

GLOBAL MASTER REPURCHASE AGREEMENT INDONESIA

**(Circular of the Executive Chief of Capital Market Supervisor
of the Financial Service Authority No. 33/SEOJK.04/2015
dated November 23, 2015)**

To .

Boards of Directors or Executive Boards of Financial Service Institutions

To implement provisions in Article 5 paragraph (5) of Regulation of the Financial Service Authority No. 9/POJK.04/2015 concerning Guide to Repurchase Agreement Transactions for Financial Service Institutions (Statute Book of the Republic of Indonesia of 2015 No. 151, Supplement to Statute Book of the Republic of Indonesia No. 5711), it is necessary to control Global Master Repurchase Agreement Indonesia in a Circular of the Financial Service Authority, as follows:

I. GENERAL PROVISIONS

Referred to in this Circular of the Financial Service Authority as:

1. Financial service institutions are institutions engaged in the banking sector, capital market, insurance, pension fund, financing institution and other financial service institutions as referred to Law No. 21/2011 concerning Financial Service Authority.
2. Other financial service institutions are pawnshop, deposit insurance institution, Indonesia export financing institutions, home secondary financing company, and institution engaged in the management of compulsory public fund, covering social insurance, pension, and welfare, as referred to in the law and regulation concerning pawnshop, deposit insurance institution, Indonesia export financing institutions, home secondary financing company, and institution engaged in the management of compulsory public fund, covering social insurance under the surveillance of the Financial Service Authority based on the law and regulation
3. Repurchase Agreement transaction, hereinafter called Repo transaction, is a stock sale purchase contract with purchase or resale promise on the specified date and at the specified price.
4. International Capital Market Association, hereinafter called ICMA, previously called The Bond Market

Association (TBMA)/International Securities Market Association (ISMA), is an international association drafting and issuing Global Master Repurchase Agreement, hereinafter abbreviated into GMRA.

II. APPLICATION OF GLOBAL MASTER REPURCHASE AGREEMENT INDONESIA TO REPO TRANSACTIONS

1. Global Master Repurchase Agreement Indonesia, hereinafter abbreviated into GMRA Indonesia, is as contained in Attachment which is an integral part of this circular of the Financial Service Authority.
2. GMRA Indonesia as referred to in point 1 is a standard of written agreement for repo transactions made based on GMRA of the 2000 version along with attachments issued by ICMA and has been adjusted to conditions in Indonesia covering special characteristics of repo market, valid law, and market need.
3. Financial service institution engaged in Repo transaction shall apply GMRA Indonesia in a written agreement for Repo transaction as provided for in Article 5 paragraph (1) of Regulation of the Financial Service Authority No. 9/POJK.04/2015 concerning Guide to Repurchase Agreement Transaction for Financial Service Institutions.
4. GMRA Indonesia as referred to in point 1 consist of i:
 - a. GMRA;
 - b. Indonesia Annex;
 - c. Annex I Supplemental Terms & Condition;
 - d. Annex II Confirmation;
 - e. Buy/Sell Back Annex;
 - f. Equity Annex; and
 - g. Agency Annex.
5. Any written agreement on Repo transaction shall apply GMRA Indonesia as referred to in point 4 consisting of :
 - a. GMRA), Indonesia Annex), Annex I Supplemental Terms & Condition, and Annex II Confirmation; and
 - b. Buy/Sell Back Annex, if the financial service institutions make buy/sell back transactions, Equity Annex, if the stocks put to transactions are equity stocks, and/or Agency Annex, if the financial service institutions as act as agency.
6. The application of GMRA Indonesia to a written agreement on repo transactions as referred to in point 3 is done :

- a. without changing GMRA; and
- b. a change can be made to GMRA annexes, namely:
 - 1) Indonesia Annex;
 - 2) Annex I Supplemental Terms & Condition;
 - 3) Annex II Confirmation;
 - 4) Buy/Sell Back Annex;
 - 5) Equity Annex; and/or
 - 6) Agency Annex, according to the need or agreement among parties without violating Regulation of the Financial Service Authority No. 9/POJK.04/2015 concerning Guide to Repurchase Agreement Transactions for Financial Service Institutions.

III. CONCLUSION

This Circular of the Financial Service Authority begins to take effect on January 1, 2016.

Stipulated in Jakarta

On November 23, 2015

THE EXECUTIVE CHIEF OF CAPITAL MARKET SUPERVISOR,

sgd

NURHAIDA

Editor's note :

- Annexes are not carried for technical reason.

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