



FINANCIAL SERVICES AUTHORITY
REPUBLIC OF INDONESIA

FINANCIAL SERVICES AUTHORITY REGULATION
NUMBER 39/POJK.04/2014

CONCERNING
MUTUAL FUNDS SELLING AGENT

BY THE GRACE OF GOD ALMIGHTY
THE BOARD OF COMMISSIONERS OF FINANCIAL SERVICES AUTHORITY

- Considering:
- a. that in order to develop Mutual Funds industry, the increase of Mutual Funds selling distribution channel, improvement of domestic investor base and capacity building for Mutual Funds Selling Agent;
 - b. that the increase of Mutual Funds selling distribution channel, improvement of domestic investor base and capacity building for Mutual Funds Selling Agent as referred to in letter a, must be supported by the capacity and readiness of sales resources to ensure compliance and legal certainty also to protect the interest of investor from adverse practice;
 - c. that according to the consideration as referred to in letter a and letter b, there is a need to stipulate a Financial Services Authority Regulation concerning Mutual Funds Selling Agent.

- In view of :
1. Law Number 8 of 1995 concerning Capital Markets (State Gazette of the Republic of Indonesia of 1995 Number 64, Supplement to the State Gazette of the Republic of Indonesia number 3608);
 2. Law Number 21 of 2011 concerning Financial Services Authority (State Gazette of the Republic of Indonesia of 2011 Number 111, Supplement to the State Gazette of the Republic of Indonesia 5253);

HAS DECIDED:

To enact: FINANCIAL SERVICES AUTHORITY REGULATION CONCERNING
MUTUAL FUNDS SELLING AGENT.

CHAPTER I GENERAL PROVISIONS

Article 1

In this Financial Services Authority Regulation the following terminology applies:

1. Mutual Funds Selling Agent is the Party that sells Mutual Funds based on partnership contract with Investment Manager as Mutual Funds manager.
2. An Investment Manager is a Person other than an insurance company, pension fund or bank with respect to its own lawful activities, that, as a business, manages Securities Portfolios or collective investment Portfolios for clients or groups of clients.
3. A Company means limited company as referred to in the Law concerning limited company.

CHAPTER II
REQUIREMENT FOR MUTUAL FUNDS SELLING AGENT

Article 2

That the Mutual Funds Selling Agent can be conducted by:

- a. A Company granted a business license from Financial Services Authority as Securities Company that conduct its business as Securities Underwriter and/or Securities Brokerage;
 - b. Commercial Bank, the company who conduct its business in post and gyro, pawnshop, insurance company, finance company, pension funds and Underwriter company as long as it does not contradict with the prevailing regulation and granted Registration Certificate by the Financial Services Authority as Mutual Funds Selling Agent according to the provision in the regulation; and
 - c. Securities Company which conduct its business as Securities Brokerage specifically established to market Mutual Funds, that already obtained business license from the Financial Services Authority,
- based on partnership contract with Investment Manager that manages Mutual Funds.

Article 3

The Mutual Funds Selling Agent as referred to in Article 2 must:

- a. Obtain sales in each office and/or any outlets that sell Mutual Funds;
- b. Obtain officials who are responsible for Mutual Funds selling;
- c. Obtain and conduct separate function with at least:
 1. Sales function and investor complaint handling;

2. Compliance function and risk management;
- d. Ensure the implementation of compliance functions as referred to in letter c are based on the written standard operating procedure; and
- e. Obtain adequate facility and infrastructure to support the implementation of selling and redemption of the Mutual Funds.

Article 4

The sales of the Mutual Funds Selling Agent as refer to in Article 3 letter a must:

- a. Obtain a license as Securities Company Representative and/or the Mutual Funds Selling Agent Representative; and
- b. have specific assignment in written from the Mutual Funds Selling Agent to act as sales.

Article 5

- (1) Securities Company that conduct its business as the Securities Brokerage specifically established to market Mutual Funds as referred to in Article 2 letter c must:
 - a. Have paid-in capital at least IDR 500,000,000 (five hundred million); and
 - b. Have at least 1 (one) Board of Directors' member that possess the license as Securities Company Representative or Mutual Funds Selling Agent Representative.
- (2) Securities Company that conduct its business as the Securities Brokerage specifically established to market Mutual Funds as referred to in Article 2 letter c is exempted from fulfilling the Securities Company's obligation which conduct its business as Securities Brokerage as stipulated in the law concerning Securities

Company that conduct its business as Securities Brokerage.

Article 6

- (1) A company which granted business license from the Financial Services Authority as Securities Company that conduct its business as Securities Underwriter and/or Securities Brokerage and conduct its business as the Mutual Funds Selling Agent must have adequate internal control system.
- (2) Commercial Bank that act as the Mutual Funds Selling Agent and Custodian Bank for the same Mutual Funds must have adequate internal control system.

Article 7

- (1) Adequate internal control system for a Company that granted business license from Financial Services Authority as Securities Company that conduct activities as Securities Underwriter and/or Securities Brokerage and conduct activities as Mutual Funds Selling Agent as referred to in Article 6 clause (1) must be stated in written which at least contain;
 - a. The separation of Securities Underwriter and/or Securities Brokerage function with Mutual Funds Selling Agent function;
 - b. The granting of authority and responsibilities which can avoid conflict of interest;
 - c. The implementation of regular and continuous evaluation upon activities as Mutual Funds Selling Agent;
 - d. Standard operating procedure for Mutual Funds Selling Agent activities implementation;
 - e. Effort and action conducted to repair irregularities.

- (2) Adequate internal control system for commercial bank that act as Mutual Funds Selling Agent and Custodian Bank for the same Mutual funds as referred to in Article 6 clause (2) must be stated in written which contain at least:
- a. The separation of implementation function of the commercial bank activities as Mutual Funds Selling Agent and Custodian Bank, such as:
 1. The separation of commercial bank officials and staff who conduct function as Mutual Funds Selling Agent with those who conduct Custodian Bank function;
 2. Granted the authority and responsibilities to avoid conflict of interest;
 - b. The implementation of regular and continuous evaluation for activities as Mutual Funds Selling Agent and Custodian Bank; and
 - c. Effort and action conducted to repair any irregularities.

CHAPTER III

NOTIFICATION, REGISTRATION AND LICENSING

Part One

Notification to Conduct Activities as Mutual Funds Selling Agent

Article 8

A company that granted business license from Financial Services Authority as Securities Company that conduct is activities as Securities Underwriter and/or Securities Brokerage as referred to in Article 2 letter a that intended to conduct activities as Mutual Funds Selling Agent must first

notify Financial Services Authority at least 15 (fifteen) working days before conducting activities as Mutual Funds Selling Agent by attaching these documents;

- a. Data of the Head Office, data of other office besides the Head Office and/or outlet that will sell Mutual Funds also the office address and person in charge and the list of Securities Company Representative and/or Mutual Funds Selling Agent Representative according to the format of Head Office Data, the List of Other Office Besides Head Office and/or Outlet That Will Sell Mutual Funds and Person In Charge, also the List of Securities Company Representative and/or Mutual Funds Selling Agent Representative as included in Annex and integral to this Financial Services Authority Regulation;
- b. Documents of the officer in charge of Mutual Funds Selling Agent which include:
 1. Latest and signed Curriculum Vitae;
 2. Copy of valid Identity Card or Passport;
 3. Copy of Work Permit for foreign citizen;
 4. Copy of license as Securities Company Representative and/or Mutual Funds Selling Agent Representative;
 5. Copy of certificate for further professional education (if any);
 6. Supporting document that show experience in the activities for selling Mutual Funds for at least 3 (three) years; and
 7. 1 (one) piece of 4x6 cm size photograph using red background;
- c. Organization structure diagram that show line of responsibilities from each function to the person in charge or Board of Directors' members in charge of the

implementation of the selling of Mutual Funds with their jobs description;

- d. Standard operating procedure for the implementation of Mutual Funds Selling Agent activities;
- e. Projection of the operation plan for Mutual Funds Selling Agent activities at least 1 (one) year ahead which at least include information as follow:
 1. Mutual Funds products to be offered;
 2. Investor target according to the products to be offered;
 3. Selling target;
 4. Selling methodology for the Mutual Funds product to prospective investor;
- f. Compliance strategy of the Mutual Funds Selling Agent towards the prevailing law in the Capital Market according to the Mutual Funds Selling Agent Compliance Strategy as stated in Annex which is integral to this Financial Services Authority Regulation; and
- g. Risk management strategy of the Mutual Funds Selling Agent according to the Mutual Funds Selling Agent Risk Management Strategy format as stated in Annex which is integral to this Financial Services Authority Regulation.

Part Two

Mutual Funds Selling Agent Registration

Article 9

The request for registration as Mutual Funds Selling Agent as referred to in Article 2 letter b is submitted to Financial Services Authority according to the letter format of the request for registration as Mutual Funds Selling Agent as stated in Annex which is integral to this Financial Services Authority Regulation which supported with the following documents:

- a. A copy of the deed of establishment certified by the minister with duties and responsibilities in the legal and human rights sector, also with the modification in the latest article of association as referred to in the Law concerning limited company;
- b. A copy of the Tax Principle Number Agency;
- c. A copy of business license from authorized institution;
- d. Data of the Head Office, data of other office besides the Head Office and/or outlet that will sell Mutual Funds also the office address and person in charge and the list of Securities Company Representative and/or Mutual Funds Selling Agent Representative according to the format of Head Office Data, the List of Other Office Besides Head Office and/or Outlet That Will Sell Mutual Funds and Person In Charge also the list of Securities Company Representative and/or Mutual Funds Selling Agent Representative as included in Annex which is integral to this Financial Services Authority Regulation.
- e. Documents of the officer in charge of Mutual Funds Selling Agent which include:
 1. Latest Curriculum Vitae with signature;
 2. A copy of valid Identity Card or Passport;
 3. A copy of Work Permit for foreigners;
 4. A copy of license as Securities Company Representative and/or Mutual Funds Selling Agent Representative;
 5. A copy of advance professional education certificate (if any);
 6. Supporting document that show experience in the activities for selling Mutual Funds for at least 3 (three) years; and
 7. 1 (one) piece of 4x6 cm size colored photograph using red background;

- f. Organization structure diagram that show line of responsibilities from each function to the person in charge or Board of Directors' members in charge of the implementation of the selling of Mutual Funds with their jobs description;
- g. Standard operating procedure for the implementation of Mutual Funds Selling Agent activities;
- h. Projection of the operation plan for Mutual Funds Selling Agent activities at least 1 (one) year ahead which at least include information as follow:
 - 1. Mutual Funds products to be offered;
 - 2. Investor target according to the products to be offered;
 - 3. Selling target;
 - 4. Selling methodology for the Mutual Funds product to prospective investor;
- i. Compliance strategy of the Mutual Funds Selling Agent towards the prevailing law in the Capital Market according to the Mutual Funds Selling Agent Compliance Strategy as stated in Annex which is integral to this Financial Services Authority Regulation; and
- j. Risk management strategy of the Mutual Funds Selling Agent according to the Mutual Funds Selling Agent Risk Management Strategy format as stated in Annex which is integral to this Financial Services Authority Regulation; and
- k. A copy of prove of payment for the request for registration cost as the Mutual Funds Selling Agent.

Article 10

The request document as referred to in Article 9 must also be prepared in digital format and submitted to Financial Services Authority using digital media in the form of compact disc or

others, or by email with the address pendaftaranaperd@ojk.go.id.

Article 11

- (1) In order to process the request for registration as the Mutual Funds Selling Agent, the Financial Services Authority will evaluate the completeness of the request documents.
- (2) In order to evaluate the readiness of the applicant as Mutual Funds Selling Agent, the Financial Services Authority has the authority to:
 - a. Conduct investigation at the applicant's office; and
 - b. Ask the applicant to present the company's operational activity plan as Mutual Funds Selling Agent.

Article 12

In the case that the application for registration as Mutual Funds Selling Agent as referred to in Article 9 is deemed eligible, the Financial Services Authority will give the Registration Certificate as Mutual Funds Selling Agent to the applicant at the latest 45 (forty five) days since application is received.

Article 13

In the case that the application for registration as Mutual Funds Selling Agent as referred to in Article 9 is deemed ineligible, the Financial Services Authority will give notification to the applicant at the latest 45 (forty five) days since application is received to say:

- a. The request is not complete; or
- b. The request is rejected.

Article 14

- (1) Applicant must furnish the deficiency in the requirement as referred to in Article 13 letter a within 45 (forty five) days after the date of the notification letter.
- (2) Applicant who failed to furnish deficiency in the requirement within 45 (forty five) days after the date of the notification letter as referred to in clause (1), will be considered cancelling the application for registration as Mutual Funds Selling Agent.

Part Three

Licensing of Securities Company That Conduct Its Business as Securities
Brokerage Specifically Established to Promote Mutual Funds

Article 15

The application of business license for Securities Company that conduct its business activity as Securities Brokerage specifically established to promote Mutual Funds as referred to in Article 2 letter c is submitted to the Financial Services Authority according to the letter template for the Application for Business License of Securities Company That Conduct Its Business as Securities Brokerage Specifically Established to Promote Mutual Funds as included in Annex which is integral to this Financial Services Authority Regulation supplemented by the following documents:

- a. A copy of the deed of establishment of the Securities Company that conduct its business activity as Securities Brokerage specifically established to promote Mutual Funds which has been endorsed by the Minister with duties and responsibilities in the legal sector and human rights, also the latest article of association as referred to in the Law concerning limited company;
- b. A copy of the Tax Principle Number Agency;

- c. A copy of capital payment evidence;
- d. A copy of checking account;
- e. Financial statement evaluated by accountant listed in the Financial Services Authority;
- f. Domicile certificate from building management or authorized institution, copy of proof of ownership for own businesses or lease if not owning the businesses, office layout, pictures of Mutual Fund Selling Agent rooms including room designation;
- g. Recommendation letter from association related to Mutual Funds;
- h. A copy of the Working Permit, for Securities Company conducting its business as Securities Brokerage specifically established to promote Mutual Funds that employ foreign citizens;
- i. Data of the Head Office, data of other office besides the Head Office and/or outlet that will sell Mutual Funds also the office address and person in charge and the list of Securities Company Representative and/or Mutual Funds Selling Agent Representative according to the format of Head Office Data, the List of Other Office Besides Head Office and/or Outlet That Will Sell Mutual Funds and Person In Charge, also the list of Securities Company Representative and/or Mutual Funds Selling Agent Representative as included in Annex and integral to this Financial Services Authority Regulation;
- j. List of name and data of the members of directors and officer in charge of the Mutual Funds sales, including:
 - 1. Curriculum vitae with signed by the relevant person, among others specifying brief working experience which include: position title, reason for resignation, brief explanation upon the position's duties and responsibilities;

2. Copy of formal education certificate and/or skills certificate;
 3. Copy of license as Securities Company Representative and/or Mutual Funds Selling Agent Representative;
 4. Copy of certificate for further professional education (if any);
 5. Copy of valid Identity Card or Passport; and
 6. One piece of the latest 4x6 cm colored photograph with red background;
- k. Organization structure diagram that show line of responsibilities from each function to the person in charge or Board of Directors' members in charge of the implementation of the selling of Mutual Funds with their jobs description;
- l. Standard operating procedure for the implementation of Mutual Funds Selling Agent activities;
- m. Projection of the operation plan for Mutual Funds Selling Agent activities at least 1 (one) year ahead which at least include information as follow:
1. Mutual Funds products to be offered;
 2. Investor target according to the products to be offered;
 3. Selling target;
 4. Selling methodology for the Mutual Funds product to prospective investor;
- n. Compliance strategy of the Mutual Funds Selling Agent towards the prevailing law in the Capital Market according to the Mutual Funds Selling Agent Compliance Strategy as stated in Annex which is integral to this Financial Services Authority Regulation; and
- o. Risk management strategy of the Mutual Funds Selling Agent according to the Mutual Funds Selling Agent Risk

Management Strategy format as stated in Annex which is integral to this Financial Services Authority Regulation.

- p. Copy of payment evidence for the application of business license as Securities Company conducting its business as Securities Brokerage specifically established to promote Mutual Funds.

Article 16

Application document for business license as referred to in Article 15 must also be prepared in digital format and submitted to Financial Services Authority using digital media in the form of compact disc or others, or by email with the address perizinanaperd@ojk.go.id.

Article 17

- (1) In order to process the application for business license as Securities Company conducting its business as Securities Brokerage specifically established to promote Mutual Funds, the Financial Services Authority will evaluate the completeness of the application documents.
- (2) In order to evaluate the readiness of the applicant as Mutual Funds Selling Agent, the Financial Services Authority has the authority to:
 - a. Conduct investigation at the applicant's office; and
 - b. Ask the applicant to present the company's operational activity plan.

Article 18

In the case that the application for business license as Securities Company conducting its business as Securities Brokerage specifically established to promote Mutual Funds as referred to in Article 15 is deemed eligible, the Financial Services Authority will grant business license as Securities

Company conducting its business as Securities Brokerage specifically established to promote Mutual Funds to the applicant at the latest 45 (forty five) days since application is received.

Article 19

In the case that the application for business license as Securities Company conducting its business as Securities Brokerage specifically established to promote Mutual Funds as referred to in Article 15 is deemed ineligible, the Financial Services Authority will give notification to the applicant at the latest 45 (forty five) days since application is received to say:

- a. The request is not complete; or
- b. The request is rejected.

Article 20

- (1) Applicant must furnish the deficiency in the requirement as referred to in Article 19 letter a within 45 (forty five) days after the date of the notification letter.
- (2) Applicant who failed to furnish deficiency in the requirement within 45 (forty five) days after the date of the notification letter as referred to in clause (1), will be considered cancelling the application for business license as Securities Company conducting its business as Securities Brokerage specifically established to promote Mutual Funds.

CHAPTER IV

MUTUAL FUNDS SELLING CONTRACT

Article 21

The activity of Mutual Fund selling as referred to in Article 2 must be based on partnership contract between Mutual

Funds Selling Agent with Investment Manager as the manager of Mutual Funds.

Article 22

Partnership contract as referred to in Article 21 must at least contain the following information:

- a. Identity of each party involved in the contract;
- b. Rights and obligations of each party;
- c. Mutual Funds Selling Agents responsibility to provide information on the data of the Mutual Funds holders to Investment Manager that can only utilized for the purpose of the activities related to the relevant Mutual Funds;
- d. Commission received by the Mutual Funds Selling Agent and the cost that become the burden of Mutual Funds Selling Agent and/or Investment Manager;
- e. Procedure to include information and data on the identity of the Mutual Funds Selling Agent, Investment Manager and Mutual Funds Custodian Bank in the document related to the subscription request or redemption of the Mutual Funds by Mutual Funds holders;
- f. Procedure for payment and funds transfer in relation to subscription, redemption and switching of Mutual Funds;
- g. Period of agent contract;
- h. The appointment of judicial institution, alternative institution for dispute settlement in the Capital Market, or other alternative institution for other dispute settlement to resolve dispute and civil dispute between Parties; and
- i. Provision concerning the termination of contract.

CHAPTER V
OFFICER IN CHARGE

Article 23

- (1) The Mutual Funds Selling Agent must appoint at least:
 - a. 1 (one) officer in charge upon Mutual Funds sales activities at the head office; and
 - b. 1 (one) officer in charge upon Mutual Funds sales activities of at 1 (one) office or more beside the head-office and/or outlets.
- (2) The officer in charge of the selling of Mutual Funds as referred to in clause (1) must possess the license as Securities Company Representative and/or Mutual Funds Selling Agent Representative, also have experience in sales activities of Mutual Funds for at least 3 (three) years.
- (3) The officer in charge as referred to in clause (1) have duties and functions at least as follows:
 - a. Ensure Mutual Funds subscription and redemption process are implemented according to:
 1. Partnership contract for Mutual Funds sales developed between Mutual Funds Selling Agent and Investment Manager;
 2. Standard operating procedure of Mutual Funds Selling Agent;
 3. Partnership contract developed between Mutual Funds Selling Agent and other parties with vast networks for Mutual Funds outlets, if Mutual Funds Selling Agent is using outlets; and
 4. Prevailing regulations in the Capital Market; and

- b. Ensure documents to support Mutual Fund subscription and/or redemption as referred to in letter a are complete.

Article 24

Officer in charge of Mutual Funds Selling Agent are prohibited from concurrently serve as:

- a. Mutual Funds sales person; and/or
- b. Working for other entity.

CHAPTER V

OTHER OFFICE BESIDES HEAD OFFICE AND/OR SELLING OUTLETS OF MUTUAL FUNDS

Article 25

Mutual Funds Selling Agent may perform Mutual Funds selling in other office besides head office and/or selling outlets.

Part One

Other Office besides the Head Office

Article 26

- (1) Mutual Funds selling in other office besides the head office can be performed by the Mutual Funds Selling Agent after granted permission by the Financial Services Authority.
- (2) The request of approval for Mutual Funds subscription in other office besides the head office is submitted to the Financial Services Authority according to the template for Request of Approval for Mutual Fund Subscription In Other Office besides Head Office as included in Annex

which is integral to this Financial Services Authority Regulation, supplemented by documents such as:

- a. Documents related to officer in charge of other office besides the head-office which include:
 1. Curriculum vitae;
 2. Copy of a letter of decree of the Board of Directors regarding the appointment or placement as officer in charge of other office besides the head office;
 3. Supporting document to show experience Mutual Funds selling for at least 3 (three) years;
 4. Copy of license as Securities Company Representative and/or Mutual Funds Selling Agent Representative on behalf of the officer in charge; and
 5. Copy of further education profession certificate on behalf of person in charge (if any);
- b. Document related to Securities Company Representative and/or Mutual Funds Selling Agent Representative in other office besides head office to include:
 1. Copy of letter of decree of the Board of Directors regarding the appointment and placement of Securities Company Representative and/or Mutual Funds Selling Agent Representative in other office besides head office as sale force;
 2. Copy of license as Securities Company Representative and/or Mutual Funds Selling Agent Representative on behalf of the officer in charge; and
 3. Copy of further education profession certificate on behalf of person in charge (if any);

- c. Domicile certificate of other office besides the head office from building management or authorize institution; and
- d. List of other office besides the head office that will sell Mutual Funds together with the office addresses and person in charge, also the list of Securities Company Representative and/or Mutual Funds Selling Agent Representative, according to the template of Data on Head Office, List of Other Office besides the Head Office and /or Outlets Selling Mutual Funds and The Person In Charge, also the List of Securities Company Representative and/or Mutual Funds Selling Agent Representative as stated in Annex which is integral to this Financial Services Authority Regulation.

Article 27

The request of approval document for Mutual Funds selling in other office besides the head office as referred to in Article 26 must also be prepared in digital format and submitted to Financial Services Authority using digital media in the form of compact disc or others, or by email with the address kantorlainaperd@ojk.go.id.

Article 28

- (1) In order to process the request of approval for Mutual Funds selling in other office besides the head office of the Mutual Funds Selling Agent, the Financial Services Authority will conduct assessment upon the completeness of the application documents.
- (2) In order to assess the readiness of other office besides the head office of the Mutual Funds Selling Agent to perform Mutual Funds selling, the Financial Services

Authority has the authority to conduct investigation at the referred other office besides the head office of the Mutual Funds Selling Agent.

Article 29

In the case that the request of approval for Mutual Funds selling in other office besides the head office of the Mutual Funds Selling Agent as referred to in Article 26 is deemed eligible, the Financial Services Authority will grant approval on Mutual Funds selling in other office besides the head office at the latest 45 (forty five) days since application is received.

Article 30

In the case that the request of approval for Mutual Funds selling in other office besides the head office of the Mutual Funds Selling Agent as referred to in Article 26 is deemed ineligible, the Financial Services Authority will give notification to the applicant at the latest 45 (forty five) days since application is received to say:

- a. The request is not complete; or
- b. The request is rejected.

Article 31

Applicant who failed to furnish deficiency in the requirement within 45 (forty five) days after the date of the notification letter as referred to in Article 30 letter a, is considered cancelling the request of approval regarding the Mutual Funds selling in other office besides the head office of the Mutual Funds Selling Agent.

Article 32

The Financial Services Authority is authorized to command the Mutual Funds Selling Agent as referred to in Article 2 to

terminate the sale activities of Mutual Funds in other office besides the head office based on some issues among others:

- a. The other office besides the head office is not found;
- b. The other office besides the head office is found, but within 12 (twelve) consecutive months is not active in conducting Mutual Funds transaction;
- c. The office besides the head office do not have officer in charge and/or sales force who possess the license as Securities Company Representative or Mutual Funds Selling Agent Representative; and/or
- d. The other office besides the head office failed to meet the requirement as other office besides the head office of Mutual Funds Selling Agent according to the prevailing regulation after chance and deadline given by Financial Services Authority are missed.

Part Two
Sale Outlet

Article 33

- (1) In order to conduct Mutual Funds sale, the Mutual Funds Selling Agent may open Mutual Funds sale outlet by initiating partnership with other parties who possess vast networks in their business including partnership in Mutual Funds top up payment system through existing system at the sale outlet.
- (2) Partnership with other parties to open up sale outlet as referred to in clause (1) is conducted after receiving approval from Investment Manager.
- (3) The sale of Mutual Funds in the sale outlet as referred to in clause (1) must be executed by the sales team of the Mutual Funds Selling Agent who own license as

Securities Company Representative or Mutual Funds Selling Agent Representative.

- (4) Mutual Funds Selling Agent who conduct the selling of Mutual Funds at the sale outlet must report their selling activities to Financial Services Authority at least 2 (two) working days since the beginning of the sale activity.

CHAPTER VII

BEHAVIOUR OF MUTUAL FUNDS SELLING AGENT

Part One

Obligation

Article 34

The Mutual Funds Selling Agent must:

- a. be a member of the association related to the sale of Mutual Funds, unless for the Mutual Funds Selling Agent as referred to Article 2 letter a;
- b. conduct continuous supervision towards all staff and/or other Party who are working for the Mutual Funds Selling Agent;
- c. be responsible towards all activities related to the sale of Mutual Funds conducted by the staff and/or other Party who are working for the Mutual Funds Selling Agency;
- d. possess supervisory system upon all activities of the Mutual Funds Selling Agent Representative and each of its staffs, to ensure abiding all provisions in the regulation in the area of Capital Market;
- e. ensure that the sales team understand the Collective Investment Contract and Mutual Funds Prospectus that are being offered;

- f. ensure the Prospectus used during Mutual Funds promotion is abiding with the provision of regulation in the area of Capital Market;
- g. provide the latest Prospectus published by Investment Manager for prospective Mutual Funds holder;
- h. provide and convey to Mutual Funds prospective holder any brief information concerning the Mutual Funds being offered which belong to the Prospectus and granted approval from Investment Manager;
- i. ensure the Mutual Funds holder has the opportunity to read the Prospectus or other important information before or during the buying of Mutual Funds;
- j. maintain secrecy of the Mutual funds holder transaction, except to Investment Manager and Custodian Bank that manage the relevant Mutual Funds, Financial Services Authority, and other parties if obligated by the regulation;
- k. aware of the background, financial condition, investment objective, and risk profile of the Mutual Funds prospective holder;
- l. prioritize interest and compatibility with financial resources, and financial capacity together with investment objective of the Mutual Funds prospective holder when offering a number of Mutual Funds;
- m. ensure that the Net Asset Value calculation used and/or accepted by the Mutual Funds holder is according to the provision stipulated in the Capital Market regulation;
- n. possess adequate facility in conducting the sale of Mutual Funds;
- o. applying know your customer principle as stipulated in the provisions of the regulation in the area of Capital Market;

- p. conduct its duties the best possible with goodwill and full responsibility according to partnership contract with Investment Manager and for the interest of the Mutual Funds holder;
- q. responsible for all loss incurred from not performing its obligations; and
- r. has working unit and/or function to handle and resolve complaints conveyed by Mutual Funds holders.

Article 35

Brief information as referred to in Article 34 letter h at least must contain:

- a. information that the Mutual Funds are the Capital Market products and not the product issued by Mutual Funds Selling Agent and the Mutual Funds Selling Agent is not responsible for demand and risks of the Mutual Funds portfolio management conducted by Investment Manager;
- b. the type of Mutual Funds and the risk attached to the Mutual Funds products including the possibility of loss in the investment value which will be suffered by the Mutual Funds holder due to the fluctuation of Net Asset Value according to market condition and the quality of underlying asset;
- c. investment policy and portfolio composition;
- d. any costs incurred in relation to investment on Mutual Funds including the commission received by Mutual Funds Selling Agent;
- e. information regarding Investment Manager who manages the Mutual Funds and Custodian Bank;
- f. information that confirms the investment of Mutual Funds holder and will be issued by Custodian Bank;

- g. information that a legit ownership evidence upon Mutual Funds investment is the confirmation from Custodian Bank; and
- h. information on the Mutual Funds performance (if any).

Article 36

In the case that Mutual Funds Selling Agent is developing a comparison table between several Mutual Funds from a number of Investment Managers promoted, and then those comparisons must be made upon the same type of products and must be comparable.

Part Two Restriction

Article 37

The Mutual Funds Selling Agent is restricted from:

- a. publish confirmation of subscription and redemption of Mutual Funds conducted by Mutual Funds holder;
- b. sell Mutual Funds without the any instruction from Mutual Funds holder;
- c. provide explanation that is not true and exaggerate on any Mutual Funds;
- d. ensuring or promising the return of investment;
- e. indicating the return of investment, unless specified in the Prospectus;
- f. provide recommendation to prospective or Mutual Funds holder to buy and/or sell Mutual Funds without paying attention to investment objective, financial condition and risk profile of the prospective or Mutual Funds holder;
- g. give suggestion for excessive transaction in Mutual Funds to generate higher commission;

- h. develop negative statement towards Investment Manager or a certain Mutual Funds;
- i. provide recommendation upon a certain Mutual Funds product to prospective or Mutual Funds holder to generate additional commission or incentive;
- j. give commission discount or present to prospective or Mutual Funds holder taken from Mutual Funds assets; and/or
- k. receive deposit for the subscription and redemption of Mutual Funds from prospective or Mutual Funds holder.

CHAPTER VIII REPORTING

Article 38

The Mutual Funds Selling Agent must submit planning report for the current year to Financial Services Authority at the latest on 15 January according to the template of Planning Activity for Current Year as stated in Annex which is integral to this Financial Services Authority Regulation.

Article 39

Mutual Funds Selling Agent must report to Financial Services Authority every modification related to:

- a. Company identity, that includes the name and/or logo
- b. Compliance strategy and risk management;
- c. The address of head office or other office besides head office;
- d. The termination of other office besides head office;
- e. Adding or discontinuing sale partnership with Investment Manager;
- f. Adding or discontinuing partnership with sale outlet; and

- g. Officer in Charge and Mutual Funds sales team, according to the template of Report on the Modification of Officer In Charged and Sales as stated in Annex which is integral to this Financial Services Authority Regulation, at the latest 7 (seven) working days since the modification take place to the Financial Services Authority.

Article 40

Mutual Funds Selling Agent must report to Financial Services Authority monthly report as follows:

- a. The total transaction amount of Mutual Funds subscription in every office and/or sale outlet according to the template of Report of Mutual Funds Subscription by Mutual Funds Selling Agent as stated in Annex which integral to this Financial Services Authority Regulation;
- b. Mutual Funds investor profile according to the template of Report Mutual Funds Investor Profile as stated in Annex which integral to this Financial Services Authority Regulation; and

at the latest on the 12th (twelfth) of the following month.

Article 41

In the case the deadline to submit the report for activity planning for the current year as referred to in Article 38 and monthly report as referred to in Article 40 fall on a national holiday, those reports are submitted one the following working day.

CHAPTER IX

ELECTRONIC SYSTEM FOR MUTUAL FUNDS SELLING AGENT REGISTRATION, LICENSING, APPROVAL AND REPORTING

Article 42

In the case the Financial Services Authority has provided electronic system for registration, licensing, approval and reporting of the Mutual Funds Selling Agent, the approval of Mutual Funds subscription in other office besides head office, and/or Mutual Funds Selling Agent report, the application for registration, licensing, approval, and/or reporting must be submitted the relevant electronic system.

CHAPTER X

TERMINATION OF MUTUAL FUNDS SELLING AGENT ACTIVITIES BY
SECURITIES COMPANY THAT PERFORM AS SECURITIES UNDERWRITER
AND/OR SECURITIES BROKERAGE

Article 43

- (1) Activities of Mutual Funds Selling Agent by Securities Company that perform as Securities Underwriter and/or Securities Brokerage as referred to in Article 2 letter are terminated when:
 - a. legal institution of the Securities Company that perform as Securities Underwriter and/or Securities Brokerage is dissolute;
 - b. license of the Securities Company that perform as Securities Underwriter and/or Securities Brokerage is revoked by the Financial Services Authority;
 - c. the Securities Company that perform as Securities Underwriter and/or Securities Brokerage failed to meet the requirement to conduce activities as Mutual Funds Selling Agent after the chance and deadline given are exceeded;
 - d. Financial Services Authority impose administrative sanction to Securities Company that perform as Securities Underwriter and/or Securities Brokerage

to discontinue activities as Mutual Funds Selling Agent;

- (2) In the case of activities termination of the Mutual Funds Selling Agent as referred to in clause (1), the Securities Company that perform as Securities Underwriter and/or Securities Brokerage also conduct the sale of Mutual Funds must fulfill and finalize all obligations related to Mutual Funds subscription with the following provisions:
- a. Before dissolute legal institution of the Securities Company that perform as Securities Underwriter and/or Securities Brokerage;
 - b. Before the license of the Securities Company that perform as Securities Underwriter and/or Securities Brokerage is revoked by the Financial Services Authority; or
 - c. Within the specified deadline in the letter of sanction issued by the Financial Services Authority.

CHAPTER XI

REVOCATION OF REGISTRATION CERTIFICATE

MUTUAL FUNDS SELLING AGENT

Article 44

The Financial Services Authority has the authorization to revoke Mutual Funds Selling Agent Registration Certificate when the following conditions take place:

- a. The Registration Certificate is returned by the Mutual Funds Selling; and
- b. The Mutual Funds Selling Agent conducts violation to the prevailing regulation in the Capital Market.

Article 45

Mutual Funds Selling Agent Registration Certificate referred to in Article 2 clause b is revoked when:

- a. legal institution of the Mutual Funds Selling Agent is dissolute and/or;
- b. primary business license of a Party that conduct activities as Mutual Funds Selling Agent is revoked by the relevant institution.

Article 46

- (1) The return of Registration Certificate as Mutual Funds Selling Agent as referred to in Article 44 letter a must comply with the following requirements:
 - a. Mutual Funds Selling Agent propose a letter to request for the return of the Registration Certificate as Mutual Funds Selling Agency to the Financial Services Authority;
 - b. Mutual Funds Selling Agent has completed all obligations related Mutual Funds subscription, including settlement upon administrative sanction in the form of fines within the specified timeline set forth by the Financial Services Authority.
- (2) The request for returning the Registration Certificate of Mutual Funds Selling Agents as referred to in clause (1), must be supplemented with the following documents:
 - a. Explanation on the reason for the return of the Registration Certificate;
 - b. Registration Certificate as Mutual Funds Selling Agent; and
 - c. Report on the settlement of rights and obligation of Mutual Funds Selling Agent with supporting documents.

Article 47

The revocation of the Registration Certificate due to the violation of prevailing regulation in the Capital Market as referred to in Article 44 letter b shall be conducted among others when:

- a. Mutual Funds Selling Agent Head Office cannot be located;
- b. Mutual Funds Selling Agent do not have employees who possess a license as Mutual Funds Representative and/or Mutual Funds Selling Agent Representative;
- c. Mutual Funds Selling Agent has not conducted any Mutual Funds sales activities for 12 (twelve) consecutive months;
- d. Mutual Fund Selling Agent failed to comply with the requirement as Mutual Funds Selling Agent after the opportunity and deadline given are not met.

Article 48

Mutual Funds Selling Agent in which its Registration Certificate has been revoked by the Financial Services Authority must fulfill and settle all obligations to Investment Manager and/or Mutual Funds holder.

CHAPTER XII

REVOCATION OF BUSINESS LICENSE OF SECURITIES COMPANY
CONDUCTING BUSINESS AS SECURITIES BROKERAGE SPECIFICALLY
ESTABLISHED TO PROMOTE MUTUAL FUNDS

Article 49

The Financial Services Authority revokes business license of Securities Company conducting business as Securities

Brokerage specifically established to promote Mutual Funds as referred to in Article 2 letter c when:

- a. Business license is returned by the Securities Company conducting business as Securities Brokerage specifically established to promote Mutual Funds to Financial Services Authority;
- b. There is violation to the prevailing regulation in the Capital Market;
- c. Securities Company conducting business as Securities Brokerage specifically established to promote Mutual Funds is dissolute.

Article 50

The return of business license of Securities Company conducting business as Securities Brokerage specifically established to promote Mutual Funds as referred to in Article 49 letter a must comply with the following requirements;

- a. Submit a letter requesting for the return of the business license of the Securities Company conducting business as Securities Brokerage specifically established to promote Mutual Funds to Financial Services Authority;
- b. Obtained approval from General Meeting of Shareholders on the plan to request for the return of business license;
- c. Publish the plan to request for the return of business license at least in 1 (one) national-scale newspaper consisting at least information on the settlement of rights and obligations; and
- d. Have fulfilled all obligations related to Mutual Funds selling.

Article 51

The revocation of business license of Securities Company conducting business as Securities Brokerage specifically

established to promote Mutual Funds due to the violation of the prevailing regulation in the Capital Market as referred to in Article 49 letter b, includes:

- a. Administrative violation, such as:
 1. Securities Company conducting business as Securities Brokerage specifically established to sell Mutual Funds cannot be located;
 2. Securities Company conducting business as Securities Brokerage specifically established to promote Mutual Funds can be located, but has not conducted any Mutual Funds sale activities for 2 (two) consecutive years;
 3. Securities Company conducting business as Securities Brokerage specifically established to promote Mutual Funds do not have employees; and/or
 4. Securities Company conducting business as Securities Brokerage specifically established to promote Mutual Funds failed to furnish deficiency as required according to the prevailing regulation after opportunity given and deadline are not met; and/or
- b. Securities Company conducting business as Securities Brokerage specifically established to promote Mutual Funds is proven to conduct criminal offense as referred to in the Law No. 8 year 1995 concerning the Capital Market.

Article 52

The letter to request for the return of business license of the Securities Company conducting business as Securities Brokerage specifically established to promote Mutual Funds

as referred to in Article 50 letter a must be supported with the following documents:

- a. Reasons for returning the business license;
- b. Results of the General Meeting of Shareholders concerning the approval of the plan to request for returning the business license;
- c. A letter of decree from Financial Services Authority Board of Commissioners concerning the Granting of Business License to Securities Company conducting business as Securities Brokerage specifically established to promote its Mutual Funds;
- d. Evidence on the announcement to plan to return business license in at least 1 (one) national-scale newspaper consisting information on the settlement of rights and obligations; and
- e. Report on the settlement of rights and obligations of the Securities Company conducting business as Securities Brokerage specifically established to promote Mutual Funds to the customer and Investment Manager that manages Mutual Funds together with supporting documents.

CHAPTER XIII

SANCTION

Article 53

- (1) By no means undermining criminal provisions in the Capital Markets Sector, the Financial Services Authority is authorized to impose administrative sanctions against any Party who violate provisions in this Financial Services Authority Regulation including those who cause the violations:
 - a. written admonitions;

- b. penalty, which is obligation to pay a certain amount of money;
 - c. restriction of business activity;
 - d. suspension of business activity;
 - e. revocation of business license;
 - f. cancellation of approval; and
 - g. cancellation of registration.
- (2) Administrative sanctions as referred to in clause (1) letter b, letter c, letter d, letter e, letter f, or letter g can be imposed with or without prior imposition of administrative sanctions in the form of a written admonitions as referred to in clause (1) letter a.
- (3) The administrative sanctions in the form of penalty as referred to in clause (1) letter b can be imposed separately or collectively with other administrative sanctions as referred to in clause (1) letter c, letter d, letter e, letter f, or letter g.

Article 54

In addition to the administrative sanctions as referred to in Article 53 clause (1), Financial Services Authority can exercise particular actions against any party who violates the provisions in this Financial Services Authority Regulation.

Article 55

The Financial Services Authority can publicize the imposition of administrative sanctions as referred to in Article 53 clause (1) and particular actions as referred to in Article 54.

CHAPTER XIV
TRANSITIONAL PROVISIONS

Article 56

- (1) Any party listed as Mutual Funds Selling Agent before the enactment of this Financial Services Authority Regulation:
 - a. May conduct their activities as Mutual Funds Selling Agent without reregister as Mutual Funds Selling Agent; and
 - b. Must adjust with the prevailing provision as referred to in this Financial Services Authority Regulation at the latest 3 (three) months after the enactment of this Financial Services Authority Regulation.
- (2) In terms the substance set forth in this Financial Services Authority Regulation is equivalent to:
 - a. Rule Number V.B.3, Annex to the Decision of the Chairman of The Capital Market and Financial Institutions Supervisory Agency Number KEP-10/BL/2006 date 30 August 2006 concerning Mutual Funds Selling Agent Registration; and
 - b. Rule Number V.B.4, Annex to The decision of the Chairman of The Capital Market and Financial Institutipns Supervisory Agency Number KEP-10/BL/2006 date 30 August 2006 concerning Mutual Funds Selling Agent Registration,substance set forth in this Financial Services Authority Regulation is effective since the promulgation of the Financial Services Authority Regulation.

Article 57

Any party listed as the Mutual Funds Selling Agent and Securities Company conducting business as Securities Underwriter specifically established to sell Mutual Funds and/or Securities Brokerage in which at present time has conduct Mutual Funds sale activities must submit report as referred to in Article 38, Article 39, and Article 40 to Financial Services Authority at the latest 3 (three) months after the enactment of this Financial Services Authority Regulation.

CHAPTER XV
CLOSING PROVISIONS

Article 58

At the time this Regulation of Financial Services Authority comes into effect, provisions concerning the registration of Mutual Funds Selling Agent and behavior of Mutual Funds Selling Agent will abide to this Financial Services Authority Regulation.

Article 59

By the time this Financial Services Authority Regulation comes into effect:

- a. The Decision of the Chairman of the Capital Market and Financial Institutions Supervisory Agency Number KEP-10/BL/2006 dated 30 August 2006 concerning Registration of Mutual Funds Selling Agent, along with the Rule Number V.B.3 as its Annex; and
- b. The Decision of the Chairman of the Capital Market and Financial Institutions Supervisory Agency Number KEP-11/BL/2006 dated 30 August 2006 concerning Behaviour of Mutual Funds Selling Agent, along with the Rule Number V.B.4 as its Annex,

shall be revoked and declared invalid.

Article 60

This Financial Services Authority Regulation shall come into effect upon its promulgation.

In order to have everyone aware of this Financial Services Authority Regulation, it will be promulgated in State Gazette of the Republic of Indonesia

Enacted in Jakarta

on 29 December 2014

CHAIRMAN OF FINANCIAL SERVICES

AUTHORITY BOARD OF COMMISSIONERS

[Signed]

MULIAMAN D. HADAD

Promulgated in Jakarta:

on 30 December 2014

THE MINISTER OF LAW AND HUMAN RIGHTS

THE REPUBLIC OF INDONESIA

[Signed]

YASONNA H. LAOLY

A copy of the original document

Director of Legal I

Legal Department,

[Signed]

Tini Kustini

ELUCIDATION
OF
FINANCIAL SERVICES AUTHORITY REGULATION
NUMBER 39/POJK.04/2014
CONCERNING
MUTUAL FUNDS SELLING AGENT

I. GENERAL

According to the law and regulation in the Capital Market especially related to Mutual Funds selling, the Mutual Funds selling can be conducted by other than the Investment Manager, the opportunity is given to other Party for executing the selling, with first obtaining subscription contract with Investment Manager and comply with all stipulated requirements.

In this regulation, opportunity is provided to other Party besides Banks to become the Mutual Funds Selling Agent (APERD) this can provide larger opportunities in promoting Mutual Funds to potential investor in which at the end will increase the amount of Mutual Funds management funds and increase investor basis. Those parties include: Securities Effect, company with business in post and gyro, pawnshop, insurance company, financial institution, pension funds, Underwriter Company and Securities Company specifically established to promote Mutual Funds.

Besides increasing the Party that can conduct Mutual Funds selling, this regulation is also stipulating the capacity building for Mutual Funds Selling Agent through provisions related to activity and behavior of Mutual Funds Selling Agent. The capacity building for Mutual Funds Selling Agents is hoped to ensure legal certainty and compliance of the Mutual Funds Selling Agent towards law and regulation so at the end can protect investors from adverse practices.

In relation to the matters above, the provisions concerning Registration of Mutual Funds Selling Agent and Behavior of Mutual Funds Selling Agent must be improved.

II. ARTICLE BY ARTICLE

Article 1

Self-explanatory.

Article 2

Self-explanatory.

Article 3

Letter a

Self-explanatory.

Letter b

Self-explanatory.

Letter c

Self-explanatory.

Letter d

Self-explanatory.

Letter e

The term “adequate facility and infrastructure” means equipment, tools and or any system supporting the implementation of Mutual Funds subscription and redemption according to the provision regarding Mutual Funds subscription and redemption such as the deadline for forwarding documents and settlement and service to customers in the form among others the supply of Prospectus, fund fact sheets and other services.

Article 4

Self-explanatory.

Article 5

Self-explanatory.

Article 6

Self-explanatory.

Article 7

Clause (1)

Letter a

The separation functions between the Securities Underwriter and/or Securities Brokerage and the Mutual Funds Selling Agent is described in the standard operating procedure.

Letter b

Self-explanatory.

Letter c

Self-explanatory.

Letter d

Self-explanatory.

Letter e

Self-explanatory.

Clause (2)

Self-explanatory.

Article 8

Self-explanatory.

Article 9

Self-explanatory.

Article 10

Self-explanatory.

Article 11

Self-explanatory.

Article 12

Self-explanatory.

Article 13

Self-explanatory.

Article 14

Self-explanatory.

Article 15

Self-explanatory.

Article 16

Self-explanatory.

Article 17

Self-explanatory.

Article 18

Self-explanatory.

Article 19

Self-explanatory.

Article 20

Self-explanatory.

Article 21

Self-explanatory.

Article 22

Letter a

Self-explanatory.

Letter b

Self-explanatory.

Letter c

Self-explanatory.

Letter d

Self-explanatory.

Letter e

Self-explanatory.

Letter f

Self-explanatory.

Letter g

Self-explanatory.

Letter h

At the time of this Financial Services Authority Regulation is promulgated, the existing alternative institution for dispute settlement in the Capital Market is the Indonesia Capital Market Arbitrage Agency (BAPMI).

Letter I

Self-explanatory.

Article 23

Self-explanatory.

Article 24

Self-explanatory.

Article 25

The term “other office besides the head office” means the Mutual Funds sales office besides the head office that conducts Mutual Funds sales activities in Indonesia.

Article 26

Self-explanatory.

Article 27

Self-explanatory.

Article 28

Self-explanatory.

Article 29

Self-explanatory.

Article 30

Self-explanatory.

Article 31

Self-explanatory.

Article 32

Self-explanatory.

Article 33

Clause (1)

The term “other party that has vast network in its business activities” means among others minimarket/ supermarket, property sale outlet, telecommunication service provider outlet.

Clause (2)

Self-explanatory.

Clause (3)

Self-explanatory.

Clause (4)

The report must at least include location and the name of sale outlets, list of products offered, date of the selling activities, and list of the Officer In Charge and the sales team.

Article 34

Letter a

Self-explanatory.

Letter b

Self-explanatory.

Letter c

Self-explanatory.

Letter d

Self-explanatory.

Letter e

Self-explanatory.

Letter f

Self-explanatory.

Letter g

Self-explanatory.

Letter h

Self-explanatory.

Letter i

Self-explanatory.

Letter j

Self-explanatory.

Letter k

Information concerning background, financial status, investment objective, and risk profile of the prospective holder of Mutual Funds taken from the form of opening account of the Mutual Funds holder before buying the first Mutual Funds.

Letter l

Self-explanatory.

Letter m

Self-explanatory.

Letter n

Adequate facility in conducting Mutual Funds subscription aims to support Investment Manager in providing good service to Mutual

Funds holder, and ensure activities such as forwarding forms or data for requesting and payment to Investment Manager or Custodian Bank and the submission of report of Mutual Funds account holder and settlement to Mutual Funds holder is executed within the timeline specified in the Prospectus and Financial Services Authority Regulation.

Letter o

Self-explanatory.

Letter p

Self-explanatory.

Letter q

Self-explanatory.

Letter r

Self-explanatory.

Article 35

Self-explanatory.

Article 36

Self-explanatory.

Article 37

Letter a

Self-explanatory.

Letter b

The term “instruction from Mutual Fund holder” means written and verbal instructions.

Letter c

Self-explanatory.

Letter d

Self-explanatory.

Letter e

Self-explanatory.

Letter f

Self-explanatory.

Letter g

Self-explanatory.

Letter h

Self-explanatory.

Letter i

Self-explanatory.

Letter j

Self-explanatory.

Letter k

Self-explanatory.

Article 38

Self-explanatory.

Article 39

Self-explanatory.

Article 40

Self-explanatory.

Article 41

Self-explanatory.

Article 42

Self-explanatory.

Article 43

Clause (1)

Letter a

Self-explanatory.

Letter b

The revocation of business license for Securities Company conducting activities as Securities Underwriter and/or Securities Brokerage can be caused by the returning of the related business license to Financial Services Authority or due to sanction imposed for the revocation of business license by Financial Services Authority.

Letter c

Self-explanatory.

Letter d

Self-explanatory.

Clause (2)

The settlement of obligations as referred to in this clause among others are obligations to Mutual Funds holder, Investment Manager that manages Mutual Funds, and/or Financial Services Authority.

Article 44

Self-explanatory.

Article 45

Self-explanatory.

Article 46

Self-explanatory.

Article 47

Self-explanatory.

Article 48

Self-explanatory.

Article 49

Self-explanatory.

Article 50

Self-explanatory.

Article 51

Self-explanatory.

Article 52

Self-explanatory.

Article 53

Self-explanatory.

Article 54

The term "certain act" means the instruction given to Mutual Funds Selling Agent to terminate partnership with sale outlet.

Article 55

Self-explanatory.

Article 56

Self-explanatory.

Article 57

Self-explanatory.

Article 58

Self-explanatory.

Article 59

Self-explanatory.

Article 60

Self-explanatory.

SUPPLEMENT TO THE STATE GAZETTE OF THE REPUBLIC OF INDONESIA
NUMBER 5653



FINANCIAL SERVICES AUTHORITY
REPUBLIC OF INDONESIA

APPENDIX
FINANCIAL SERVICES AUTHORITY REGULATION
NUMBER 39/POJK.04/2014
CONCERNING
MUTUAL FUNDS SELLING AGENT

APPLICATION FOR REGISTRATION AS MUTUAL FUNDS SELLING AGENT

Number : (place), (date, month) 20 ...
Appendix :
Subject : Application of Registration
As Mutual Funds Selling Agent

To
Executive Head
Capital Market Supervisory
In Jakarta

Herewith we would like to submit application of registration as Mutual Funds Selling Agent. Hereby we supplement the data, for consideration:

1. Name of applicant :
2. Address of applicant :
(street name and number)
(city and postcode)
3. Phone number of applicant :
4. Name of Company :
5. Address of Company :
(street name and number)
(city and postcode)
6. Phone number of Company :
7. Tax Principal Number :
8. Liaison Officer : (provide letter of authority)
9. Business License possess :

To supplement this application, herewith we attached documents as follows:

- a. copy of the deed of establishment certified by the minister with duties and responsibilities in the legal and human rights sector, also with the modification in the latest article of association as referred to in the Law concerning limited company;

- b. Copy of the Tax Principle Number Agency;
- c. A copy of business license from authorized institution;
- d. Data of the Head Office, data of other office besides the Head Office and/or outlet that will sell Mutual Funds also the office address and person in charge and the list of Securities Company Representative and/or Mutual Funds Selling Agent Representative according to the format of Head Office Data, the List of Other Office Besides Head Office and/or Outlet That Will Sell Mutual Funds and Person In Charge, also the list of Securities Company Representative and/or Mutual Funds Selling Agent Representative as included in Annex which is integral to this Financial Services Authority Regulation.
- e. Documents of the officer in charge of Mutual Funds Selling Agent which include:
 - 1. Latest Curriculum Vitae with signature;
 - 2. Copy of valid Identity Card or Passport;
 - 3. Copy of Work Permit for foreigners;
 - 4. Copy of license as Securities Company Representative and/or Mutual Funds Selling Agent Representative;
 - 5. Copy of further profession education certificate (if any);
 - 6. Supporting document that show experience in the activities for selling Mutual Funds for at least 3 (three) years; and
 - 7. 1 (one) piece of 4x6 cm size colored photograph using red background;
- f. Organization structure diagram that show line of responsibilities from each function to the person in charge or Board of Directors' members in charge of the implementation of the selling of Mutual Funds with their jobs description;
- g. Standard operating procedure for the implementation of Mutual Funds Selling Agent Mutual Funds Selling Agent activities;
- h. Projection of the operation plan for Mutual Funds Selling Agent activities at least 1 (one) year ahead which at least include information as follow:
 - 1. Mutual Funds products to be offered;

2. Investor target according to the products to be offered;
 3. Selling target;
 4. Selling methodology for the Mutual Funds product to prospective investor;
- i. Compliance strategy of the Mutual Funds Selling Agent towards the prevailing law in the Capital Market according to the Mutual Funds Selling Agent Compliance Strategy as stated in Annex which is integral to this Financial Services Authority Regulation; and
 - j. Risk management strategy of the Mutual Funds Selling Agent according to the Mutual Funds Selling Agent Risk Management Strategy format as stated in Annex which is integral to this Financial Services Authority Regulation; and
 - k. Copy of prove of payment for the request for registration cost as the Mutual Funds Selling Agent.

Thus we would like to submit this application, thank you for your attention.

Applicant

Name and Signature

DATA OF THE HEAD OFFICE, DATA OF OTHER OFFICE BESIDES THE HEAD OFFICE AND/OR OUTLET THAT WILL SELL MUTUAL FUNDS AND PERSON IN CHARGE AND THE LIST OF SECURITIES COMPANY REPRESENTATIVE AND/OR MUTUAL FUNDS SELLING AGENT REPRESENTATIVE

No	Office Name (Head Office, Other Office besides Head Office and/ or Outlet)	Full Address (Phone No. & Fax No.)	Officer in Charge	List of Sales Team	No & Date Decree of Securities Company Rep. and/or Mutual Funds Selling Agent Rept	Date of Further Profession Education Certificate (if any)

COMPLIANCE STRATEGY OF MUTUAL FUNDS SELLING AGENT

Legal Basis (1)	Compliance Obligation (2)	Steps taken to fulfill compliance (3)	Time of implementation	Person In Charge

Notes:

- (1) Legal basis among other things include the Law No. 8 year 1995 concerning Capital Market, Government Regulation No. 45 year 1995 concerning Implementation of Activities in the Capital Market, and any prevailing regulation of Financial Services Authority.
- (2) All obligations of the Mutual Funds Selling Agent that must be met according the regulation.
- (3) Steps taken by Mutual Funds Selling Agent to meet compliance obligation (Reference to SOP.. Number.. concerning....)
- (4) Time of the steps that will be taken (every day/ ad hoc basis/ every month/every semester/every year)
- (5) Officer/ work unit/ staff responsible for meeting compliance provision.

RISK MANAGEMENT STRATEGY OF MUTUAL FUNDS SELLING AGENT

Identification of Risks (1)	The cause of the risk (2)	Possibility and Impact (3)		Steps taken to Manage Risk (4)	Person in Charge (5)
		Possibility	Impact		

Notes:

1. Identification of all risks that might occur in the company's activities as Mutual Funds Selling Agent
2. Explanation on the cause of those risks
3. Identification of possibility and impact of those risks
4. Steps taken if those risks occurred
5. Officer/ work unit/ staff responsible for managing risk

APPLICATION OF BUSINESS LICENSE FOR SECURITIES COMPANY
CONDUCTING BUSINESS AS SECURITIES BROKERAGE SPECIFICALLY
ESTABLISHED TO PROMOTE MUTUAL FUNDS

Number :
Appendix :
Subject : Application Of Business License For Securities Company
Business As Securities Brokerage Specifically Established To
Promote Mutual Funds

TO
Head of Executive
Capital Market Supervisory
In Jakarta

Herewith we would like to submit Application Of Business License For Securities Company Business AS Securities Brokerage Specifically Established to Promote Mutual Funds. Hereby we supplement the data, for consideration:

1. Name of applicant :
2. Address of applicant :
(street name and number)
(city and postcode)
3. Phone number of applicant :
4. Name of Company :
5. Address of Company :
(street name and number)
(city and postcode)
6. Phone number of Company :
7. Tax Principal Number :
8. Liaison Officer : (provide letter of authority)
9. Business License possess :

To supplement this application, herewith we attached documents as follows:

- a. Copy of the deed of establishment of the Securities Company that conduct its business activity as Securities Brokerage specifically established to promote Mutual Funds which has been endorsed by the Minister with duties and responsibilities in the legal sector and human rights, also the latest article of association as referred to in the Law concerning limited company;
- b. Copy of the Tax Principle Number Agency;
- c. Copy of capital payment evidence;
- d. Copy of checking account;
- e. Financial statement evaluated by accountant listed in the Financial Services Authority;
- f. Domicile certificate from building management or authorized institution, copy of proof of ownership for own businesses or lease if not owning the businesses, office layout, pictures of Mutual Fund Selling Agent rooms including room designation;
- g. Recommendation letter from association related to Mutual Funds;
- h. A copy of the Working Permit, for Securities Company conducting its business as Securities Brokerage specifically established to promote Mutual Funds that employ foreign citizens;
- i. Data of the Head Office, data of other office besides the Head Office and/or outlet that will sell Mutual Funds also the office address and person in charge and the list of Securities Company Representative and/or Mutual Funds Selling Agent Representative according to the format of Head Office Data, the List of Other Office Besides Head Office and/or Outlet That Will Sell Mutual Funds and Person In Charger, also the list of Securities Company Representative and/or Mutual Funds Selling Agent Representative as included in Annex and integral to this Financial Services Authority Regulation;
- j. List of name and data of the members of directors and officer in charge of the Mutual Funds sales, including:
 1. Curriculum vitae with signed by the relevant person, among others specifying brief working experience which include:

- position title, reason for resignation, brief explanation upon the position's duties and responsibilities;
2. Copy of formal education certificate and/or skills certificate;
 3. Copy of license as Securities Company Representative and/or Mutual Funds Selling Agent Representative;
 4. Copy of certificate for further professional education (if any);
 5. Copy of valid Identity Card or Passport; and
 6. One piece of the latest 4x6 cm colored photograph with red background;
- k. Organization structure diagram that show line of responsibilities from each function to the person in charge or Board of Directors' members in charge of the implementation of the selling of Mutual Funds with their jobs description;
- l. Standard operating procedure for the implementation of Mutual Funds Selling Agent activities;
- m. Projection of the operation plan for Mutual Funds Selling Agent activities at least 1 (one) year ahead which at least include information as follow:
1. Mutual Funds products to be offered;
 2. Investor target according to the products to be offered;
 3. Selling target;
 4. Selling methodology for the Mutual Funds product to prospective investor;
- n. Compliance strategy of the Mutual Funds Selling Agent towards the prevailing law in the Capital Market according to the Mutual Funds Selling Agent Compliance Strategy as stated in Annex which is integral to this Financial Services Authority Regulation; and
- o. Risk management strategy of the Mutual Funds Selling Agent according to the Mutual Funds Selling Agent Risk Management Strategy format as stated in Annex which is integral to this Financial Services Authority Regulation.

- p. Copy of payment evidence for the application of business license as Securities Company conducting its business as Securities Brokerage specifically established to promote Mutual Funds.

Thus we would like to submit this application, thank you for your attention.

Applicant

Name and Signature

APPLICATION TO RECEIVE APPROVAL TO CONDUCT MUTUAL FUND SALES
IN OTHER OFFICE BESIDES HEAD OFFICE

Number :
Appendix :
Subject : Application To Receive Approval To Conduct Mutual Fund Sales
In Other Office Besides Head Office

TO
Executive Head
Capital Market Supervisory
In Jakarta

Herewith we would like to submit application to receive approval to conduct mutual fund sales in other office besides head office. Hereby we supplement the data, for consideration:

1. Name of applicant :
2. Address of applicant :
(street name and number)
(city and postcode)
3. Phone number of applicant :
4. Name of Company :
5. Address of Company :
(street name and number)
(city and postcode)
6. Phone number of Company :
7. Tax Principal Number :
8. Liaison Officer : (provide letter of authority)

To supplement this application, herewith we attached documents as follows:

- a. Documents related to officer in charge of other office besides the head-office which include:
 1. Curriculum vitae;
 2. Copy of a letter of decree of the Board of Directors regarding the appointment or placement as officer in charge of other office besides the head office;
 3. Supporting document to show experience in the sale of Mutual Funds at least 3 (three) years;
 4. Copy of license as Securities Company Representative and/or Mutual Funds Selling Agent Representative on behalf of the officer in charge; and
 5. Copy of further education profession certificate on behalf of person in charge (if any);
- b. Document related to Securities Company Representative and/or Mutual Funds Selling Agent Representative in other office besides head office to include:
 1. Copy of letter of decree of the Board of Directors regarding the appointment and placement of Securities Company Representative and/or Mutual Funds Selling Agent Representative in other office besides head office as sales;
 2. Copy of license as Securities Company Representative and/or Mutual Funds Selling Agent Representative on behalf of the officer in charge; and
 3. Copy of further education profession certificate on behalf of person in charge (if any);
- c. Domicile certificate of other office besides the head office from building management or authorize institution; and
- d. List of other office besides the head office that will sale Mutual Funds together with the office addresses and person in charge, also the list of Securities Company Representative and/or Mutual Funds Selling Agent Representative, according to the template of Data on Head Office, List of Other Office besides the Head Office and /or Outlets Selling Mutual Funds and The Person In Charge,

also the List of Securities Company Representative and/or Mutual Funds Selling Agent Representative as stated in Annex of this Financial Services Authority Regulation.

Thus we would like to submit this application, thank you for your attention.

Applicant

Name and Signature

PLANNING OF ACTIVITIES FOR THE CURRENT YEAR

Number : (place), (date, month) 20 ..
Appendix :
Subject : Planning Activities for the Current Year of Period.....

To
Executive Head
Capital Market Supervisory
In Jakarta

The Name of Mutual Funds Selling Agent :.....

The Planning Activities for the year Are as follows:

No.	Investment Manager (1)	Mutual Funds		Investor Target		Mutual Funds Selling Method (6)	Sale Distribution Channel (7)	Target of Sales Asset Under Management (8)
		Type (2)	Name (3)	Segment (4)	Number (5)			

A. Notes:

- (1) Filled with the name of Investment Manager as the Mutual Funds Manager in the Partnership Agreement with APERD
- (2) The type of Mutual Funds:
 - a. Rule Number IV.C.3 Concerning The Guideline Daily Announcement of the Net Asset Value for Open-ended Mutual Funds;
 - b. Rule Number IV.C.4 Concerning The Guideline for Managing Secured Mutual Funds, Mutual Funds with Collateral, Mutual Fund Index.
- (3) Filled with the name of Mutual Funds;
- (4) Investor Segment to cover:
 - a. Individual

- (i) High Net worth Investor (Priority, Premier, Personal, Banking, Private Banking)
 - (ii) Affluent
 - (iii) Mass
 - b. Institution
- (5) Filled with Mutual Funds investor target.
- (6) Mutual Funds selling method covers:
- a. Investor Gathering
 - b. Networking for APERD (face to face, referral, Bundling Program)
 - c. Client Visit
 - d. Marketing tools (brochure, advertisement)
- (7) Selling Distribution Channel to cover:
- a. Regular Investment Scheme
 - b. E-channeling (ATM, Internet Banking, Mobile Banking)
- (8) Filled with target for Mutual Funds sale.

(Place) (Date, Month) 200....
(Board of Director/Officer)

Name and signature

REPORT ON THE MODIFICATION IN THE OFFICER IN CHARGE AND SALES

Name of Mutual Funds Selling Agent: PT.....

No.	Sales Office	Name of Person in Charge	Number & Date of Decree of Securities Company Rep./ Mutual Funds Selling Rep	Date of Further Education Profession Certificate	Name of Sales Team	Number & Date of Decree of Securities Company Rep./ Mutual Funds Selling Rep	Date of Further Education Profession Certificate

REPORT ON MUTUAL FUNDS SUBSCRIPTION
BY MUTUAL FUNDS SELLING AGENT

Name of Mutual Funds Selling Agent: PT.....

Period :

Table 1 : Mutual Funds Subscription Per Sale Outlet

No.	Head Office, Other Office besides Head Office and/ or Sale Outlet	Subscription Value		Outstanding Value		Number of Customer	
		IDR	USD	IDR	USD	IDR	USD
TOTAL							

Notes:

I : Institution Customer

P : Individual Customer

Table 2 : Mutual Funds Subscription Per Sale Team

No.	Name of Staff (license of Securities Company Rep & Mutual Funds Selling Agent Rep)	Head Office, Other Office besides Head Office and/ or Sale Outlet	Subscription Value	
			IDR	USD

REPORT OF MUTUAL FUNDS INVESTOR PROFILE

Name of Mutual Funds Selling Agent: PT.....

Period :

Table 1: Individual Investor Profile

Investor Code	Name	Identity	Identity Number	Tax Number	Place/ Date of Birth
Sex	Marital Status	Citizenship	Profession	Education	Religion
Resource Fund	Objectives	Income	Address 1	City Code	Postcode

Table 1 : Institution Investment Profile

Investor Code	Name	Domicile	Type	Characteristic	Tax Number	Deed of Establishment Number
Resource Fund	Objectives	Income	Address	City Code	Postcode	

Enacted in Jakarta

On 29 December 2014

CHAIRMAN OF BOARD OF COMMISSIONERS OF
THE FINANCIAL SERVICES AUTHORITY,

[Signed]

MULIAMAN D. HADAD

A copy of the original
document

Director of Legal I
Legal Department,

[Signed]

Tini Kustini