

THE ISSUANCE, PROCEDURE FOR THE AUCTION AND ADMINISTRATION OF BANK INDONESIA SECURITIES IN FOREIGN CURRENCY

(Circular of the Head of the Foreign Exchange Management Department Number 17/48/DPD, dated December 7, 2015)

To
ALL BANKS IN INDONESIA

Following the enforcement of Regulation of Bank Indonesia Number 17/17/PBI/2015 on Bank Indonesia Securities in Foreign Currency (Statute Book of the Republic of Indonesia Year 2015 Number 264, Supplement Statute Book of the Republic of Indonesia Number 5753), it is necessary to regulate technical provision on the issuance, procedures for the auction and administration of Bank Indonesia Securities in foreign currency in a circular of Bank Indonesia as follows:

I. GENERAL

1. Bank Indonesia Securities in Foreign Currency hereinafter called SBBI Valas shall be securities in foreign currency, which are issued by Bank Indonesia as short-term debenture.
2. Bank shall be the commercial bank as meant in banking law, which undertakes conventional business activities and has secured license from the authorized authority to undertake banking business activity in foreign currency.

3. Bidder shall be party eligible to undertake the auction transaction of SBBI Valas with Bank Indonesia.
4. Bank Indonesia-Scripless Securities Settlement System hereinafter abbreviated to BISSSS shall be the system as meant in the provision of Bank Indonesia ruling BISSSS.
5. Maiden Market shall be the offering and sales of SBBI Valas for the first time.
6. Secondary Market shall be the trade of SBBI Valas already sold on the maiden market.
7. Auction of SBBI Valas shall be the sales of SBBI Valas on the maiden market by Bank Indonesia, which is executed by auction mechanism.
8. Competitive Bidding shall be the submission of purchasing bid by the mentioning the volume and discount rate expected by bidder.
9. Noncompetitive Bidding shall be the submission of purchasing bid by mentioning volume without discount rate expected by bidder.
10. Sub-Registry shall be bank and institution undertaking custodian activity, which matches

FOREIGN EXCHANGE RATES

EXCHANGE RATES ON TRANSACTION

Jakarta, Business News

CURRENCY	VALUE	JUNE 21, 2016			JUNE 20, 2016			JUNE 17, 2016		
		BUYING	MIDDLE RATE	SELLING	BUYING	MIDDLE RATE	SELLING	BUYING	MIDDLE RATE	SELLING
AUD (Australia)	1.00	9,887.24	9,938.61	9,989.97	9,815.02	9,866.78	9,918.54	9,823.38	9,876.26	9,929.13
BND (Brunei)	1.00	9,840.70	9,890.57	9,940.44	9,808.94	9,860.96	9,912.97	9,853.94	9,906.57	9,959.20
CAD (Canada)	1.00	10,332.97	10,386.19	10,439.41	10,275.70	10,329.94	10,384.17	10,286.36	10,339.82	10,393.28
CHF (Switzerland)	1.00	13,739.35	13,815.16	13,890.97	13,752.35	13,827.66	13,902.97	13,774.48	13,852.58	13,930.88
CNY (China Yuan)	1.00	2,013.53	2,023.58	2,033.63	2,007.97	2,018.02	2,028.06	2,020.06	2,030.25	2,040.43
DKK (Denmark)	1.00	2,015.09	2,025.45	2,035.80	2,014.75	2,024.99	2,035.22	2,013.48	2,023.79	2,034.09
GBP (United Kingdom)	1.00	19,376.55	19,476.63	19,576.70	19,239.49	19,338.40	19,437.30	18,954.30	19,053.21	19,152.11
HKD (Hong Kong)	1.00	1,703.50	1,712.04	1,720.57	1,700.35	1,708.89	1,717.42	1,712.87	1,721.56	1,730.25
JPY (Japan)	100.00	12,694.45	12,760.91	12,827.36	12,608.94	12,673.84	12,738.74	12,707.72	12,773.62	12,839.52
KRW (Korean)	1.00	11.43	11.49	11.54	11.33	11.39	11.45	11.34	11.41	11.47
KWD (Kuwaiti Dinar)	1.00	43,905.68	44,154.37	44,403.06	43,804.78	44,031.25	44,257.72	44,082.92	44,334.72	44,586.52
LAK (Lao Kip)	1.00	1.63	1.64	1.65	1.62	1.64	1.65	1.64	1.65	1.66
MYR (Malaysia)	1.00	3,254.55	3,272.83	3,291.10	3,229.87	3,248.03	3,266.18	3,242.50	3,260.85	3,279.19
NOK (Norway)	1.00	1,595.75	1,604.01	1,612.27	1,594.44	1,602.71	1,610.98	1,591.03	1,600.34	1,609.64
NZD (New Zealand)	1.00	9,411.32	9,460.98	9,510.63	9,373.02	9,422.57	9,472.12	9,371.48	9,420.07	9,468.65
PGK (Papua New Guinea)	1.00	4,180.16	4,293.83	4,407.50	4,171.94	4,285.43	4,398.91	4,129.51	4,236.25	4,342.99
PHP (The Philippines)	1.00	285.04	286.51	287.98	284.35	285.81	287.26	286.38	287.86	289.33
SAR (Saudi Arabian Riyal)	1.00	3,524.30	3,542.61	3,560.91	3,518.02	3,535.77	3,553.51	3,542.66	3,561.62	3,580.57
SEK (Sweden)	1.00	1,605.30	1,613.59	1,621.88	1,600.61	1,609.12	1,617.63	1,598.59	1,606.92	1,615.25
SGD (Singapore)	1.00	9,840.70	9,890.57	9,940.44	9,808.94	9,860.96	9,912.97	9,853.94	9,906.57	9,959.20
THB (Thailand)	1.00	375.14	377.23	379.32	374.51	376.55	378.58	376.62	378.63	380.64
USD (United States)	1.00	13,220.00	13,286.00	13,352.00	13,194.00	13,260.00	13,326.00	13,291.00	13,358.00	13,425.00
VND (Vietnamese Dong)	1.00	0.59	0.60	0.60	0.59	0.60	0.60	0.59	0.60	0.60
EUR (Europe)	1.00	14,983.55	15,061.03	15,138.50	14,980.47	15,058.74	15,137.00	14,970.98	15,049.14	15,127.29

NOTE : The middle rate is based on Business News calculation

requirements and is approved by Bank Indonesia to execute the administration function of securities, including SBBI Valas in the interest of customers.

11. Payer Bank shall be bank having foreign-currency giro account at Bank Indonesia to execute the payment and/or receive funds in the framework of the settlement of transaction of SBBI Valas.
12. Securities Account shall be account belonging to bank and/or sub-registry at Bank Indonesia to record the ownership of SBBI Valas.
13. Account of Giro in Foreign Currency hereinafter called Foreign Currency Giro Account shall be giro account of Bank Indonesia in foreign currency, which is administered by Bank Indonesia and used for the final settlement of transaction of SBBI Valas.

II. ISSUANCE OF SBBI VALAS

1. Kind of foreign currency in the issuance of SBBI Valas is US Dollar (USD).
2. SBBI Valas has characteristic as follows:
 - a. unit amounting to USD1,000 (one thousand US Dollar);
 - b. having a period of one month at the minimum and 12 (twelve) months at the maximum, declared in the number of day and counted as from one day after the settlement date up to maturity date;
 - c. issued in scripless form;
 - d. tradable;
 - e. issued and traded by discount system;
 - f. cash value of SBBI Valas is counted on the basis of true discount rate with the formula as follows:

$$\text{cash value} = \frac{\text{nominal value} \times 360}{360 + (\text{discount rate} \times \text{period})}$$

$$\text{Discount value} = \text{nominal value} - \text{cash value}$$
 - g. SBBI Valas which remains in the state of collateralization is not tradable;
 - h. SBBI Valas is settled as much as the nominal value upon maturing; and
 - i. Bank Indonesia may settle SBBI Valas before maturing (early redemption), which is executed by approval of owner of SBBI Valas.

III. PROCEDURES FOR THE AUCTION OF SBBI VALAS

1. Provision and Requirement

- a. Bidder is bank matching the following requirements:
 - 1) not being subject to the sanction of suspension in the auction transaction of SBBI Valas;
 - 2) obliged to have access to auction system of SBBI Valas stipulated by Bank Indonesia;
 - 3) obliged to have foreign currency giro account at Bank Indonesia;
 - 4) obliged to have securities account at BI-SSSS; and
 - 5) obliged to provide sufficient funds at foreign currency giro account for the settlement of liabilities upon the settlement of transaction.
- b. Bidder may submit bid for SBBI Valas for itself and/or in the name of other party.
- c. Bidder may submit bid for SBBI Valas maximally amounting to USD100,000,000 (one hundred US Dollar) per bid.
- d. Bid may submit bid for SBBI Valas more than once upon the auction of SBBI Valas.
- e. The auction method of SBBI Valas is as follows:
 - 1) Fixed rate tender

The discount rate of the auction of SBBI Valas is stipulated by Bank Indonesia; or
 - 2) Variable rate tender

The discount rate of the auction of SBBI Valas is submitted by bidder.
- f. The bid for the purchase of SBBI Valas may be executed by Competitive Bidding and Non-competitive Bidding.
- g. Competitive Bidding and Non-competitive Bidding are executed in variable rate tender.
- h. The stipulation of discount rate for winner of Non-competitive Bidding may be done on the basis of the average weighted discount rate of the results of Competitive Bidding.
- i. Bank Indonesia announces plan for the auction of SBBI Valas in no later than one working day before the auction of SBBI Valas, through terminal Bloomberg, Commercial Bank Daily Report System, website of Bank Indonesia, and/or other communications instrument used by Bank Indonesia.
- j. The auction of SBBI Valas is executed through Bloomberg or other facilities stipulated by Bank Indonesia.
- k. In the case of bidder submitting bid for the auction of SBBI Valas in the interest of buyer of SBBI Valas other than interest of the bidder, bidder is obliged to observe the highest limit of the nominal bid (Broker Bidding Limit) already agreed by buyer of SBBI Valas and bidder.
- l. Buyer of SBBI Valas not having securities account is obliged to appoint Sub-Registry to settle the auction proceeds of SBBI Valas.

- m. Buyer of SBBI Valas not having foreign currency giro account or Sub-Registry as meant in letter l is obliged to appoint payer bank to settle the auction proceeds of SBBI Valas.
- n. Procedures for the appointment of payer bank refers to the provision of Bank Indonesia ruling the administration of securities through BISSSS.
- o. Bidder is obliged to submit bid for SBBI Valas with complete and true information on the basis of document of transaction instruction.

2. Auction of SBBI Valas

- a. Before executing the auction of SBBI Valas, Bank Indonesia sends a letter of request to bidder to submit at least 2 (two) names of personnel to be appointed to execute the auction transaction of SBBI Valas through terminal Bloomberg or other instrument stipulated by Bank Indonesia.
- b. Based on the letter of Bank Indonesia as meant in letter a, bidder submits names of the personnel appointed to execute the auction transaction of SBBI Valas through letter as meant in specimen in Attachment and the submission thereof may be preceded through facsimile.
- c. The letter and facsimile as meant in letter b is submitted to Bank Indonesia with the address as follows:

Bank Indonesia

Foreign Exchange Management Department (DPD)

In this case Treasury System and Internal Management Division (PSAd)

Menara Sjafruddin Prawiranegara, Lantai 7

Jl. M.H Thamrin No.2

Jakarta 10350

No of Faksimile 021-3864934

Any change in the address of correspondence and communications is to be notified through letter and/or other media.

- d. In the case of any change or replacement in the personnel appointed to execute the auction transaction of SBBI Valas as meant in letter b, bidder submit date updating through letter to Bank Indonesia - DPD c.q. PSAd by using specimen in Attachment I.
- e. Bank Indonesia announces plan for the auction of SBBI Valas in no later than one working day before the auction of SBBI Valas through terminal Bloomberg to the appointed employees of the bidder, commercial bank daily report system, website of Bank Indonesia, and/or other communications instruments used by Bank Indonesia.

f. The announcement of the plan for the auction of SBBI Valas contains at least:

- 1) kind and series;
- 2) auction date of SBBI Valas;
- 3) the offered indicative target, in the case of the auction of SBBI Valas being executed by variable rate tender;
- 4) the discount rate of bid in the case of the auction of SBBI Valas being executed by fixed rate tender;
- 5) issuing date and maturity date;
- 6) currency;
- 7) window time;
- 8) announcement time of the auction proceeds of SBBI Valas;
- 9) settlement date;
- 10) allocation to Non-competitive Bidding in the case of the auction of SBBI Valas being executed by variable rate tender; and
- 11) list of name of bidders.

g. On the date when the auction of SBBI Valas is executed, bidders submit bid as follows:

1) Competitive Bidding, which contains:

- a) quantitative bid;
- b) discount rate; and
- c) participant code of BI-SSSS referring to the provision of Bank Indonesia ruling the administration of securities through BI-SSSS.

(1) In the case of bidder submitting bid for its name, the adopted participant code is participant code of the bidder.

(2) In the case of bidder bidding in the name of non-bidder bank, the adopted participant code is the participant code of the non-bidder bank.

(3) In the case of bidder bidding in the name of buyer of SBBI Valas not having securities account, the adopted participant code is participant code of SubRegistry.

2) Non-competitive Bidding, which contains:

- a) quantitative bid; and
- b) participant code of BI-SSSS referring to the provision of Bank Indonesia ruling the administration of securities through BI-SSSS.

(1) In the case of bidder submitting bid for its name, the adopted participant code is participant code of the bidder.

(2) In the case of bidder bidding in the name of non-bidder bank, the adopted participant code is the participant code of the non-bidder bank.

(3) In the case of bidder bidding in the name of buyer of SBBI Valas not having securities account, the adopted participant code is participant code of SubRegistry.

h. Bidder submits bid for the auction of SBBI Valas in the case of competitive bidding with the provision as follows:

- 1) the submitted quantitative bid from each bidder is minimally 100 (one hundred) units or USD100,000 (one hundred thousand US Dollar) and the next with the fraction USD1,000 (one thousand US Dollar); and
- 2) discount bid is submitted with the fraction 0.1 bps (zero point one basis point) atau 0,001% (one per mille).

i. In the case of bidder submitting bid for the auction of SBBI Valas in the case of Non competitive Bidding, the quantitative bid is submitted with the provision as meant in point h.1).

j. Bidder is responsible for the truth of data about the bid for the auction of SBBI Valas.

k. Bidder already submitting bid the auction of SBBI Valas may not cancel the bid.

l. Bidder may correct the bid for the auction of SBBI Valas during window time.

m. In the case of failure in the auction system of SBBI Valas stipulated by Bank Indonesia on the auction date of SBBI Valas, Bank Indonesia may stipulate that the auction of SBBI Valas is delayed or aborted.

n. In the case of the maturity date of SBBI Valas being stipulated as holiday, the transaction is settled on the ensuing working day without including additional discount for the holiday.

3. Stipulation of Winner of the Auction of SBBI Valas

a. In the case of the auction of SBBI Valas being executed by fixed rate tender, the won SBBI Valas is stipulated by methods:

- 1) The nominal value bid submitted by bidder is won totally.
- 2) If necessary, the nominal value bid submitted by bidder may be won partly by proportional calculation with the smallest nominal rounding of SBBI Valas USD1,000 (one thousand US Dollar).

b. In the case of the auction of SBBI Valas being executed by variable rate tender, the won SBBI Valas is stipulated by methods:

- 1) Bank Indonesia stipulates the acceptable highest discount rate or Stop Out Rate (SOR);
- 2) Bank Indonesia stipulates the nominal value of SBBI Valas which is won by methods:
 - a) in the case of the discount rate submitted by bidder of SBBI Valas being lower than the stipulated SOR, the bidder wins the whole submitted bid for SBBI Valas; and
 - b) in the case of the discount rate submitted by bidder being the same as the stipulated SOR, the bidder wins the submitted bid for SBBI Valas wholly or partly as much as the result of the proportional calculation with the smallest nominal rounding of SBBI Valas as much as USD1.000 (one thousand US Dollar).

Example of stipulation of the quantitative calculation of the winner of auction of SBBI Valas on the basis of fixed rate tender and variable rate tender is as contained in Attachment III.

- c. Bank Indonesia may stipulate that none wins the auction of SBBI Valas.

4. Announcement of Auction Proceeds

Bank Indonesia announces the auction proceeds of SBBI Valas after the window time is closed with the provision as follows:

- a. To all bidders
 - 1) The announcement of auction proceeds of SBBI Valas through Commercial Bank Daily Report System, website of Bank Indonesia, and/or other communications instruments used by Bank Indonesia to all bidders the end of the auction date of SBBI Valas.
 - 2) The announcement as meant in point 1) contains at least:
 - a) kind and series;
 - b) currency;
 - c) total quantity of the auction of SBBI;
 - d) average weighted discount rate; and
 - e) maturity date
- b. To the respective winner of auction of SBBI Valas
 - 1) The announcement of auction proceeds of SBBI Valas through Bloomberg and/or other instrument stipulated by Bank Indonesia in the each personnel appointed by the won bidder in the auction of SBBI Valas.
 - 2) The announcement as meant in point 1) contains at least:
 - a) winner of the auction of SBBI Valas;
 - b) the won nominal value; and

c) discount rate.

5. Failure in Bidder

a. In the case of the failure in terminal and/or Bloomberg network or other instrument stipulated by Bank Indonesia, which is owned by bidder thus making bidder unable to submit bid for the auction of SBBI Valas, the bidder may use back-up facility of terminal terminal Bloomberg or other instrument stipulated by Bank Indonesia available at Bank Indonesia with the provision as follows:

- 1) Bidder submits application for the use of back-up facility of terminal Bloomberg or other instrument stipulated by Bank Indonesia along with information/data about bid for the auction of SBBI Valas, which is to be submitted through back-up facility of terminal Bloomberg or other instrument stipulated by Bank Indonesia.
- 2) The application accompanied by information/data about the bid for the auction of SBBI Valas as meant in point 1) is submitted through letter by using specimen as contained in Attachment I and may be submit first through facsimile in no later than 30 (thirty) minutes before the use of the back-up facility of terminal Bloomberg or other instrument stipulated by Bank Indonesia.
- 3) The application as meant in point 2) is submitted to Bank Indonesia - DPD c.q. PSAd with the address as meant in point 2.c.
- 4) The back-up facility of terminal Bloomberg or other instrument stipulated by Bank Indonesia, which is to be used by bidder submitting application for the use of back-up facility of terminal Bloomberg or other instrument stipulated by Bank Indonesia is located in:
Room Guest Bank
Bank Indonesia – DPD c.q. PSAd with the address as contained in point 2.c.
- 5) The bid for the auction of SBBI Valas submitted by bidder through the back-up facility of terminal Bloomberg or other instrument stipulated by Bank Indonesia must match the information/data about the bid for the auction of SBBI Valas as meant in point 1).
- 6) Shortly after the submission of bid is completed, bidder submits data about the bid for the auction of SBBI Valas, which have been submitted through back-up facility of terminal Bloomberg or other instrument stipulated by Bank Indonesia to Bank Indonesia, to be matched with information/data about the bid for the auction of SBBI Valas as meant in point 1).
- 7) Bidder already submitting bid for the auction of SBBI Valas through back-up facility of terminal Bloomberg or other instrument stipulated by Bank Indonesia may not change data about the submitted bid.

8) Officer appointed by bidder to submit bid for the auction of SBBI Valas through backup facility of terminal Bloomberg or other instruments stipulated by Bank Indonesia is responsible for the truth and conformance of data about the submitted bid for the auction of SBBI Valas.

9) Bank Indonesia may submit deadline of the use of back-up facility of terminal Bloomberg or other instrument stipulated by Bank Indonesia, if the number of bidder submitting application exceeds the available terminals.

b. Bidder is responsible for the whole losses arising from the execution of transaction through backup facility of terminal Bloomberg or other instrument stipulated by Bank Indonesia as meant in letter a.

IV. PROCEDURES FOR ADMINISTERING SBBI VALAS

1. Provision and Requirement

a. SBBI Valas is administered by Bank Indonesia by using BI-SSSS.

b. Bank Indonesia settles the auction proceeds of SBBI Valas on the maiden market and the transaction proceeds of SBBI Valas on the secondary market.

c. The settlement of the transaction of SBBI Valas as meant in letter b is done by debitting or crediting:

1) Foreign currency giro account in US Dollar; and/or

2) Securities account.

d. The sufficiency of funds in foreign currency giro account for the settlement calculates:

1) effective balance of foreign currency giro account as of the end of the day in one working day before the settlement date of SBBI Valas; and

2) settlement proceeds of the transaction of securities in foreign currency through BI-SSSS on the settlement date.

e. In the case of the provision of funds in foreign currency giro account as meant in point d.1), being executed through giro account of Bank Indonesia at correspondent bank in New York, the remittance of funds in foreign currency must have been effective at giro account at correspondent bank of Bank Indonesia at Federal Reserve Bank of New York, in no later than one working day before the settlement date of SBBI Valas.

f. The administration of SBBI Valas is executed by referring to the provision of Bank Indonesia ruling the administration of securities through BI-SSSS.

2. The settlement of auction proceeds of SBBI Valas

- a. Bidder is obliged to provide sufficient funds at foreign currency giro account for the settlement of liabilities upon the settlement of transaction.
 - b. The funds as meant in letter a includes the funds yet to be provided by non-bidder bank and payer bank.
 - c. The auction proceeds of SBBI Valas are settled in no later than 3 (three) working days after the auction of SBBI Valas.
 - d. On the settlement date of auction proceeds of SBBI Valas, the following matters are executed:
 - 1) Settlement of Funds

The settlement of funds is executed by debiting:

 - a) Foreign currency giro account of bidder, in the case of the buyer of SBBI Valas being bidder;
 - b) Foreign currency giro account of non-bidder, in the case of the buyer of SBBI Valas being non-bidder; or
 - c) foreign currency giro account of payer bank, in the case of the buyer of SBBI Valas not having foreign currency giro account, as much as the settlement value of funds.
 - 2) Settlement of securities is executed by crediting:
 - a) securities account of bidder, in the case of the buyer of SBBI Valas being bidder;
 - b) securities account of of non-bidder, in the case of the buyer of SBBI Valas being non-bidder; or
 - c) securities account of sub-registry, in the case of the buyer of SBBI Valas not having securities account, as much as the nominal value of the won SBBI Valas.
 - e. In the case of balance of foreign currency giro account of bidder, non-bidder bank or payer being not sufficient to settle the auction proceeds of SBBI Valas, the settlement of auction proceeds of Lelang SBBI Valas is declared failed in accordance with the provision of Bank Indonesia ruling the administration of securities through BI-SSSS.
- 3. The settlement of transaction of SBBI Valas on the secondary market and procedures for the settlement of transaction of SBBI Valas on the secondary market are executed in accordance with the provision of Bank Indonesia ruling the administration of securities through BI-SSSS.
 - 4. Settlement of Principal of SBBI Valas
 - a. Bank Indonesia settles the principal of SBBI Valas on the maturity date of SBBI Valas or before the maturity date of the settlement of SBBI Valas.
 - b. The settlement of the principal of SBBI Valas as meant in letter a is based on the recording position

of the ownership of SBBI Valas in BI-SSSS in 3 (three) working days before the maturity date of the settlement of the principal of SBBI Valas.

c. Bank Indonesia settles the principal of SBBI Valas as meant in letter a as follows:

1) Settlement of Funds

The settlement of funds is executed by crediting as much as the value of the principal of SBBI Valas at:

- a) foreign currency giro account of bank, in the case of the ownership of SBBI Valas being in the name of the said bank; and/or
- b) foreign currency giro account of the payer bank appointed by Sub-Registry, in the case of the ownership of SBBI Valas being in the name of customer.

2) Settlement of Securities

The settlement of securities is executed by debitting as much as the nominal value of the settled SBBI Valas at:

- a) securities account of bank, in the case of the ownership of SBBI Valas being in the name of the said bank; and/or
- b) securities account of sub-registry, in the case of the ownership of SBBI Valas in the name of customer.

V. PROCEDURES FOR IMPOSING SANCTION

1. The transaction of the failed auction proceeds as meant in point IV.2.e is declared null and bidder is subject to sanction.
2. The sanction against the bidder having transaction declared null as meant in point 1 in the form of:
 - a. writting warning; and
 - b. fine counted on the basis of:
 - 1) the interest rate of Fed Fund effective on the settlement date of transaction plus 200 (two hundred) basis point multiplied by the nominal value of transaction, multiplied by 1/360 (one per three hundred sixty) for the settlement of payment liabilities in the US Dollar, minimally equivalent to Rp10,000,000 (ten million rupiah) and maximally equivalent to Rp100,000,000 (one hundred million rupiah);or
 - 2) the interest rate issue by central bank or monetary authorities in country of the said foreign currency (official rate), which is effective on the settlement date of transaction plus 200 (two hun-

dred) basis points multiplied by the nominal value of transaction, multiplied by 1/360 (one per three hundred sixty) for the settlement of payment liabilities in the US Dollar, minimally equivalent to Rp10,000,000 (ten million rupiah) and maximally equivalent to Rp100,000,000 (one hundred million rupiah).

Example of the calculation of the imposition of fine is as contained in Attachment IV.

3. In the case of bidder being subject to the cancellation of transaction 3 (three) times consecutively, besides the sanction as meant in point 2, bidder is also subject to sanction in the form of the suspension of participation in the auction of SBBI Valas for the next 2 (two) auctions of SBBI Valas.
4. The cancellation of transaction 3 (three) times consecutively as meant in point 3 is done in 3 (three) different period of auction of SBBI Valas.
5. The written warning as meant in point 2.a is submitted in no later than 2 (two) working days after the transaction is declared null.
6. The fine as meant in point 2.b is settled with the provision as follows:
 - a. Bank Indonesia debits foreign currency giro account of bidder at Bank Indonesia in no later than 2 (two) working days after the trans-

action is declared null.

- b. The settlement of fine in non-US Dollar foreign currency as meant in point 2.b.2) uses Reuters indicative rate at 08.00 WIB on the date when the sanction is imposed.

VI. MISCELLANEOUS PROVISION

Attachments I, II, III and IV constitute a totality and part inseparable from this circular.

VII. CONCLUSION

The circular starts to apply on December 7, 2015. For public cognizance, the circular is announced by placing it in State Gazette of the Republic of Indonesia.

This is for your attention.

BANK INDONESIA,

sgd,

BUDIANTO

THE HEAD OF THE FOREIGN CURRENCY
MANAGEMENT DEPARTMENT

Editor's note:

Due to technical reason, the attachments are not published.

(R)