

RULE NUMBER IV.A.5 : CUSTODIAL CONTRACT OF A CORPORATE INVESTMENT FUND

Attachment :

Decision of the Chairman of Bapepam

Number : Kep-21/PM/1996

Date : January 17, 1996

Custodial contracts of an Investment Fund in corporate form shall contain at least the following provisions:

1. the name and the address of the Custodian Bank;
2. procedures for selling and redeeming shares;
3. segregation of Securities accounts on behalf of the Investment Fund;
4. an obligation to administer Securities and funds, to provide custodial services for Securities and other assets related to such Securities, and other services, including collecting dividends, interest, and other rights, and the obligation of settling Securities transactions;
5. an obligation to prepare and submit reports to the Investment Manager, Investment Fund, and Bapepam;
6. provision for an Accountant to audit the financial statements and Investment Fund operational procedures;
7. an obligation to record and transfer shares, and distribute rights related to the Fund's shares;
8. an obligation to indemnify the Investment Fund for any losses or mistakes with respect to Securities and funds in the Fund's accounts;
9. the expenses charged by the Custodian Bank with respect to its services and the expenses charged by the Investment Fund;
10. an obligation to insure the Investment Fund's assets, if it is considered necessary;
11. a prohibition against termination of Custodian activities before another Custodian Bank is assigned; and
12. an obligation to calculate the net asset value of the Investment Fund if the Custodian Bank is requested to do so.