

To:

1. Investment Managers;
  2. Investment Fund Selling Agents;
  3. Custodian Banks;
  4. Association of Indonesian Mutual Fund Managers;
  5. Association of Indonesian Custodian Banks;
- in place.

FINANCIAL SERVICES AUTHORITY CIRCULAR LETTER  
NUMBER 1/SEOJK.04/2015  
CONCERNING  
SETTLEMENT PROCEDURE OF INVESTMENT FUND NET ASSET VALUE  
CALCULATION ERROR

Calculation of Investment Fund Net Asset Value as referred to in Rule Number IV.A.3, Attachment of Decision of the Chairman of Capital Market Supervisory Agency Number KEP-13/ PM/2002 dated 14 August 2002 concerning Guidelines for the Management of Investment Fund in Corporate Form, Rule Number IV.B.1, Attachment of Decision of the Chairman of the Capital Market and Financial Institution Supervisory Agency Number KEP-552/BL/2010 dated 30 December 2010 concerning Guidelines for the Management of Investment Fund in the Form of Collective Investment Contract, and Rule Number IV.C.2, Attachment Decision of the Chairman of the Capital Market and Financial Institution Supervisory Agency Number KEP-367/BL/2012 dated 9 July 2012 concerning Fair Market Value of Securities in the Investment Fund Portfolio, in the implementation, calculation error may occur resulting that Investment Fund Net Asset Value per share or Participation Unit as a basis for subscription or redemption does not match the actual Net Asset Value per share or Participation Unit.

In this regard, it is deemed necessary to regulate provisions regarding the settlement procedure of Investment Fund Net Asset Value per share or Participation Unit calculation error in the Financial Services Authority (FSA) Circular Letter as follows:

I. GENERAL PROVISION

In this Financial Services Authority Circular Letter, what is meant by:

1. Investment Manager is a Person other than insurance company, pension fund, and bank with respect to its own lawful activities, whose business

is managing Securities Portfolio for clients or managing collective investment Portfolio for a group of clients.

2. Custodian Bank is a commercial bank that has approval from the FSA as Custodian Bank.
3. Participation Unit is a unit of measure that shows a Person's ownership interest in a collective investment Portfolio.
4. Net Asset Value is the fair market value of the Ssecurities and other assets of the Investment Fund deducted by all of its liabilities.

## II. INVESTMENT FUND NET ASSET VALUE CALCULATION ERROR

1. Investment Manager and Custodian Bank are obliged to have policies and standard operating procedures to detect, prevent, and correct the Investment Fund Net Asset Value calculation error.
2. When Investment Manager becomes aware of an error in the calculation of an Investment Fund Net Asset Value, the Investment Manager is obliged to promptly notify the Custodian Bank with a copy to the FSA no later than 24.00 Western Indonesian Time on the day of the calculation error is known.
3. When Custodian Bank becomes aware of an error in the calculation of an Investment Fund Net Asset Value, the Custodian Bank is obliged to submit the Investment Fund Net Asset Value calculation error report to the FSA with a copy to Investment Manager no later than 24.00 Western Indonesian Time on the next working day after the Custodian Bank becomes aware of any calculation error in the Investment Fund Net Asset Value.
4. The Investment Fund Net Asset Value calculation error report as referred to in number 3 must be presented according to the Format of Investment Fund Net Asset Value Calculation Error Report as enclosed in the Appendix as an integrated part of this FSA Circular Letter.
5. The copy of the Investment Fund Net Asset Value calculation error notification as referred to in number 2, and the Investment Fund Net Asset Value calculation error report as referred to in number 3, must be submitted to FSA via e-mail to [pelaporanrd@ojk.go.id](mailto:pelaporanrd@ojk.go.id).

## III. REVISION OF INVESTMENT FUND NET ASSET VALUE PER SHARE OR PARTICIPATION UNIT CALCULATION

1. Custodian Bank which becomes aware of an error in the calculation of Investment Fund Net Asset Value per share or Participation Unit is obliged to:

- a. revise the calculation of the Investment Fund Net Asset Value per share or Participation Unit; and
  - b. submit the revised calculation of the Investment Fund Net Asset Value per share or Participation Unit in the Investment Fund report according to format and procedures stipulated in the attachment of Rule Number X.D.1, The Attachment of Decision of Chairman of Capital Market Supervisory Agency Number: Kep-06/PM/2004 dated 9 February 2004 concerning Investment Fund Report; no later than 24.00 Western Indonesian Time on the next working day since calculation error is known, with a copy to the Investment Manager.
2. In the event of Investment Fund daily Net Asset Value calculation error as referred to in number 1 has occurred for more than 1 (one) day, the Custodian Bank is obliged to:
- a. calculate the accumulated revisions of the daily Net Asset Value calculation which comprise of the accumulated difference between the erroneous Investment Fund Net Asset Value per share or Participation Unit and the revised Investment Fund Net Asset Value per share or Participation Unit.
  - b. submit the accumulated revision report of the daily Net Asset Value calculation to FSA, with a copy to the Investment Manager in accordance with the Format of Investment Fund Net Asset Value Calculation Error Report as enclosed in the Appendix as an integrated part of this FSA Circular Letter no later than 24:00 Western Indonesian Time on the next working day since the calculation error is known.

#### IV. CALCULATION AND PAYMENT SETTLEMENT OF COMPENSATION

1. In the event that an Investment Fund Net Asset Value per share or Participation Unit calculation error is known, the Custodian Bank is obliged to calculate the amount of compensation entitled per share or Participation Unit.
2. The Custodian bank is obliged to notify all shareholders or Participation Unit holders who conducted transactions on the day of the occurrence of Net Asset Value per share or Participation Unit calculation error and experienced any losses of the calculation error and the amount of compensation they are entitled to.
3. In the event that an Investment Fund and/or its shareholders or Participation Unit holders experience losses due to Net Asset Value

calculation error, compensations shall be paid out to all Persons suffering losses.

4. The compensations as referred to in number 3 is funded by and becomes the responsibility of the Person who caused the Net Asset Value per share or Participation Unit calculation error, and shall be paid through the Custodian Bank no later than 7 (seven) exchange days since the Investment Fund Net Asset Value per share or Participation Unit calculation error is known.
5. The Investment Manager and/or Custodian Bank is prohibited from imposing the Investment Fund and its shareholders or Participation Unit holders for all expenses related to compensation payment resulted from the calculation error of the Investment Fund Net Asset Value per share or Participation Unit.
6. The Custodian Bank is obliged to submit the compensation calculation and payment settlement report resulted from the Investment Fund Net Asset Value per share or Participation Unit calculation error to FSA with a copy to the Investment Manager no later than 2 (two) exchange days since the compensation payments to the Investment Fund and its shareholders or Participation Unit holders.
7. The compensation calculation and payment settlement report shall be presented in accordance with the Format of Compensation Calculation and Payment Settlement Report as enclosed in the Appendix as an integrated part of this FSA Circular Letter.
8. The compensation calculation and payment settlement report shall be submitted to FSA via e-mail to [pelaporanrd@ojk.go.id](mailto:pelaporanrd@ojk.go.id)

#### V. CLOSING

The provisions in this FSA Circular Letter become effective since the date of its enactment.

In order to have everyone is aware of this FSA Circular Letter, it will be announced in State Gazette of the Republic of Indonesia.

Enacted in Jakarta

dated 30 September 2015

CHIEF EXECUTIVE OF CAPITAL  
MARKET SUPERVISOR

Signed

NURHAIDA