

SEGMENTATION OF PERMITS FOR STOCK TRADING AGENT (Regulation of Financial Service Authority Number 22/OJK.04/2016, dated April 22, 2016)

WITH THE BLESSING OF THE ONE AND ONLY GOD
BOARD OF COMMISSIONERS ON FINANCIAL SERVICE AUTHORITY

Considering:

Whereas, to fulfill industrial need against Stock Trading Agent for one or more functions at Stock Company conducting business activity as Stock Trading Agent specifically marketing function, it is necessary to stipulate Regulation of Financial Service Authority on Segmentation of Permits for Stock Trading Agent;

In view of:

1. Law Number 8 Year 1995, concerning Capital Market (Statute Book of the Republic of Indonesia Year 1995 Number 64, Supplement to Statute Book of the Republic of Indonesia Number 3608);
2. Law Number 21 Year 2011, concerning Financial Service Authority (Statute Book of the Republic of Indonesia Year 2011 Number 111, Supplement to Statute Book of the Republic of Indonesia Number 5253);
3. Regulation of Financial Service Authority Number 27/POJK.04/2014, concerning Permits for Stock Issuance Underwriting Agent and Stock Trading Agent (Statute Book of the Republic of Indonesia Year 2014 Number 362, Supplement to Statute Book of the Republic of Indonesia Year 2014 Number 5636);

D E C I D E S :

To stipulate:

REGULATION OF FINANCIAL SERVICE AUTHORITY CONCERNING SEGMENTATION OF PERMITS FOR STOCK TRADING AGENT.

CHAPTER I

GENERAL PROVISION

Article 1

What is meant in this Regulation of Financial Service Authority, by:

1. Stock Trading Agent shall be individual person acting in the interest of Stock Company exercising business activity as Stock Trading Agent.
2. Stock Trade Marketing Agent shall be individual person acting in the interest of Stock Company exercising business activity as Stock Trading Agent, that specially functioning on marketing.
3. Limited Stock Trade Marketing Agent shall be individual person acting in the interest of Stock Company exercising business activity as Stock Trading Agent, that specially functioning on limited marketing.
4. Permit for individual person as Stock Trading Agent, hereinafter referred to as Stock Trading Agent shall be permit granted by Financial Service Authority to individual person to act in the interest of Stock Company exercising business activity as Stock Trading Agent.
5. Permit for individual person as Stock Trading Marketing Agent, hereinafter referred to as Permit for Stock Trading Marketing Agent shall be permit granted by Financial Service Authority to individual person acting to represent the interest of Stock Company exercising business activity as Stock Trading Agent, specially functions in marketing.
6. Permit for individual person as Limited Stock Trade Marketing Agent, hereinafter referred to as Permit for Limited Stock Trade Marketing Agent shall be permit granted by Financial Service Authority to individual person acting in representing the interest of Stock Company exercising business activity as Stock Trading Agent, specially functioning in limited marketing.

CHAPTER II

SEGMENTATION OF STOCK TRADING AGENT BASED ON

THE FUNCTION OF STOCK COMPANY

Article 2

Financial Service Authority may grant permit to Stock Trading Representative specifically for one (1) or more segmentation of function of Stock Company exercising business activity as Stock Trading Agent.

Article 3

Segmentation of Stock Trading Agent specifically the function of marketing shall be conducted based on the terms and procedure governed in this Regulation of Financial Service Authority.

Article 4

Segmentation of permit for Stock Trading Agent specifically on the function of marketing as referred to Article 3 covering:

- a. Permit for Stock Trade Marketing Agent; and
- b. Permit for Limited Stock Trade Marketing Agent.

Article 5

Permit for Stock Trade Marketing Agent and permit for Limited Stock Trade Marketing Agent as referred to in Article 4 is not valid as compliance with requirements for competence of Director of Stock Company as governed in Regulation of Financial Service Authority concerning Permits for Stock Company exercising business activity as Underwriter of Stock Emission and Stock Trading Agent.

CHAPTER III

**SCOPE OF PERMIT FOR STOCK TRADING AGENT
MARKETING AND LIMITED STOCK MARKETING AGENT**

Article 6

- (1) Stock Trade Marketing Agent and Limited Stock Trade Marketing Agent may only represent Stock Company in conducting marketing function if the person concerned works at Stock Company exercising business activity as Stock Trading Agent.
- (2) Stock Trade Marketing Agent referred to in paragraph (1) shall represent Stock Company to:
 - a. offer to potential Investor or public to become customer of Stock Company;
 - b. apply the Principle on Customer;
 - c. enter into contract for opening Regular Stock Account with customer;
 - d. enter into contract for opening financing Stock Account with customer for the customer receiving financing facilities;
 - e. enter into contract for opening other Stock Account with customer;
 - f. receive order and/or instruction in the interest of customer; and
 - g. communicate with customer including notify customer after having obtained notification from information technology function if communication system encounters delay or not functioning.
- (3) Limited Stock Trade Marketing Agent referred to in paragraph (1) shall represent Stock Company to
 - a. offer to potential Investor or public to become customer of Stock Company;
 - b. apply the Principle on Customer;

- c. enter into contract for opening Regular Stock Account with customer;
- d. enter into contract for opening financing Stock Account with customer for the customer receiving financing facilities;
- e. enter into contract for opening other Stock Account with customer;
- f. receive order and/or instruction in the interest of customer; and
- g. communicate with customer including notify customer after having obtained notification from information technology function if communication system encounters delay or not functioning.

Article 7

- (1) Any individual person holding Permit for Stock Trade Marketing Agent and individual person holding Permit for Limited Stock Trade Marketing Agent not operating at Stock Company may work at Stock Trading Agent Institution or act as Stock Trading Agent as referred to in Regulation of Financial Service Authority concerning Stock Trading Agent.
- (2) Authority of individual person holding Permit for Stock Trade Marketing Agent and individual person holding Permit for Limited Stock Trade Marketing Agent that is unable to exercise business as referred to in paragraph (1), shall be limited to the authority held by Stock Trading Agent as referred to in Regulation of Financial Service Authority concerning Stock Trading Agent.

Article 8

- (1) Stock Trade Marketing Agent constitutes only as party in charge of marketing function of Stock Company exercising business activity as Stock Trading Agent at other location other than the Central Office.
- (2) Limited Stock Trade Marketing Agent shall be prohibited from acting as party in charge of marketing of Stock Company exercising business activity as Stock Trading Agent.

CHAPTER IV

PERMITS AND REQUIREMENT FOR STOCK TRADING AGENT AND LIMITED STOCK TRADING AGENT

Article 9

Stock Trade Marketing Agent and Limited Stock Trade Marketing Agent shall be obliged to comply with the provisions below:

- a. Requirements for integrity are as cited below:
 - 1. has good conduct and moral;

2. is competent to take legal act;
 3. has never committed flaw and/or has never been punished for committing criminal act in providing financial service;
 4. has never been charged penalty in the form of revocation of permit, approval, and/or charged penalty on revoked registration by Financial Service Authority during the last three (3) years; and
 5. has high commitment in complying with the statutory regulation;
- b. Requirements for competence are as cited below:
1. has education of at least junior high school;
 2. has sufficient knowledge and expertise on Capital Market, as proven by possessing Certificate on Expertist:
 - a) as Stock Underwriting Representative, Stock Trading Agent or Limited Stock Trade Marketing Agent, to Stock Trade Marketing Agent; and
 - b) as Stock Emission Underwriting Representative, Stock Trading Agent, Stock Trade Marketing Agent or Limited Stock Trade Marketing Agent;

recognized by Financial Service Authority and issued by Specific Educational Institution on Capital Market based on recommendation of the Committee of Standard Expertists;
 - c. worked financial Service Institution in Indonesia, bagi warga negara asing; dan
 - d. is not working at more than one (1) Stock Companies Institutional Stock Trading Agent, and/or at other Financial Service Institution.

Article 10

The Certificate of Expertist referred to in Article 9 letter b figure 2 may be utilized at submitting application for Permit for Stock Trade Marketing Agent and for Limited Stock Trade Marketing Agent so long its validity is not more than two (2) years as of the date it is issued up to the date the Permit.

Article 11

Pengaturan mengenai tata cara permohonan izin, masa berlaku dan perpanjangan izin, kewajiban dan larangan, Komite Standar Keahlian dan asosiasi, pelaporan, serta pengembalian izin, bagi Wakil Stock Trading Agent sebagaimana dimaksud dalam Regulation Financial Service Authority Number 27/POJK.04/2014 con-

cerning Perizinan Stock Issuance Underwriting Agent dan Wakil Stock Trading Agent berlaku bagi Stock Trade Marketing Agent dan Stock Trade Marketing Agent Terbatas, sepanjang tidak diatur lain dalam Regulation Financial Service Authority ini.

CHAPTER V

PROVISION ON PENALTY

Article 12

- (1) Notwithstanding the terms on criminal act on Capital Market, the Financial Service Authority has the authority to impose administrative penalty on any party violating the provisions in this Regulation of Financial Service Authority, including the party causing such violation in the form of:
 - a. written reminder;
 - b. penalty, means obligation to pay a certain amount of money;
 - c. limitation of business activity;
 - d. freezing of business activity;
 - e. revocation of business license;
 - f. revocation of approval; and
 - g. revocation of registration.
- (2) The administrative penalty referred to in paragraph (1) letter b, letter c, letter d, letter e, letter f, or letter g is subject to administrative penalty without written notification as referred to in paragraph (1) letter a.
- (3) The penalty referred to in paragraph (1) letter b shall be imposed separately or jointly with imposition of the penalty referred to in paragraph (1) letter c, letter d, letter e, letter f, or letter g.

Article 13

Other than the administrative penalty referred to Article 12 paragraph (1), the Financial Service Authority may take certain action against any party that violates the provisions in this Regulation Financial Service Authority.

Article 14

Financial Service Authority may announce imposition of administrative penalty as referred to in Article 12 paragraph (1) and certain act as referred to in Article 13 to public.

CHAPTER VI

CLOSING PROVISION

Article 15

This Regulation of Financial Service Authority comes to force on the date it is enacted.

For public cognizance, this Regulation of Financial Service Authority shall be announced by placing it in the Statute Book of the Republic of Indonesia.

Stipulated in Jakarta

Dated April 22, 2016

**CHAIRMAN OF BOARD OF COMMISSIONERS
OF FINANCIAL SERVICE AUTHORITY,**

sgd.

MULIAMAN D. HADAD

Enacted in Jakarta

Dated April 27, 2016

**MINISTER OF LAW AND HUMAN RIGHTS
OF THE REPUBLIC OF INDONESIA,**

sgd.

YASONNA H. LAOLY

**STATUTE BOOK OF THE REPUBLIC OF INDONESIA
YEAR 2016 NUMBER 75**

ELUCIDATION

OF

REGULATION OF FINANCIAL SERVICE AUTHORITY

NUMBER 22 /POJK.04/2016

CONCERNING

SEGMENTATION OF PERMITS FOR STOCK TRADING AGENT

I. G E N E R A L

To accomplish continuous and stable developing financial system, the Financial Service Authority shall function to operate integrated regulating and supervisory systems overall activities in the financial sector.

Pertaining to the function thereof in regulating and supervision, the Financial Service Authority shall always follow the progress in the tendency of the world capital market in the globalization era which progress is unlimited. One of the regulating that draws the attention of the Financial Service Authority, namely that relates to improvement of quality and quantity of human resource on Capital Market that needs to be improved, particularly Stock Trading Agent constituting the marketing tip point of the Stock Company.

Being aware of the important role of Stock Trading Agent, the Financial Service Authority has improved the regulation pertaining to Stock Issuing Underwriting Agent and Stock Trading Agent by stipulating Regulation of Financial Service Authority Number 27/POJK.04/2014. concerning Permits for Stock Issuing Underwriting Agent and Stock Trading Agent as the initial period for improving quality of holder Permit for Stock Trading Agent.

The short quantity of human resource holding Permit as Stock Trading Agent, especially to conduct marketing function constitutes one of the obstacles encountered by Stock Company in developing its business, causing the activities of Stock Company in various locations and agency gets stucked. The extent of area coverage (aspek geografis) that must be accomplished by Stock Company also constitutes obstacle in the context market in-depth study, particularly in expanding the basis for Capital Market Investor. Accordingly, the development of Stock Trading Agent shall not cease in quality improvement only, but also in quantity for the purpose of fulfilling industrial need on Capital Market through segmentation scheme of permit for Stock Trading Agent that specially run marketing function.

II. ARTICLE BY ARTICLE

Article 1 through Article 4

Self-explanatory.

Article 5

This provision is logic consequence considering that Permit for Stock Trade Marketing Agent and Permit for Limited Stock Trade Marketing Agent is not equivalent to Permit for Stock Trading Agent.

Article 6

Paragraph (1)

Self-explanatory.

Paragraph (2)**Letter a s/d Letter f**

Self-explanatory.

Letter g

Practically, communication system is usually referred to on line.

Paragraph (3)

Self-explanatory.

Article 7 and Article 8

Self-explanatory.

Article 9**Letter a**

Self-explanatory.

Letter b**Figure 1**

As governed in Law Number 20 Year 2013 concerning National Educational System, medium educational system in the form of Junior High School (SMP), Senior High School (SMA), Madrasah Aliyah (MA), Vocational School (SMK), and Vocational Madrasah Aliyah (MAK), or other type of the same level.

Figure 2

Self-explanatory.

Letter c and Letter d

Self-explanatory.

Article 10 through Article 15

Self-explanatory.

SUPPLEMENT TO STATUTE BOOK OF
THE REPUBLIC OF INDONESIA NUMBER 5875
(MA)