto get profit;
   8. promising commission deductions to prospective customers;
   9. acting as Broker-Dealer Agent to more than 1 (one) Securities Broker-Dealer;
   10. working on Financial Services Institution.

CHAPTER VIII
REPORT SUBMISSION

Part One
REPORT OF THE INSTITUTIONAL BROKER DEALER AGENT

Article 27

The institutional Broker Dealer Agent must report to the Financial Services Authority if there is any:

1. change of address of head office, office other than head office and / or other location;
2. changes of responsible officers and employees who perform activities as Broker Dealer Agent;
3. closing offices other than the head office and / or other locations,

no later than 7 (seven) working days after the occurrence of the event.

Part Two

Reports of Securities Broker Dealer

Article 28

(1) A Securitiies Broker Dealer must report to the Financial Services Authority on any addition and termination of cooperation with the Broker Dealer Agent.

(2) The report of each addition and termination of cooperation as referred to in paragraph (1) shall be submitted to the Financial Services Authority no later than 7 (seven) working days since the addition and termination of such cooperation.

(3) Broker-Dealer shall report the progress of the activity of Broker Dealer Agent to the Financial Services Authority, in accordance with the format of progress reports on the operation of Broker-Dealer Agencies s contained in the Attachment as an inseparable part of this Regulation of Financial Services Authority.

(4) The progress report on the operation of the Broker Dealer Agent as referred to in paragraph (3) shall be submitted to the Financial Services Authority on a quarterly basis for the positions of March, June, September, and December no later than every 15th (fifteenth) end of month report.

Article 29

In the case that the Financial Services Authority has provided an electronic reporting system for Broker Dealer Agent, reports as referred to in Article 28 can be submitted through the electronic system concerned.

CHAPTER IX
TERMINATION OF THE OPERATION OF BROKER DEALER AGENT

Part One
Revocation Or Cancellation of Registered Letters as an Institutional Broker Dealer Agent

Article 30

Registered Letters as an Institutional Broker Dealer Agent may be revoked or canceled by the Financial Services Authoritybased on the following:

a. The Registered Letter as an Institutional Broker Dealer Agent is returned to the Financial Services Authority;
b. violation of laws and regulations in Capital Market sector;
c. The business license of the party who perform activity as an Institutional Broker Dealer Agent is
d. The legal entity of the party conducting the activities as Broker-Dealer Agent is bankrupt or disperse.

Part Two
TERMINATION OF THE OPERATION OF AN INDIVIDUAL BROKER DEALER AGENT

Article 31

The activities of an individual Broker-Dealer Agent end by itself when the individual License from the Financial Services Authority as an Underwriter Representative, Broker-Dealer Representative, marketing Broker-Dealer, and / or Limited Marketing Broker-Dealer has expired.

CHAPTER X
SANCTION PROVISIONS

Article 32

(1) By no means undermining criminal stipulations in the Capital Markets Sector, the Financial Services Authority is authorized to impose the following administrative sanctions against any party who violates provisions in this Financial Services Authority Regulation including those who cause those violations:
   a. written Admonition;
   b. penalty, namely an obligation to pay a certain amount of money;
   c. restriction of business activity;
   d. suspension of business activity;
   e. revocation of business license;
   f. cancellation of approval; and
   g. cancellation of registration.

(2) Administrative sanctions as mentioned in clause (1) point b, point c, point d, point e, point f, or point g can be imposed with or without being preceded by an administrative sanction in the form of written warning as referred to in clause (1) point a.

(3) The administrative sanction in the form of penalty as referred to in clause (1) point b can be imposed individually or collectively with other administrative sanctions as mentioned in clause (1) point c, point d, point e, point f or point g.

Article 33

In addition to the administrative sanctions as mentioned Article 32 clause (1), the Financial Services Authority can exercise particular actions against any party who violates stipulations in this Financial Services Authority Regulation.

Article 34

The Financial Services Authority can publicize the imposition of administrative sanctions as mentioned in Article 32 clause (1) and other particular actions as referred to in Article 33.

CHAPTER XI
TRANSITIONAL PROVISIONS

Article 35

By the time this Regulation of the Financial Services Authority comes into force, an individual who has licensed as Underwriter Representative, Broker Dealer Representative, Marketing Broker-Dealer Representative, and / or Limited Marketing Broker Dealer Representative may conduct activities as an individual Broker Dealer.

Article 36

Contract of cooperation between the Parties and Broker-Dealer in the framework of performing bidding activities to a prospective customer to become a customer of Broker-Dealer that is still valid and existing prior to the enactment of this Financial Services Authority Rule, shall:

a. in accordance with this Rule of Financial Services Authority;
b. reported to the Financial Services Authority,

no later than 1 (one) year since this Regulation of the Financial Services Authority is enacted.

CHAPTER XII
CLOSING PROVISIONS

Article 37

This Regulation of Financial Services Authority shall come into effect upon its promulgation.

For public cognizant, it is hereby ordered that this Regulation of Financial Services Authority be promulgated in the State Gazette of the Republic of Indonesia.

Enacted in Jakarta
On 27 April 2016

CHAIRMAN OF BOARD OF COMMISSIONERS OF
FINANCIAL SERVICES AUTHORITY,

signed

MULIAMAN D. HADAD

Promulgated in Jakarta
on 27 April 2016

MINISTER OF LAW AND HUMAN RIGHTS
OF THE REPUBLIC OF INDONESIA,
signed
YASONNA H. LAOLY

STATE GAZETTE OF THE REPUBLIC OF INDONESIA OF 2016 NUMBER 127

ELUCIDATION OF
FINANCIAL SERVICES AUTHORITY REGULATION
NUMBER 24 /POJK.04/2016
CONCERNING
BROKER-DEALER AGENT

I. GENERAL

One of the causes of the low number of investors in the Capital Market in Indonesia is the limited access of Indonesians to become investors in the Capital Market. The limited marketing network of Broker-Dealer that is only focused in big cities causes potential investors in areas difficult to reach.

In order to expand the marketing function of Broker-Dealer Intermediaries, arrangements that enable Broker-Dealers to cooperate with other Persons who have access to reach potential customers are required , especially prospective customers in the region.

This Regulation provides an opportunity for another Party to become a Broker Dealer Agent by cooperating with a Broker-Dealer to conduct an offer to the public to become a Broker-Dealer customer. Such Party may be either an individual or a legal entity which is a Financial Services Institution, such as Commercial Bank, Rural Bank, Securities Company, Investment Advisor, Custodian Bank, Pension Fund, Insurance Company, Reinsurance Company, Financing Institution, Pawn Company, Guarantee.

The cooperation between the Broker-Dealer Agent and the Broker-Dealer is based on a written contract / agreement, which specifies at least the clauses that must be stated in the agreement both sides. Broker Dealer Agent may offer and process acceptance as a Broker-Dealer customer, as well as convey information of an Exchange as a customer reference for Securities transactions. However, Securities transactions are still conducted by Broker Dealer.

II. ARTICLE BY ARTICLE

Article 1

Self explanatory.

Article 2

Self explanatory.

Article 3

Self explanatory.

Article 4

Self explanatory.

Article 5

Self explanatory.

Article 6

Self explanatory.

Article 7

Self explanatory.

Article 8

Self explanatory.

Article 9

Self explanatory.

Article 10

Clause (1)

Self explanatory.

Clause (2)

Letter a

What is meant by "The Authorized Institution" is includes an agency whose duties and responsbilities are in the field of law and human rights.

Letter b

Self explanatory.

Letter c

What is meant by business license is include the legalization of a Pension Fund legal entity.

Letter d

Self explanatory.

Letter e

Number 1

To view work experience in marketing activities, curriculum vitae is equipped with work experience information containing information about lengthtime of work, company name, line of business, job title and job descriptions, and responsibilities.

Number 2

Self-Explanatory.

Number 3

Self-Explanatory.

Number 4

Self-Explanatory.

Number 5

Self-Explanatory.

Letter f

Self-Explanatory.

Letter g

Self-Explanatory.

Letter h

Self-Explanatory.

Letter i

Self-Explanatory.

Article 11

Self explanatory.

Article 12

Clause (1)

Electronic mail is called e-mail.

Clause (2)

The Financial Services Authority no longer requires the submission of registration application of Broker-Dealer Agent in the form of printed document in case the application has been submitted through electronic system.

Clause (3)

Self-Explanatory.

Clause (4)

Self-Explanatory.

Article 13

Self explanatory.

Article 14

Self explanatory.

Article 15

Self explanatory.

Article 16

Self explanatory.

Article 17

Letter a

Self-Explanatory.

Letter b

Self-Explanatory.

Letter c

The provision in letter c is only applicable to Broker-Dealer which cooperates with an individual Broker Dealer Agent.

Letter d

Self-Explanatory.

Letter e

Self-Explanatory.

Letter f

Self-Explanatory.

Letter g

Self-Explanatory.

Article 18

Self-Explanatory.

Article 19

Clause(1)

The responsible officer may be appointed as the party who is responsible for 1 (one) or more locations of activity of the Broker Dealer Agent

Clause(2)

Self-Explanatory.

Clause(3)

Self-Explanatory.

Clause(4)

Self-Explanatory.

Article 20

Self-Explanatory.

Article 21

Self-Explanatory.

Article 22

Self-Explanatory.

Article 23

Self-Explanatory.

Article 24

Self-Explanatory.

Article 25

Self-Explanatory.

Article 26

Self-Explanatory.

Article 27

Self-Explanatory

Article 28

Clause (1)

Self-Explanatory

Clause (2)

Self-Explanatory

Clause (3)

The progress report on the activities of the Broker-dealer Agent by the Broker-Dealer shall apply to the Institutional Broker Dealer Agent and individual Broker-Dealer Agent who has a cooperation agreement with the Broker-Dealer, which shall at least explain the development of:

a. the amount of cooperation with the existing Broker Dealer Agent;
b. number of potential customers proposed by Broker-Dealer Agent to Broker-Dealer;
c. the number of prospective customers who are approved to become customers; and
d. transaction value.

Clause (4)

Self-Explanatory

Article 29

Self-Explanatory.

Article 30

Self-Explanatory.

Article 31

Self-Explanatory.

Article 32

Self-Explanatory.

Article 33

Self-Explanatory.

Article 34

Self-Explanatory.

Article 35

Self-Explanatory.

Article 36

Self-Explanatory.

Article 37

Self-Explanatory.

SUPPLEMENT TO THE STATE GAZETTE OF THE REPUBLIC OF INDONESIA 5896