



FINANCIAL SERVICES AUTHORITY
OF THE REPUBLIC OF INDONESIA

COPY OF
REGULATION OF FINANCIAL SERVICES AUTHORITY
OF THE REPUBLIC OF INDONESIA
NUMBER 10/POJK.05/2022
CONCERNING
INFORMATION TECHNOLOGY-BASED CO-FUNDING SERVICES

BY THE GRACE OF THE GOD ALMIGHTY

BOARD OF COMMISSIONERS OF THE FINANCIAL SERVICES AUTHORITY,

- Considering:
- a. that information technology has been used to develop the financial industry which provides funding access for the public and business actors through an information technology-based funding service and the Regulation of Financial Services Authority Number 77/POJK.01/2016/2016 concerning Information Technology-Based Lending and Borrowing Services has been stipulated;
 - b. that to encourage the development of information technology-based funding service providers, the Regulation of Financial Services Authority Number 77/POJK.01/2016 of 2016 concerning Information Technology-Based Lending and Borrowing Services is no longer in accordance with industrial developments and legal requirements;
 - c. that based on the considerations as referred to in letters a and b, it is necessary to stipulate a Regulation of Financial Services Authority concerning the Information

Technology-Based Co-Funding Services;

In view of: Law Number 21 of 2011 concerning Financial Services Authority (State Gazette of the Republic of Indonesia Number 111 of 2011, Supplement to the State Gazette of the Republic of Indonesia Number 5253);

DECIDES:

To stipulate: REGULATION OF FINANCIAL SERVICES AUTHORITY CONCERNING INFORMATION TECHNOLOGY-BASED CO-FUNDING SERVICES.

CHAPTER I

GENERAL PROVISION

Article 1

In this Regulation of Financial Services Authority, what is meant by:

1. Information Technology-Based Co-Funding Services, hereinafter abbreviated as LPBBTI, is the provision of financial services to unite funder and fund recipients in conducting conventional funding or funding based on sharia principles directly through an electronic system using the internet.
2. Other Financial Services Institutions are pawnshops, insurance corporations, Indonesian export financing institutions, secondary mortgage facility companies, and institutions that organize mandatory public fund management, including provider of social security, pension and welfare programs, as referred to in the laws and regulations concerning pawnshops, insurances, Indonesian export financing institutions, secondary mortgage facility companies, and institutions that organize mandatory public fund management, as well as other financial service institutions which are declared to

be supervised by the Financial Services Authority based on laws and regulations.

3. Funding is the distribution of funds from funder to fund recipient with an agreement to be paid or returned in accordance with a certain period of time in the LPBBTI transaction.
4. Sharia principles are provisions of Islamic law based on advices and/or statements of conformity to sharia from the National Sharia Council of Indonesian Ulema Council.
5. Sharia Contract is a written agreement or contract between the parties that contains the rights and obligations of each party in the LPBBTI which does not conflict with the Sharia Principles.
6. Electronic System is a series of electronic devices and procedures that function to prepare, collect, process, analyze, store, display, announce, transmit, and/or disseminate electronic information in the field of financial services.
7. Information Technology is a technique to collect, prepare, store, process, announce, analyze, and/or disseminate information in the field of financial services.
8. LPBBTI Provider, hereinafter referred to as Provider, are Indonesian legal entities that provide, manage, and operate LPBBTIs either conventionally or based on Sharia Principles.
9. Fund Recipients are natural persons, legal entities, and/or business entities that receive Funding.
10. Funder are natural persons, legal entities, and/or business entities that give Funding.
11. LPBBTI Users, hereinafter referred to as Users, are Funder and Fund Recipients.
12. Board of Directors is a company organ authorized and fully responsible for the management of the company for the

interest of the company, in accordance with the purposes and objectives of the company and representing the company, both inside and outside the court in accordance with the provisions of the articles of association.

13. Board of Commissioners is a company organ who has duties in carrying out supervision in general and/or particular, in accordance with the articles of association, and to provide advice to the Board of Directors.
14. Sharia Supervisory Board, hereinafter abbreviated as DPS, is a board which has the duties and functions of supervision and provides advice to the Board of Directors concerning implementation of the Provider's activities in accordance with Sharia Principles.
15. Main Party is the party that owns, manages, supervises, and/or has significant influence on the Provider.
16. Electronic Document is any electronic information created, forwarded, sent, received, or stored in analog, digital, electromagnetic, optical, or similar forms, which can be seen, displayed, and/or heard through a computer or Electronic System, including but not limited to writing, sounds, pictures, maps, designs, photographs or the like, letters, signs, numbers, access codes, symbols or perforations that have meaning or sense or can be understood by people who are able to understand them as referred to in the law governing electronic information and transaction.
17. Direct Inspection is a set of activities to search for, collect, process, and evaluate data and/or information regarding Provider conducted at the Provider office and/or in other places which directly or indirectly related to the Provider's activities.
18. Personal Data is any data regarding a person either identified and/or can be identified separately or combined

with other information directly or indirectly through Electronic and/or non-electronic Systems.

19. Association is an association of Providers which officially appointed by the Financial Services Authority through a letter of association appointment from the Chief Executive Supervisor of Insurance, Pension Funds, Financing Institutions, and Other Financial Services Institutions.
20. Electronic Signature is a signature consisting of electronic information attached, associated or related to other electronic information used as a means of verification and authentication as referred to in the law governing electronic information and transaction.
21. Merger is a legal action performed by one (1) Provider or more to merge with another existing Provider with the result that the assets, liabilities and equity of the merging Provider are transferred by law to the Provider that accepts the merger and subsequently the legal entity status of merging Provider extinguishes.
22. Consolidation is a legal action taken by 2 (two) or more Providers to consolidate by establishing 1 (one) new Provider which by law acquires assets, liabilities, and equity from the consolidating Provider and the legal entity status of the consolidating Provider extinguishes.
23. Dissolution is a process of terminating the legal entity status of Provider after the revocation of Provider's business license.
24. Liquidation is an act of settling all assets and liabilities of Provider as a result of revocation of business license and Dissolution.
25. General Meeting of Shareholders, hereinafter abbreviated as GMS, is an organ of a company that has authority which not granted to the board of Board of Directors or Board of Commissioners within the limits determined in

the law governing limited liability companies and/or articles of association.

26. Liquidation Team is a team which serve for conducting Liquidation, which formed by the GMS or the Financial Services Authority.
27. Escrow Account is a current account at a bank on behalf of the Provider which is a deposit and is used for certain purposes, namely the receipt and disbursement of funds from and to the User.
28. Virtual Account is a User identification number (end user) which included in or part of an Escrow Account, and created by a bank, with the aim of identifying a specific account.
29. Controlling Shareholder, hereinafter abbreviated as PSP, is legal entity, natural persons and/or business group which owns 25% (twenty five percent) shares or capital of the Provider or more of the number of shares issued and has voting rights, or owns shares or capital of Provider in less than 25% (twenty five percent) of the number of shares issued and has voting rights but the person concerned can be proven to have exercised control over the Provider, either directly or indirectly.

CHAPTER II

INSTITUTIONAL OF LPBBTI PROVIDER

Part One

Form of Legal Entity, Ownership, and Capital

Article 2

- (1) Providers are declared as Other Financial Services Institutions.
- (2) The legal entity of Provider is in the form of a limited

liability company.

Article 3

- (1) Provider shares as referred to in Article 2 paragraph (2) are prohibited from being owned by parties other than:
 - a. Indonesian citizen and/or Indonesian legal entity; or
 - b. Indonesian citizens and/or Indonesian legal entities as referred to in letter a, along with foreign legal entities and/or foreign citizens.
- (2) Foreign citizen as referred to in paragraph (1) letter b may become owners only through transactions on the stock exchange.
- (3) Indonesian legal entities as referred to in paragraph (1) does not include legal entities in the form of cooperatives.
- (4) Foreign ownership in the Provider, either directly or indirectly, is prohibited to exceed 85% (eighty five percent) of the paid-up capital of Provider.
- (5) The limitation on foreign ownership in the Provider as referred to in paragraph (4) does not apply to a Provider which is a publicly owned company and trades its shares on the stock exchange.

Article 4

- (1) The Provider shall have a paid-up capital of at least IDR 25,000,000,000.00 (twenty-five billion rupiah) at the establishment.
- (2) Paid-up capital as referred to in article (1) shall be paid-up in cash, full and placed in the form of time deposits on behalf of the Provider at:
 - a. commercial bank, sharia commercial bank, or sharia business unit of a commercial bank in Indonesia for a Conventional Provider; or
 - b. sharia commercial banks or sharia business unit of a

commercial bank in Indonesia for Provider based on the Sharia Principle.

- (3) Fund sources for capital participation in the Provider are prohibited from:
 - a. money laundering, financing of terrorism, funding of proliferation of weapons of mass destruction, and other financial crimes; and
 - b. loan.

Part Two Controlling Shareholders

Article 5

- (1) The Provider is required to determine at least 1 (one) PSP.
- (2) In the event that there are more than 1 (one) shareholder who meet the criteria as PSP, the Provider is obliged to determine all shareholders who meet the criteria as PSP to become PSP.
- (3) In the event that there are other PSPs that have not been determined by the Provider, the Financial Services Authority has the authority to determine PSPs other than PSPs as referred to in paragraph (1).
- (4) The Provider that has obtained a business license at the time this Regulation of Financial Services Authority is promulgated are required to report the determination of the PSP and its amendments to the Financial Services Authority using format 1 listed in the Appendix which is an integral part of this Regulation of Financial Services Authority no later than 6 (six) months after the Regulation of Financial Services Authority is promulgated.

Article 6

- (1) Each Party is prohibited from becoming a PSP in more

than 1 (one) conventional Provider or 1 (one) Provider based on Sharia Principles.

- (2) The provision as referred to in paragraph (1) does not apply if the PSP is the Republic of Indonesia.

Article 7

- (1) PSP shall be responsible for the losses suffered by the Provider, if such losses arise due to:
 - a. PSP either directly or indirectly in bad faith utilizes the Provider for benefit of the PSP;
 - b. PSP is involved in unlawful acts committed by the Provider; or
 - c. PSP either directly or indirectly unlawfully uses the assets of Provider, which results in the Provider's assets being insufficient to meet financial obligations.
- (2) PSP is declared responsible if it fulfills the provisions as referred to in paragraph (1) based on:
 - a. resolution of the GMS for the Provider which is a public company;
 - b. a court decision that has permanent legal force; or
 - c. decision of the Financial Services Authority for losses arising due to the provisions as referred to in paragraph (1) letter a.

Part Three

Business Licensing

Article 8

- (1) The Provider that carries out LPBBTI business activities shall first obtain a business license from the Financial Services Authority.
- (2) The Provider that has obtained a business license from the Financial Services Authority is required to submit an

application for registration as an Electronic System provider to the competent authority no later than 30 (thirty) calendar days as of the business license issuance date from the Financial Services Authority.

- (3) The application for registration as referred to in paragraph (2) is forwarded to the Financial Services Authority along with the submission to the competent authority.
- (4) The Provider is prohibited from conducting Funding before being registered as an Electronic System provider at the competent authority.
- (5) The Provider is required to submit a copy of registration certificate as an Electronic System provider to the Financial Services Authority no later than 7 (seven) calendar days from the date of registration certificate as an Electronic System provider.
- (6) The Provider is required to make funding no later than 30 (thirty) calendar days from being registered as an Electronic System provider from the competent authority.
- (7) In the event that the Provider:
 - a. does not meet the provisions in paragraph (6); and/or
 - b. does not obtain a registered certificate as an Electronic System provider as referred to in paragraph (2) within 60 (sixty) calendar days as of business license issuance from the Financial Services Authority,

The Financial Services Authority cancels the business license that has been issued for the Provider.

Article 9

- (1) To obtain a business license as referred to in Article 8 paragraph (1), the Board of Directors must apply for a business license to the Financial Services Authority using format 2 listed in Appendix which is an integral part of this

Regulation of Financial Services Authority by attaching at least the following documents:

- a. a copy of the deed of establishment of a legal entity accompanied by evidence of ratification by competent authority;
- b. a copy of the deed of amendment to the articles of association accompanied by proof of approval, and/or a letter of receipt of notification from the competent authority, if any;
- c. a list of shareholders along with details of the size of each share ownership up to the ultimate shareholder and/or beneficial owner as well as a list of other companies owned by the shareholders;
- d. data of shareholders;
- e. photocopy of annual tax return for the last 2 (two) years prior to capital participation for prospective individual shareholders;
- f. other documents which show the financial capacity and source of funds for prospective individual shareholders;
- g. photocopy of proof of payment of paid-up capital;
- h. documents that prove that the paid-up capital does not originate from a loan;
- i. data of members of the Board of Directors and members of the Board of Commissioners;
- j. proof of work competency certificate from a professional certification agency in the field of financial technology registered to the Financial Services Authority for the Board of Directors and the Board of Commissioners;
- k. evidence of operational readiness which supports business activities;
- l. business feasibility study for the first 3 (three) years;

- m. additional documents for Provider based on Sharia Principles;
 - n. confirmation from the supervisory authority in foreign party's country of origin, if there is direct participation by a foreign legal entity having supervisory authority in the country of origin; and
 - o. proof of payment of licensing fees in the context of granting a business license.
- (2) In the context of licensing process, the Provider shall present their business models and Electronic Systems to the Financial Services Authority.
 - (3) The Financial Services Authority may conduct a review to the Provider office to ensure operational readiness.
 - (4) The review as referred to in paragraph (3) may be carried out by another party appointed by the Financial Services Authority.
 - (5) In the event that there is a documents shortage or the business model and/or Electronic System need to improved based on the results of presentation as referred to in paragraph (2), the Financial Services Authority shall submit a request for documents completion or improvement of business model and/or Electronic System.
 - (6) The Provider provide documents shortage or business model and/or Electronic System improvement no later than 20 (twenty) business days from the date of request letter for completeness of documents or the letter for improving the business model and/or Electronic System submitted by the Financial Services Authority.
 - (7) If within the period as referred to in paragraph (6) the Financial Services Authority has not received the document completion or letter of business model and/or Electronic System improvement, the prospective Provider is deemed to have canceled the application for a business

license.

- (8) The Financial Services Authority grants approval or rejection to the application for a business license no later than 20 (twenty) business days from the receipt of a complete application for a business license.
- (9) Further provisions regarding procedures and mechanisms for business licensing shall be stipulated by the Financial Services Authority.

Part Four

Conversion from Conventional Provider into Provider based on Sharia Principles

Article 10

- (1) Conventional Providers which convert to Providers based on Sharia Principles shall first obtain conversion approval from the Financial Services Authority.
- (2) The conversion from a conventional Provider to a Provider based on Sharia Principles shall comply with the following provisions:
 - a. meet the required minimum equity; and
 - b. conversion made does not harm the User.
- (3) The Provider shall include a conversion plan in the business plan as referred to in the Regulation of Financial Services Authority concerning the business plan of a non-bank financial service institution.
- (4) The Provider is required to announce the conversion plan and impact of conversion on the User through the Electronic System in the form of a website and/or mobile application.
- (5) To obtain conversion approval, the Board of Directors must submit an application to the Financial Services Authority using format 4 as contained in the Appendix

which is an integral part of this Regulation of Financial Services Authority by attaching the following documents:

- a. proof of announcement related to the conversion plan and impact of conversion on the User through the Electronic System in the form of a website and/or mobile application.
 - b. draft deed of minutes of GMS approving conversion to Provider based on Sharia Principles;
 - c. draft amendment to the articles of association which includes:
 1. name based on Sharia Principles;
 2. purposes and objectives of the Provider based on Sharia Principles to conduct business activities based on Sharia Principles; and
 3. authorities and responsibilities of the DPS;
 - d. latest audited financial statement;
 - e. plan for settlement of rights and obligations of the User;
 - f. projection of initial financial statements of the business activities of the converted Provider based on Sharia Principles;
 - g. a work plan related to business activities based on Sharia Principles to be carried out for the first 3 (three) years after obtaining a business license as Provider based on Sharia Principles;
 - h. draft of Escrow Account and Virtual Account cooperation agreement with a bank that conducts business activities based on Sharia Principles.
- (6) For conversion process, the Provider shall present their business models and Electronic Systems to the Financial Services Authority.
- (7) The application for conversion approval as referred to in paragraph (5) is submitted along with the application of fit

and proper test for prospective of members of the Board of Directors, members of the Board of Commissioners, PSP, and members of DPS of Provider based on Sharia Principles.

Article 11

- (1) The Financial Services Authority grants approval or rejection of the application for conversion approval as referred to in Article 10 paragraph (5) within a maximum period of 20 (twenty) business days after the complete application is received.
- (2) In granting approval or rejection as referred to in paragraph (1), the Financial Services Authority shall conduct:
 - a. analysis and research on the document completion;
 - b. feasibility analysis on the conversion implementation plan;
 - c. for a fit and proper test on candidates of members of the Board of Directors, members of the Board of Commissioners, PSP, and members of the DPS; and
 - d. analysis of compliance to the provisions of laws and regulations.
- (3) The Financial Services Authority may conduct a review to the Provider's office to ensure operational readiness of Provider based on Sharia Principles.
- (4) In the event that the application of conversion approval is approved, the Financial Services Authority shall issue a conversion approval letter to the relevant Provider.
- (5) In the event that the application of conversion approval is rejected, the rejection shall be made in writing and accompanied by the reasons for the rejection.

Article 12

- (1) The Provider that has obtained approval of conversion plan from the Financial Services Authority shall hold the GMS no later than 60 (sixty) business days as of the approval letter date from the Financial Services Authority.
- (2) If the period as referred to in paragraph (1) has elapsed and the Provider has not held a GMS which approve the conversion, the Financial Services Authority has the authority to cancel the approval.

Article 13

- (1) The Providers are required to report the implementation of the GMS which approve conversion to a Provider based on Sharia Principles in writing to the Financial Services Authority no later than 15 (fifteen) business days from the GMS date.
- (2) The report on the implementation of the GMS which approve conversion to a Provider based on Sharia Principles as referred to in paragraph (1) shall be submitted by the Board of Directors by attaching the following documents:
 - a. a copy of the deed of amendment to articles of association;
 - b. photocopy of taxpayer identification number on behalf of the converted Provider based on Sharia Principles;
 - c. copy of deed of minutes of GMS approving conversion to Provider based on Sharia Principles;
 - d. copy of deed of minutes of GMS which state appointment of members of the Board of Directors, members of the Board of Commissioners, and/or members of the DPS;
 - e. proof of appointment of DPS members and proof of

- ratification of the National Sharia Board regarding the appointment of DPS members;
- f. ratification of DPS on business activities based on Sharia Principles;
 - g. Escrow Account and Virtual Account cooperation agreement with a commercial bank that conducts business activities based on Sharia Principles;
 - h. copy of the application (specifically for mobile application-based Provider); and
 - i. electronic copies of all report document attachment.
- (3) Based on the implementation report of the GMS which approve conversion as referred to in paragraph (2), the Financial Services Authority:
- a. conduct analysis and research on the documents completion as referred to in paragraph (2);
 - b. give approval or rejection of changes in business licenses as Providers based on Sharia Principles which effective as of the articles of association are ratified, approved by, or notified to the competent authorities; and
 - c. grant approval, recording, or rejection to the contract used by the converted Provider based on Sharia Principles.
- (4) The Financial Services Authority shall provide:
- a. approval or rejection of the business license as referred to in paragraph (3) letter b; and
 - b. approval, recording, or rejection to the contract used by the converted Provider based on Sharia Principles as referred to in paragraph (3) letter c.
- (5) In the event that the Financial Services Authority approves the granting of a business license as referred to in paragraph (3) letter b and approves or records the contract used by the converted Provider based on Sharia Principles

as referred to in paragraph (3) letter c, the Financial Services Authority:

- a. determine the decision to grant business licenses; and/or
 - b. issue a letter of approval or recording of the contract used by the Provider based on Sharia Principles.
- (6) In the event that the Financial Services Authority reject to:
- a. determine business licenses; and/or
 - b. approve or record the contract used by the Provider based on Sharia Principles,
- the rejection shall be made in writing and accompanied by the reasons.

Article 14

- (1) The converted Provider based on Sharia Principles is required to report the conversion implementation to the Financial Services Authority no later than 15 (fifteen) business days from the date the articles of association were approved by, or notified to the competent authority.
- (2) The report on the conversion implementation as referred to in paragraph (1) shall be submitted by the Board of Directors to the Financial Services Authority by attaching a document in the form of articles of association that has been approved by, or notified to the competent authority.

Part Five

Administrative Sanctions

Article 15

- (1) The Provider which violates the provisions as referred to in Article 3 paragraph (1) and paragraph (4), Article 4 paragraph (3), Article 5 paragraph (1), paragraph (2), and

paragraph (4), Article 6 paragraph (1), Article 7 paragraph (1), Article 8 paragraph (2), paragraph (4), paragraph (5), and paragraph (6), Article 10 paragraph (1), paragraph (3), paragraph (4) , Article 13 paragraph (1), and/or Article 14 paragraph (1) shall be subject to administrative sanctions in the form of:

- a. written warning;
 - b. limitation of business activities; and/or
 - c. license revocation.
- (2) Administrative sanctions as referred to in paragraph (1) may be accompanied by Provider's Electronic System blocking.
 - (3) Administrative sanction in the form of a written warning as referred to in paragraph (1) letter a, is given a maximum of 3 (three) times, each with a maximum validity period of 2 (two) months.
 - (4) In the event that the administrative sanction in the form of a written warning as referred to in paragraph (3) expires and the Provider still cannot address the cause of sanction imposition, the Financial Services Authority shall impose an administrative sanction in the form of limitation of business activities.
 - (5) Administrative sanction in the form of limitation of business activities as referred to in paragraph (4) is given in writing and is effective as of the date of stipulation for a maximum period of 6 (six) months.
 - (6) If the administrative sanctions in the form of a written warning and/or limitation of business activities expire on a holiday, the administrative sanctions in the form of a written warning and/or limitation of business activities are valid until the next first business day.
 - (7) In the event that prior to the expiry of administrative sanction in the form of a written warning as referred to in

paragraph (3) or limitation of business activities as referred to in paragraph (5), the Provider has fulfilled the provisions as referred to in paragraph (1), the Financial Services Authority shall revoke administrative sanction in the form of written warnings or limitation of business activities.

- (8) In the event that administrative sanction in the form of limitation of business activities is still in effect and the Provider continues to carry out business activities, the Financial Services Authority may immediately impose administrative sanction in the form of revocation of business licenses.
- (9) In the event that until the expiration of limitation period for business activities as referred to in paragraph (6), the Provider does not fulfill the provisions as referred to in paragraph (1), the Financial Services Authority shall revoke the business license of relevant Provider.

CHAPTER III HUMAN RESOURCES

Part One Certification

Article 16

- (1) Members of the Board of Directors, members of the Board of Commissioners, and officials of 1 (one) level below the Board of Directors are required to have a work competency certificate from a professional certification agency in the field of financial technology registered to the Financial Services Authority.
- (2) Members of the Board of Directors who are foreign citizen shall have the ability to speak Indonesian language as

evidenced by Indonesian language certification no later than 1 (one) year from the approval date as a member of the Board of Directors by the Financial Services Authority.

- (3) In the event that the work competency certification agency as referred to in paragraph (1) and Article 9 paragraph (1) letter j has not been established, the certification of expertise in the field of financial technology can be carried out by the Association.

Part Two

Information Technology Worker

Article 17

- (1) The Provider shall have experts who have the capability to develop, modify, and delete the Electronic System used by the Provider.
- (2) The experts as referred to in paragraph (1) have at least 3 (three) years of experience and expertise in the field of Information Technology including capability in the fields of databases, networks, Electronic System security, and programming.

Part Three

Use of Foreign Worker

Article 18

- (1) The Provider may use foreign worker with the following criteria:
 - a. the use of foreign worker is prohibited to exceed a period of 3 (three) years of each foreign worker for one term of office and cannot be extended; and
 - b. prohibited from being employed other than in the field of Information Technology as an expert with one level

below the Board of Directors or as a consultant.

- (2) The foreign worker as referred to in paragraph (1) shall meet the following requirements:
 - a. have expertise in accordance with the field of work that will be their responsibility; and
 - b. comply with the provisions of laws and regulations in the field of manpower.
- (3) The Provider that employs foreign worker as referred to in paragraph (1) is required to report to the Financial Services Authority using format 5 listed in Appendix which is an integral part of this regulation of Financial Services Authority no later than 20 (twenty) business days after the related foreign worker is employed by attaching the following documents:
 - a. curriculum vitae of foreign worker employed using format 3 which listed in Appendix which is an integral part of this Regulation of Financial Services Authority, accompanied by a photocopy of document describing the field of expertise as referred to in paragraph (2) letter a;
 - b. plans for annual education and training program as long as the foreign worker is employed; and
 - c. placement plans and areas of duty that are the responsibility of foreign worker.
- (4) The Provider that employs foreign worker as referred to in paragraph (1) shall:
 - a. organize knowledge transfer activities from foreign worker to the Provider employee; and
 - b. appoint at least 1 (one) Indonesian worker as a companion for 1 (one) foreign worker.
- (5) The transfer of knowledge as referred to in paragraph (4) letter a shall be made in the form of an annual education and training program for the Provider employee.

- (6) The Provider is required to report the implementation of education and training program as referred to in paragraph (5) in writing to the Financial Services Authority no later than 1 (one) month after the end of fiscal year for each year.
- (7) If the deadline for submitting the report as referred to in paragraph (3) and paragraph (6) falls on a holiday, the deadline for submitting the report is on the next first business day.
- (8) The Financial Services Authority has the authority to request the Provider to dismiss foreign worker who does not meet the requirements as referred to in paragraph (2).
- (9) Foreign worker as referred to in paragraph (1) and paragraph (2) does not include foreign worker employed as Board of Directors and Board of Commissioners.
- (10) The Provider that has employed foreign worker as referred to in paragraph (1) prior to the promulgation of this Regulation of Financial Services Authority is required to report the use of foreign worker to the Financial Services Authority no later than 3 (three) months after this Regulation of Financial Services Authority is promulgated.

Part Four

Use of Outsourced Worker

Article 19

- (1) The Provider may hand over part of the performance of work to a third party with an outsourcing agreement.
- (2) The form of outsourcing agreement is carried out by the Provider through the following agreements:
 - a. chartering a job; and/or
 - b. provision of worker services.
- (3) The Provider is prohibited from outsourcing work that

performs the following functions:

- a. assessment of Funding feasibility; and/or
 - b. Information Technology.
- (4) The Provider is prohibited from handing over part of the work to third party as referred to in paragraph (1) other than to third party who meets the following conditions:
- a. a third party in the form of a legal entity in Indonesia;
 - b. a third party registered to a third-party association of similar companies;
 - c. does not affect the reputation of Provider; and
 - d. implemented in accordance with the provisions of laws and regulations in the field of manpower.
- (5) The Provider shall be responsible for the performance of activities which is handed to third parties.

Part Five

Administrative Sanctions

Article 20

- (1) The Provider which violates the provisions as referred to in Article 16 paragraph (1) and paragraph (2), Article 17 paragraph (1), Article 18 paragraph (1) letter a, paragraph (3), paragraph (4), paragraph (6), and paragraph (10), Article 19 paragraph (3), paragraph (4), and/or paragraph (5), are subject to administrative sanctions in the form of:
 - a. written warning;
 - b. limitation of business activities; and/or
 - c. license revocation.
- (2) Administrative sanctions as referred to in paragraph (1) may be accompanied by Provider's Electronic System blocking.
- (3) Administrative sanction in the form of a written warning

as referred to in paragraph (1) letter a, is given a maximum of 3 (three) times, each with a maximum validity period of 2 (two) months.

- (4) In the event that the administrative sanction in the form of a written warning as referred to in paragraph (3) expires and the Provider still cannot address the cause of sanction imposition, the Financial Services Authority shall impose an administrative sanction in the form of limitation of business activities.
- (5) Administrative sanction in the form of limitation of business activities as referred to in paragraph (4) is given in writing and is effective as of the date of stipulation for a maximum period of 6 (six) months.
- (6) If the administrative sanctions in the form of a written warning and/or limitation of business activities expire on a holiday, the administrative sanctions in the form of a written warning and/or limitation of business activities are valid until the next first business day.
- (7) In the event that prior to the expiry of administrative sanction in the form of a written warning as referred to in paragraph (3) or limitation of business activities as referred to in paragraph (5), the Provider has fulfilled the provisions as referred to in paragraph (1), the Financial Services Authority shall revoke administrative sanction in the form of written warnings or limitation of business activities.
- (8) In the event that administrative sanction in the form of limitation of business activities is still in effect and the Provider continues to carry out business activities, the Financial Services Authority may immediately impose administrative sanction in the form of revocation of business licenses.
- (9) In the event that until the expiration of limitation period

for business activities as referred to in paragraph (6), the Provider does not fulfill the provisions as referred to in paragraph (1), the Financial Services Authority shall revoke the business license of relevant Provider.

CHAPTER IV FIT AND PROPER TEST

Article 21

- (1) The Prospective Main Party shall obtain approval from the Financial Services Authority before carrying out their actions, duties, and functions as the Main Party.
- (2) Main Party as referred to in paragraph (1) include:
 - a. PSP;
 - b. members of the Board of Directors;
 - c. members of the Board of Commissioners; and
 - d. members of DPS.
- (3) In order to give the approval as referred to in paragraph (1), the Financial Services Authority shall conduct a fit and proper test of the prospective Main Party.
- (4) The fit and proper test as referred to in paragraph (3) shall be carried out in accordance with the Regulation of Financial Services Authority regarding fit and proper test for the main party of the financial service institution.

Article 22

- (1) In the event that the Main Party is indicated to be involved and/or responsible for issues of integrity, financial feasibility, financial reputation, and/or competence, the Financial Services Authority shall reassess the Main Party.
- (2) The reassessment of the Main Party as referred to in paragraph (1) is carried out in accordance with the Regulation of Financial Services Authority regarding the

reassessment of the main party of the financial service institution.

Article 23

- (1) The Provider which violates the provisions as referred to in Article 21 paragraph (1) shall be subject to administrative sanctions in the form of:
 - a. written warning;
 - b. limitation of business activities; and/or
 - c. license revocation.
- (2) Administrative sanctions as referred to in paragraph (1) may be accompanied by Provider's Electronic System blocking.
- (3) Administrative sanction in the form of a written warning as referred to in paragraph (1) letter a, is given a maximum of 3 (three) times, each with a maximum validity period of 2 (two) months.
- (4) In the event that the administrative sanction in the form of a written warning as referred to in paragraph (3) expires and the Provider still cannot address the cause of sanction imposition, the Financial Services Authority shall impose an administrative sanction in the form of limitation of business activities.
- (5) Administrative sanction in the form of limitation of business activities as referred to in paragraph (4) is given in writing and is effective as of the date of stipulation for a maximum period of 6 (six) months.
- (6) If the administrative sanctions in the form of a written warning and/or limitation of business activities expire on a holiday, the administrative sanctions in the form of a written warning and/or limitation of business activities are valid until the next first business day.
- (7) In the event that prior to the expiry of administrative

sanction in the form of a written warning as referred to in paragraph (3) or limitation of business activities as referred to in paragraph (5), the Provider has fulfilled the provisions as referred to in paragraph (1), the Financial Services Authority shall revoke administrative sanction in the form of written warnings or limitation of business activities.

- (8) In the event that administrative sanction in the form of limitation of business activities is still in effect and the Provider continues to carry out business activities, the Financial Services Authority may immediately impose administrative sanction in the form of revocation of business licenses.
- (9) In the event that until the expiration of limitation period for business activities as referred to in paragraph (6), the Provider does not fulfill the provisions as referred to in paragraph (1), the Financial Services Authority shall revoke the business license of relevant Provider.

CHAPTER V MAIN BUSINESS

Part One Provider's Business Activities

Article 24

- (1) The business activities of Provider consist of:
 - a. provision.
 - b. management; and
 - c. operation,LPBBTI
- (2) In carrying out business activities as referred to in paragraph (1), the Provider carries out business activities

conventionally or based on Sharia Principles.

- (3) The Provider that carries out conventional business activities as referred to in paragraph (2) is prohibited from carrying out business activities based on Sharia Principles.
- (4) The Provider that carries out business activities based on Sharia Principles as referred to in paragraph (2) is prohibited from carrying out conventional business activities.

Article 25

- (1) LPBBTI as referred to in Article 24 paragraph (1) is carried out through:
 - a. Productive funding; and/or
 - b. Multipurpose funding.
- (2) The Providers are prohibited from facilitating factoring unless:
 - a. factoring with the provision of security from the seller of receivables; and
 - b. in the form of productive funding.
- (3) Further provisions regarding the business activities of the Provider shall be stipulated by the Financial Services Authority.

Part Two

Maximum Limit of Funding

Article 26

- (1) The Providers are required to provide equal access to every Funder in the business activities of LPBBTI.
- (2) The Providers are required to comply with the provisions on the maximum limit of Funding:
 - a. to each Fund Recipient; and

- b. by each Funder and its affiliates.
- (3) The maximum limit of Funding for each Fund Recipient as referred to in paragraph (2) letter a is IDR 2,000,000,000.00 (two billion rupiah).
 - (4) The maximum limit of Funding by each Funder and its affiliates as referred to in paragraph (2) letter b is a maximum of 25% (twenty five percent) of the final position of Funding at the end of month.
 - (5) The maximum limit of Funding by each Funder and its affiliates as referred to in paragraph (4) is carried out in stages with the following provisions:
 - a. maximum limit of Funding by each Funder and its affiliates is a maximum of 80% (eighty percent) of the final position of Funding at the end of current month no later than 6 (six) months since this Regulation of Financial Services Authority is promulgated;
 - b. maximum limit of Funding by each Funder and its affiliates is a maximum of 50% (fifty percent) of the final position of Funding at the end of current month no later than 12 (twelve) months since this Regulation of Financial Services Authority is promulgated; and
 - c. maximum limit of Funding by each Funder and its affiliates is a maximum of 25% (twenty five percent) of the final position of Funding at the end of current month no later than 18 (eighteen) months since this Regulation of Financial Services Authority is promulgated.
 - (6) The provision on the maximum limit of Funding as referred to in paragraph (4) does not apply to Funder who are financial services business actors which supervised by the Financial Services Authority in accordance with the provisions of laws and regulations.
 - (7) The Funder as referred to in paragraph (6) may provide

Funding for a maximum of 75% (seventy five percent) of the final position of Funding at the end of month.

- (8) Further provisions regarding the business activities of the Provider shall be stipulated by the Financial Services Authority.

Part Three

Funder and Fund Recipient

Article 27

- (1) The Funder may come from within the country and/or abroad.
- (2) The Funder as referred to in paragraph (1) consists of:
 - a. Indonesian citizen;
 - b. Foreign citizen;
 - c. Indonesian legal entity;
 - d. Foreign legal entity;
 - e. Indonesian business entity;
 - f. Foreign business entity; and/or
 - g. international agency.

Article 28

- (1) The Providers are prohibited from conducting Funding other than to Fund Recipients who are domiciled in the jurisdiction of the Unitary State of the Republic of Indonesia.
- (2) The Fund Recipient as referred to in paragraph (1) consists of:
 - a. Indonesian citizen;
 - b. Indonesian legal entity; and/or
 - c. Indonesian business entity.

Article 29

- (1) The Provider is required to comply with the provisions on the maximum limit of Funding economic benefits in facilitating Funding.
- (2) The maximum limit of Funding economic benefits as referred to in paragraph (1) is determined by the Financial Services Authority.
- (3) Further provisions regarding Funder and Fund Recipients shall be stipulated by the Financial Services Authority.

Part Four

LPBBTI Agreement

Article 30

The LPBBTI implementation agreement shall at least consist of:

- a. agreement between the Provider and Funder; and
- b. agreement between Funder and Fund Recipient.

Article 31

- (1) The agreement between the Provider and Fund Provider is set forth in an Electronic Document.
- (2) The Electronic Document as referred to in paragraph (1) shall at least contain:
 - a. agreement number;
 - b. agreement date;
 - c. identity of the parties in the form of name of Funder and the Identity Number of Funder;
 - d. rights and obligations of the parties
 - e. amount of Funding;
 - f. economic benefits of Funding;
 - g. amount of commission;
 - h. term;

- i. fee detail;
 - j. provisions regarding fines, if any;
 - k. use of Personal Data;
 - l. Funding collection mechanism;
 - m. risk mitigation in the event of bad Funding;
 - n. dispute resolution mechanisms; and
 - o. mechanism for the settlement of rights and obligations in the event that the Provider is unable to continue its operational activities.
- (3) The Provider is required to provide access on information to Funder regarding the use of its funds.
- (4) Access to information as referred to in paragraph (3) does not include information related to the identity of the Fund Recipient other than the identity of parties as referred to in paragraph (2) letter c.
- (5) Information on the use of funds as referred to in paragraph (3) shall at least contain:
- a. final position of Funding;
 - b. the purpose of fund using;
 - c. economic benefits of Funding; and
 - d. Funding term.
- (6) In the event that there has been prior approval from the Fund Recipient, the provisions as referred to in paragraph (4) shall not apply.
- (7) The Providers are required to submit the agreement as referred to in paragraph (1) to the Funder.

Article 32

- (1) The Funding Agreement between the Funder and Fund Recipient is set forth in an Electronic Document.
- (2) The Electronic Document as referred to in paragraph (1) shall at least contain:
- a. agreement number;

- b. agreement date;
 - c. identity of the parties;
 - d. rights and obligations of the parties
 - e. amount of Funding;
 - f. economic benefits of Funding;
 - g. installment value;
 - h. term;
 - i. object of security, if any;
 - j. related fee;
 - k. provisions regarding fines, if any;
 - l. use of Personal Data;
 - m. dispute resolution mechanisms; and
 - n. mechanism for the settlement of rights and obligations in accordance with the provisions of laws and regulations if the Provider is unable to continue its operational activities.
- (3) The Providers are required to provide access on information to the Fund Recipient for Funding position received.
- (4) Access to information as referred to in paragraph (3) does not include information related to the identity of the Funder other than the identity of parties as referred to in paragraph (2) letter c.
- (5) Information on the use of funds as referred to in paragraph (3) shall at least contain:
- a. final position of Funding amount;
 - b. economic benefits of Funding; and
 - c. Funding term.
- (6) The Providers are required to submit the agreement as referred to in paragraph (1) to the User.
- (7) Further provisions regarding Funder and Fund Recipients shall be stipulated by the Financial Services Authority.

Article 33

The Provider is obliged to ensure that the User has read and understood the contents of agreement as referred to in Article 30.

Article 34

The Provider is required to clearly include description or information regarding the term of Funding, payment terms, and overall cost including economic benefits of Funding in the Electronic System used by the Provider.

Part Five

Risk Management by the Provider

Article 35

- (1) The Providers are required to implement effective risk management.
- (2) The application of risk management as referred to in paragraph (1) shall at least include:
 - a. active supervision of the Board of Directors, Board of Commissioners, and DPS;
 - b. adequacy of risk management policies and procedures as well as the determination of risk limits;
 - c. adequacy of risk identification, measurement, control and monitoring processes, as well as risk management information systems; and
 - d. comprehensive internal control system.
- (3) The Providers are required to facilitate risk mitigation for Users.
- (4) Activities to facilitate risk mitigation for Users as referred to in paragraph (3) are at least:
 - a. perform a Funding risk analysis proposed by the Fund Recipient;

- b. verify User identity and document authenticity;
 - c. collect on the Funding which optimally distributed;
 - d. facilitate the transfer of Funding risk; and
 - e. facilitate the transfer of risk on the object of security, if there is the object of security.
- (5) The Providers are required to pay attention to the suitability between the needs and capabilities of the Fund Recipient.
- (6) Further provisions regarding risk management by the Provider shall be stipulated by the Financial Services Authority.

Part Six

Escrow Account, Virtual Account, Fund Account, and Other Fund Transfer Media

Article 36

- (1) The Providers are required to use:
 - a. *Escrow Account*; and
 - b. Virtual Account or payment gateway, for LPBBTI.
- (2) In the event that the Funder uses a special fund account, all funds should still be sent using a Virtual Account or payment gateway to then be forwarded to the Escrow Account belongs to the Provider.
- (3) The Providers are required to provide a Virtual Account or payment gateway for each User.
- (4) For Funding and Fund repayment, Users make payments through a Virtual Account or payment gateway to the Escrow Account of Provider to be forwarded to each User.
- (5) The maximum period of fund placement from the Funder that has not been used for Funding transactions in the Escrow Account as referred to in paragraph (1) does not

- exceed 2 (two) business days.
- (6) The maximum period of fund placement in the Escrow Account as referred to in paragraph (1) from the Fund Recipient who has made payment for the Funding received does not exceed 1 (one) business day.
 - (7) In the event that the fund placement in the Escrow Account has elapsed the time limit as referred to in paragraph (5) and paragraph (6), the Provider shall ensure that the funds are returned to the User's account on next business day.
 - (8) User's funds which in the Escrow Account of Provider and being distributed are not the assets of Provider.
 - (9) Further provisions regarding Escrow Account, Virtual Account, Fund Account, and Other Funds Transfer Media shall be stipulated by the Financial Services Authority.

Part Seven
Electronic Signature

Article 37

- (1) The agreement as referred to in Article 30 is executed by using an Electronic Signature.
- (2) Agreements other than agreements as referred to in Article 30 which prepared for the operation of LPBBTI may use Electronic Signatures.
- (3) The use of Electronic Signatures as referred to in paragraph (1) shall be stated in guidelines for the use of Electronic Signatures and implemented in accordance with the provisions of laws and regulations governing Electronic Signatures.

Part Eight
Cooperation

Article 38

- (1) The Provider may cooperate with financial service institutions and non-financial institutions.
- (2) The cooperation as referred to in paragraph (1) shall meet the following criteria:
 - a. carried out with parties who have been registered, licensed, or equivalent at the Financial Services Authority or other competent authorities;
 - b. set forth in an agreement; and
 - c. included in the business plan.
- (3) In the event that the Provider cooperates in:
 - a. informative service;
 - b. to facilitate risk mitigation; and/or
 - c. outsourcing,Provider is required to report the intended cooperation to the Financial Services Authority no later than 5 (five) business days from the date of cooperation agreement.
- (4) In the event that the Provider cooperates on informative services in the Provider's Electronic System, such cooperation is prohibited other than with financial service institutions supervised by the Financial Services Authority.
- (5) In carrying out cooperation as referred to in paragraph (1), the Provider shall comply with the provisions of laws and regulations.

Article 39

- (1) To support government programs, the Provider may cooperate with government agencies to become distribution partner for state securities.

- (2) In order to cooperate with government agencies as referred to in paragraph (1), the Provider is prohibited from making offers other than for primary market sales other than sales in secondary market.

Article 40

- (1) The Provider may cooperate on data exchanging to improve the quality of LPBBTI.
- (2) The Providers are required to include data exchange as referred to in paragraph (1) in the data confidentiality agreement.
- (3) The Provider shall ensure that data receiving party complies to the data confidentiality agreement as referred to in paragraph (2).
- (4) Data confidentiality agreement as referred to in paragraph (2) shall at least contain:
 - a. the parties;
 - b. type of data;
 - c. use and disclosure of data;
 - d. rights and obligations of the parties
 - e. responsibility of the parties; and
 - f. period of data use and storage.
- (5) Data exchange cooperation as referred to in paragraph (1) shall be reported to the Financial Services Authority using format 6 listed in the Appendix which is an integral part of this Regulation of Financial Services Authority by attaching a business license from the authority when implementing cooperation and draft of data confidentiality agreement.
- (6) Data exchange cooperation as referred to in paragraph (1) shall be carried out in accordance with the provisions of laws and regulations regarding Personal Data.
- (7) Further provisions regarding cooperation shall be

stipulated by the Financial Services Authority.

Part Nine
Administrative Sanctions

Article 41

- (1) The Provider which violates the provisions as referred to in Article 24 paragraph (3) and paragraph (4), Article 25 paragraph (2), Article 26 paragraph (1) and paragraph (2), Article 28 paragraph (1), Article 29 paragraph (1), Article 30, Article 31 paragraph (2), paragraph (3), and paragraph (7), Article 32 paragraph (2), Article 32 paragraph (3) and paragraph (6), Article 33, Article 34 , Article 35 paragraph (1), paragraph (3), and paragraph (5), Article 36 paragraph (1), paragraph (3), and paragraph (7), Article 37 paragraph (3), Article 38 paragraph (2) , paragraph (3), paragraph (4), and paragraph (5), Article 39 paragraph (2), Article 40 paragraph (2), paragraph (3), paragraph (5), and/or paragraph (6) shall be subject to administrative sanctions in the form of:
 - a. written warning;
 - b. limitation of business activities; and/or
 - c. license revocation.
- (2) Administrative sanctions as referred to in paragraph (1) may be accompanied by Provider's Electronic System blocking.
- (3) Administrative sanction in the form of a written warning as referred to in paragraph (1) letter a, is given a maximum of 3 (three) times, each with a maximum validity period of 2 (two) months.
- (4) In the event that the administrative sanction in the form of a written warning as referred to in paragraph (3) expires and the Provider still cannot address the cause of sanction

imposition, the Financial Services Authority shall impose an administrative sanction in the form of limitation of business activities.

- (5) Administrative sanction in the form of limitation of business activities as referred to in paragraph (4) is given in writing and is effective as of the date of stipulation for a maximum period of 6 (six) months.
- (6) If the administrative sanctions in the form of a written warning and/or limitation of business activities expire on a holiday, the administrative sanctions in the form of a written warning and/or limitation of business activities are valid until the next first business day.
- (7) In the event that prior to the expiry of administrative sanction in the form of a written warning as referred to in paragraph (3) or limitation of business activities as referred to in paragraph (5), the Provider has fulfilled the provisions as referred to in paragraph (1), the Financial Services Authority shall revoke administrative sanction in the form of written warnings or limitation of business activities.
- (8) In the event that administrative sanction in the form of limitation of business activities is still in effect and the Provider continues to carry out business activities, the Financial Services Authority may immediately impose administrative sanction in the form of revocation of business licenses.
- (9) In the event that until the expiration of limitation period for business activities as referred to in paragraph (6), the Provider does not fulfill the provisions as referred to in paragraph (1), the Financial Services Authority shall revoke the business license of relevant Provider.

CHAPTER VI
ELECTRONIC SYSTEM OF LPBBTI OPERATION

Part One
Electronic System

Article 42

- (1) The Providers are required to use Electronic Systems in carrying out their business activities.
- (2) Electronic System as referred to in paragraph (1) shall be owned, controlled, and managed by the Provider.
- (3) The Electronic System as referred to in paragraph (2) shall be registered in accordance with the provisions of laws and regulations.
- (4) The Providers are prohibited from having more than 1 (one) Electronic System for each type of device operation and 1 (one) website address in conducting its business activities.

Article 43

- (1) The Providers are required to submit Funding transaction data correctly and completely to the fintech lending data center of Financial Services Authority.
- (2) Submission of Funding transaction data as referred to in paragraph (1) is carried out in real time.
- (3) Submission of Funding transaction data as referred to in paragraph (1), is submitted by integrating the Provider's Electronic System at the fintech lending data center.
- (4) In the event that the fintech lending data center has not been able to receive Funding transaction data in real time as referred to in paragraph (2), the Provider shall submit Funding transaction data to the Financial Services Authority on a daily basis.
- (5) In the event that the fintech lending data center

experiencing technical problems or force majeure, the Financial Services Authority shall submit notification regarding time period for submitting transaction data as referred to in paragraph (2) to the Provider by letter and/or announcement through the fintech lending data center.

- (6) The Funding transaction data as referred to in paragraph (1) shall at least contain:
 - a. information about Users;
 - b. Funding transaction information; and
 - c. Funding quality information.

Article 44

- (1) The Providers are required to:
 - a. maintain the confidentiality, integrity, and availability of Personal Data, transaction data, and financial data which managed by them from the time the data is obtained until the data is destroyed;
 - b. ensure the availability of authentication, verification, and validation processes that support nonrepudiation in accessing, processing, and executing Personal Data, transaction data, and financial data which managed by them;
 - c. guarantee that the obtain, use, utilization and disclosure of Personal Data, transaction data, and financial data obtained by the Provider is based on approval of the owner of Personal Data, transaction data, and financial data, unless otherwise stipulated by the provisions of laws and regulations; and
 - d. notify in writing to the owner of Personal Data, transaction data, and financial data in the event of a failure in confidentiality protection of Personal Data, transaction data, and financial data managed by them.

- (2) Further provisions regarding data and information management shall be stipulated by the Financial Services Authority.

Part Two Audit Track Record

Article 45

- (1) The Providers are required to provide an audit track record of all their activities in the Electronic System.
- (2) The Providers are required to ensure that Information Technology system device used can support the provision of audit track record.
- (3) The audit track record as referred to in paragraph (1) is used for the purposes of supervision, law enforcement, dispute resolution, verification, testing, and other purposes.
- (4) The Provider shall maintain transaction logs based on data retention policies in accordance with the provisions of laws and regulations.

Part Three Security System

Article 46

- (1) The Providers are required to secure the Electronic System that carries out procedures and facilities for security in avoiding interference, failure, and loss.
- (2) The Providers are required to provide a security system that includes procedures, prevention systems, and countermeasures against threats and attacks which result in disruption, failure, and loss.
- (3) The Providers are required to participate in management

of Information Technology security loophole to support information security in industries that carry out Information Technology-based financial services business activities.

- (4) In managing Electronic Systems, Provider is required to have information security management system certificates with comprehensive coverage.
- (5) Information security management system certificate as referred to in paragraph (4) shall be owned no later than 6 (six) months after obtaining a business license from the Financial Services Authority.

Part Four

Access and Use of Personal Data

Article 47

- (1) The Providers are required to obtain an approval from the owner of Personal Data to obtain and use Personal Data.
- (2) Approval as referred to in paragraph (1) may be excluded in accordance with the provisions of laws and regulations.
- (3) Personal Data Owner may submit a request for access and a copy of his/her Personal Data to the Provider.
- (4) Personal Data Owner has the right to complete, correct the errors and inaccuracies, and destroy the Personal Data which sent to the Provider.
- (5) The fulfillment of the rights as referred to in paragraph (4) is carried out through a written application.

Part Five

Data Term and Data Deletion

Article 48

- (1) The Providers are required to store Personal Data in the

Electronic System for a minimum of 5 (five) years after the expiration of business relationship.

- (2) Unless otherwise stipulated by the provisions of laws and regulations, data owner may ask the Provider to delete his/her Personal Data.
- (3) In the event that data deletion occurs at the request of data owner as referred to in paragraph (2), the Provider is required to provide a mechanism for deleting the User's Personal Data.
- (4) The mechanism for deleting Personal Data is at least through:
 - a. provision of communication channels between Provider and owner of Personal Data;
 - b. a feature that allows the owner of Personal Data to request the Provider to delete his/her Personal Data; and
 - c. data collection on request for deletion of electronic information.
- (5) Deletion of Personal Data as referred to in paragraph (4) may be carried out with the following requirements:
 - a. obtained and processed without the consent of Personal Data owner;
 - b. obtained and processed in an unlawful manner;
 - c. is no longer in accordance with the purpose of acquisition based on the agreement and/or the provisions of laws and regulations;
 - d. the use has exceeded the time in accordance with agreement and/or provisions of laws and regulations;
 - e. displayed by the Electronic System Provider which result in loss to the owner of Personal Data; and/or
 - f. business relationship has expired and is not regulated in agreement.
- (6) Provisions for deletion of Personal Data are carried out in

accordance with the provisions of laws and regulations regarding the protection of Personal Data.

Part Six

Administrative Sanctions

Article 49

- (1) The Provider which violates the provisions as referred to in Article 42, Article 43 paragraph (1), Article 44, Article 45 paragraph (1) and paragraph (2), Article 46, Article 47 paragraph (1), Article 48 paragraph (1) and/or paragraph (3) shall be subject to administrative sanctions in the form of:
 - a. written warning;
 - b. fines, namely the obligation to pay a certain amount of money;
 - c. limitation of business activities; and/or
 - d. license revocation.
- (2) Administrative sanctions as referred to in paragraph (1) may be accompanied by Provider's Electronic System blocking.
- (3) Administrative sanction in the form of fines as referred to in paragraph (1) letter b may be imposed separately or jointly with the imposition of administrative sanctions as referred to in paragraph (1) letter a, letter c, and letter d.
- (4) Administrative sanction in the form of a written warning as referred to in paragraph (1) letter a, is given a maximum of 3 (three) times, each with a maximum validity period of 2 (two) months.
- (5) In the event that the administrative sanction in the form of a written warning as referred to in paragraph (3) expires and the Provider still cannot address the cause of sanction imposition, the Financial Services Authority shall impose

an administrative sanction in the form of limitation of business activities.

- (6) Administrative sanction in the form of limitation of business activities as referred to in paragraph (5) is given in writing and is effective as of the date of stipulation for a maximum period of 6 (six) months.
- (7) If the administrative sanctions in the form of a written warning and/or limitation of business activities expire on a holiday, the administrative sanctions in the form of a written warning and/or limitation of business activities are valid until the next first business day.
- (8) In the event that prior to the expiry of administrative sanction in the form of a written warning as referred to in paragraph (4) or limitation of business activities as referred to in paragraph (6), the Provider has fulfilled the provisions as referred to in paragraph (1), the Financial Services Authority shall revoke administrative sanction in the form of written warnings or limitation of business activities.
- (9) In the event that administrative sanction in the form of limitation of business activities is still in effect and the Provider continues to carry out business activities, the Financial Services Authority may immediately impose administrative sanction in the form of revocation of business licenses.
- (10) In the event that until the expiration of limitation period for business activities as referred to in paragraph (6), the Provider does not fulfill the provisions as referred to in paragraph (1), the Financial Services Authority shall revoke the business license of relevant Provider.
- (11) In the event that based on supervision of Financial Services Authority an error in transaction data that has been submitted by the Provider is found as referred to in

Article 39 paragraph (1), the Provider shall be subject to an administrative sanction in the form of an administrative fine of IDR 50,000.00 (fifty thousand rupiah) per transaction data entry error and a maximum of IDR 1,000,000.00 (one million rupiah) per day.

- (12) The payment of fine as referred to in paragraphs (1) and (2) does not invalidate the obligation to submit reports.
- (13) The payment of fine as referred to in paragraph (3) does not invalidate the obligation of Provider to submit corrections to its report.

CHAPTER VII

EQUITY AND QUALITY LEVEL OF PROVIDER FUNDING

Part One

Provider Equity

Article 50

- (1) The Provider shall at any times have equity of at least IDR 12,500,000,000.00 (twelve billion five hundred million rupiah).
- (2) Equity as referred to in paragraph (1) shall be carried out in stages, as follows:
 - a. a minimum of IDR 2,500,000,000.00 (two billion five hundred million rupiah) which is valid for 1 (one) year as of the promulgation of this Regulation of Financial Services Authority;
 - b. a minimum of IDR 7,500,000,000.00 (seven billion five hundred million rupiah) which is valid for 2 (two) years as of the promulgation of this Regulation of Financial Services Authority; and
 - c. a minimum of IDR 12,500,000,000.00 (twelve billion five hundred million rupiah) which is valid for 3

(three) years as of the promulgation of this Regulation of Financial Services Authority.

Part Two

Provider Funding Quality Level

Article 51

- (1) Funding Quality of Providers consists of:
 - a. current;
 - b. under special attention;
 - c. substandard;
 - d. doubtful; and
 - e. bad.
- (2) Funding quality as referred to in paragraph (1) is categorized as:
 - a. current if there is no delay in payment of principal and/or economic benefits of Funding;
 - b. under special attention if there is a delay in the payment of principal and/or economic benefits of Funding which has exceeded its due date by 30 (thirty) calendar days;
 - c. substandard if there is a delay in the payment of principal and/or economic benefits of Funding which has exceeded 30 (thirty) calendar days up to 60 (sixty) calendar days;
 - d. doubtful if there is a delay in the payment of principal and/or economic benefits of Funding which has exceeded 60 (sixty) calendar days up to 90 (ninety) calendar days; and
 - e. bad if there is a delay in the payment of principal and/or economic benefits of Funding which has exceeded 90 (ninety) calendar days.
- (3) Further provisions regarding the level of funding quality

shall be stipulated by the Financial Services Authority.

Part Three
Administrative Sanctions

Article 52

- (1) The Provider which violates the provisions as referred to in Article 50 shall be subject to administrative sanctions in the form of:
 - a. written warning;
 - b. limitation of business activities; and/or
 - c. license revocation.
- (2) Administrative sanctions as referred to in paragraph (1) may be accompanied by Provider's Electronic System blocking.
- (3) Administrative sanction in the form of a written warning as referred to in paragraph (1) letter a, is given a maximum of 3 (three) times, each with a maximum validity period of 2 (two) months.
- (4) In the event that the administrative sanction in the form of a written warning as referred to in paragraph (3) expires and the Provider still cannot address the cause of sanction imposition, the Financial Services Authority shall impose an administrative sanction in the form of limitation of business activities.
- (5) Administrative sanction in the form of limitation of business activities as referred to in paragraph (4) is given in writing and is effective as of the date of stipulation for a maximum period of 6 (six) months.
- (6) If the administrative sanctions in the form of a written warning and/or limitation of business activities expire on a holiday, the administrative sanctions in the form of a written warning and/or limitation of business activities are

valid until the next first business day.

- (7) In the event that prior to the expiry of administrative sanction in the form of a written warning as referred to in paragraph (3) or limitation of business activities as referred to in paragraph (5), the Provider has fulfilled the provisions as referred to in paragraph (1), the Financial Services Authority shall revoke administrative sanction in the form of written warnings or limitation of business activities.
- (8) In the event that administrative sanction in the form of limitation of business activities is still in effect and the Provider continues to carry out business activities, the Financial Services Authority may immediately impose administrative sanction in the form of revocation of business licenses.
- (9) In the event that until the expiration of limitation period for business activities as referred to in paragraph (6), the Provider does not fulfill the provisions as referred to in paragraph (1), the Financial Services Authority shall revoke the business license of relevant Provider.

CHAPTER VIII

GOOD CORPORATE GOVERNANCE FOR PROVIDER

Part One

Governance Principle;

Article 53

- (1) The Providers are required to implement principles of good corporate governance in each of their business activities at all levels or stage of organization.
- (2) Principles of good corporate governance as referred to in paragraph (1) include:
 - a. Openness;

- b. accountability;
- c. responsibility;
- d. independence; and
- e. equality and fairness.

Article 54

The implementation of principles of good corporate governance as referred to in Article 53 paragraph (1) shall be stated in a guideline which at least contains:

- a. procedures for implementing the duties and responsibilities of the Board of Directors, Board of Commissioners, and DPS;
- b. completeness and procedures for implementing the duties of work unit that carries out internal control function of the Provider;
- c. policies and procedures for implementation of compliance functions, internal auditors, and external auditors; and
- d. policies and procedures for implementation of risk management, including internal control system and implementation of Information Technology governance.

Part Two

Board of Directors

Article 55

- (1) The Provider shall have at least 2 (two) members of the Board of Directors.
- (2) A minimum of half of total members of the Board of Directors shall have managerial experience in financial service institutions for at least 2 (two) years in the fields of credit or financing, risk management, and/or finance.
- (3) For Provider that conducts business activities based on Sharia Principles, a minimum of half of total members of the Board of Directors is required to have at least 1 (one)

year of operational experience in a financial service institution that conducts business activities based on Sharia Principles.

- (4) Members of the Board of Directors are prohibited from holding concurrent positions in other companies except as members of the board of commissioners or equivalent of at most 3 (three) companies other than the Provider.
- (5) In the event that there is ownership of Provider by a foreign legal entity of at least 25% (twenty five percent), the Provider may appoint a foreign citizen as the Board of Directors for a maximum of half of total members of the Board of Directors.
- (6) All members of the Board of Directors shall be domiciled in Indonesia.
- (7) Board of Directors who is foreign citizen is required to have:
 - a. residence permit; and
 - b. work permit from the competent authority.

Part Three

Board of Commissioners

Article 56

- (1) The Provider shall have at least 1 (one) member of the Board of Commissioners and at most equal to the number of members of the Board of Directors.
- (2) A minimum of half of total members of the Board of Commissioners shall have experience of at least 2 (two) years at the managerial level in financial service institutions.
- (3) Members of the Board of Commissioners are prohibited from holding concurrent positions except for a maximum of 3 (three) companies other than the Provider.

- (4) Excluded on concurrent positions as referred to in paragraph (3) if:
 - a. member of the Board of Commissioners of conventional Provider concurrently serving as a member of the Board of Commissioners of Provider based on Sharia Principles; or
 - b. member of the Board of Commissioners of Provider based on Sharia Principles concurrently serves as a member of the Board of Commissioners of conventional Provider.
- (5) In the event that there is ownership of Provider by a foreign legal entity of at least 25% (twenty five percent), the Provider may appoint a foreign citizen as the Board of Commissioners for a maximum of half of total members of the Board of Commissioners.
- (6) A minimum of half of total members of the Board of Commissioners shall be domiciled in Indonesia.
- (7) Members of the Board of Commissioners who are foreign citizen which domiciled in Indonesia are required to have:
 - a. residence permit; and
 - b. work permit from the competent authority.

Part Four

Sharia Supervisory Board

Article 57

- (1) The Provider based on Sharia Principles shall have at least 1 (one) DPS member who has received a recommendation from the National Sharia Board.
- (2) Members of DPS are prohibited from holding concurrent positions as members of DPS at more than 3 (three) other sharia financial institutions.

Part Five
Internal Audit

Article 58

- (1) The Providers are required to have an internal audit unit which conducted by at least 1 (one) human resource person who has expertise and/or background in auditing.
- (2) The internal audit unit as referred to in paragraph (1) is responsible directly to the president director.
- (3) The Providers are required to carry out internal audits at least 1 (one) time every year.
- (4) In carrying out internal audit as referred to in paragraph (3), the Provider may appoint another party.

Part Six
Administrative Sanctions

Article 59

- (1) The Provider which violates the provisions as referred to in Article 53 paragraph (1), Article 54, Article 55 paragraph (1), paragraph (2), paragraph (3), paragraph (4), paragraph (6), and paragraph (7), Article 56 paragraph (1), paragraph (2), paragraph (3), paragraph (6), and paragraph (7), Article 57, Article 58 paragraph (1) and/or paragraph (3) shall be subject to administrative sanctions in the form of:
 - a. written warning;
 - b. limitation of business activities; and/or
 - c. license revocation.
- (2) Administrative sanctions as referred to in paragraph (1) may be accompanied by Provider's Electronic System blocking.
- (3) Administrative sanction in the form of a written warning as referred to in paragraph (1) letter a, is given a maximum

of 3 (three) times, each with a maximum validity period of 2 (two) months.

- (4) In the event that the administrative sanction in the form of a written warning as referred to in paragraph (3) expires and the Provider still cannot address the cause of sanction imposition, the Financial Services Authority shall impose an administrative sanction in the form of limitation of business activities.
- (5) Administrative sanction in the form of limitation of business activities as referred to in paragraph (4) is given in writing and is effective as of the date of stipulation for a maximum period of 6 (six) months.
- (6) If the administrative sanctions in the form of a written warning and/or limitation of business activities expire on a holiday, the administrative sanctions in the form of a written warning and/or limitation of business activities are valid until the next first business day.
- (7) In the event that prior to the expiry of administrative sanction in the form of a written warning as referred to in paragraph (3) or limitation of business activities as referred to in paragraph (5), the Provider has fulfilled the provisions as referred to in paragraph (1), the Financial Services Authority shall revoke administrative sanction in the form of written warnings or limitation of business activities.
- (8) In the event that administrative sanction in the form of limitation of business activities is still in effect and the Provider continues to carry out business activities, the Financial Services Authority may immediately impose administrative sanction in the form of revocation of business licenses.
- (9) In the event that until the expiration of limitation period for business activities as referred to in paragraph (6), the

Provider does not fulfill the provisions as referred to in paragraph (1), the Financial Services Authority shall revoke the business license of relevant Provider.

CHAPTER IX REPORTING

Part One

Opening of Office Other Than Head Office

Article 60

- (1) The Provider may establish an office other than the head office.
- (2) Offices other than the head office are prohibited from conducting an Electronic System which different from the Electronic System that has been submitted to the Financial Services Authority.
- (3) The Provider is required to report the opening of an office other than the head office as referred to in paragraph (1) to the Financial Services Authority.
- (4) The opening of an office other than the head office shall be included in the in the annual business plan as referred to in the Regulation of Financial Services Authority concerning the business plan of a non-bank financial service institution.
- (5) The opening of an office other than the head office as referred to in paragraph (1) shall be reported to the Financial Services Authority no later than 10 (ten) business days after the office other than the head office operates by using format 7 as listed in Appendix which is an integral part of the Regulation of Financial Services Authority, by attaching the following documents:
 - a. description of office name and office function;

- b. company domicile certificate from the competent agency or equivalent document;
- c. proof of ownership or control over an office other than the head office;
- d. description which states the name of leader, job description and authority of office leader;
- e. proof of global positioning system inclusion for address of an office other than the head office on the Electronic Systems page;
- f. proof of appointment letter of leader of office other than the head office; and
- g. Decree of the Board of Directors regarding the opening of office other than the head office.

Article 61

- (1) The Provider that will close an office other than the head office shall report in advance to the Financial Services Authority no later than 15 (fifteen) business days prior to the closing date of office other than the head office in question.
- (2) The closing plan of an office other than the head office shall be included in the in the business plan as referred to in the Regulation of Financial Services Authority concerning the business plan of a non-bank financial service institution.
- (3) The Providers are required to convey to User through the Electronic System used by the Provider, information regarding the plan to cease or close an office other than the head office by informing the assignment of services to the head office or other office other than the head office.
- (4) Report on the cessation or closing of an office other than the head office as referred to in paragraph (1) is submitted to the Financial Services Authority by the Board of

Directors by using format 8 listed in Appendix which is an integral part of this Regulation of Financial Services Authority, by attaching the following documents:

- a. recommendation letter containing reasons for closing of office other than the head office;
- b. proof of submission of announcements through the Electronic System used by the Provider to Users regarding the closing of offices other than the head office; and
- c. proof of submission of services assignment of closed office other than the head office to the head office or the nearest office other than the head office.

Part Two

Change of Name and Electronic System

Article 62

- (1) The Provider may change the name of the Provider and/or Electronic System.
- (2) The Provider shall include changing of name and/or Electronic System in annual business plan as referred to in the Regulation of Financial Services Authority regarding the business plan of non-bank financial services institutions.
- (3) The Provider that has changed the name of Provider and/or Electronic System is required to submit a report regarding realization of change in name of the Provider and/or Electronic System to the Financial Services Authority by using the format 9 listed in Appendix which is an integral part of this Regulation of Financial Services Authority.
- (4) The report as referred to in paragraph (3) shall be submitted no later than 15 (fifteen) business days from the

date of notification or approval from the competent authority, by attaching notification or approval recipient letter document from the competent authority.

Part Three
Change of Address

Article 63

- (1) The Providers are required to report changes in address of the head office and offices other than the head office to the Financial Services Authority no later than 15 (fifteen) business days from the date of change.
- (2) The change of address plan shall be included in the business plan as referred to in the Regulation of Financial Services Authority concerning the business plan of a non-bank financial service institution.
- (3) The Reports on changes in address of the head office and offices other than the head office as referred to in paragraph (1) shall be submitted by the Board of Directors to the Financial Services Authority by using format 10 listed in Appendix which is an integral part of this Regulation of Financial Services Authority, accompanied by:
 - a. data regarding the office address accompanied by supporting documents from the competent authority which at least states name and address of the Provider;
 - b. proof of ownership or control of office building showing the address of the Provider's office along with photos of the outside of building and photos of room and layout of room; and
 - c. proof of global positioning system inclusion for an address of head office and offices other than the head

office on the Electronic Systems page;

Part Four

Change of Business Model

Article 64

- (1) The Providers are required to report changes of business model to the Financial Services Authority no later than 15 (fifteen) business days as of the realization of business model.
- (2) The business model change plan shall in advance be included in the business plan as referred to in the Regulation of Financial Services Authority concerning the business plan of a non-bank financial service institution.
- (3) The Reports on business model changes as referred to in paragraph (1) shall be submitted by the Board of Directors to the Financial Services Authority by using format 11 listed in Appendix which is an integral part of this Regulation of Financial Services Authority, by attaching at least the following documents:
 - a. business feasibility study which at least contains an explanation of business model, and a funding projection of 3 (three) years or more;
 - b. cost and benefit analysis;
 - c. risk and mitigation analysis; and
 - d. cooperation agreement with other parties, if any.
- (4) The providers are required to observe the provisions of laws and regulations in implementing changes to business model as referred to in paragraph (1).

Part Five
Periodic Report and Incidental Reports

Article 65

- (1) The Providers are required to submit periodic reports and incidental reports to the Financial Services Authority.
- (2) The Periodic report as referred to in paragraph (1) consists of:
 - a. monthly reports; and
 - b. annual financial statement that has been audited by a public accountant registered in the Financial Services Authority.
- (3) The Financial Services Authority may request reports other than incidental reports as referred to in paragraph (1).

Article 66

- (1) The Providers are required to prepare the report as referred to in Article 65 paragraph (1) correctly and completely, in accordance with the provisions of this Regulation of Financial Services Authority.
- (2) Board of Directors is responsible for the preparation and presentation of Provider report.
- (3) The Providers are required to submit the monthly report as referred to in Article 65 paragraph (2) letter a to the Financial Services Authority no later than 10 (ten) business days after the reporting period ends.
- (4) The Providers are required to submit the annual financial statement as referred to in Article 65 paragraph (2) letter b to the Financial Services Authority no later than 30 April of the following year.
- (5) The Providers are required to submit incidental reports as referred to in Article 65 paragraph (1) to the Financial Services Authority no later than 10 (ten) business days

after the related incident occurred.

- (6) The Providers are required to submit other reports requested by the Financial Services Authority as referred to in Article 65 paragraph (3) to the Financial Services Authority in accordance to the period specified in request letter.
- (7) If the deadline for submitting the annual financial statement as referred to in paragraph (4) falls on a holiday, the deadline for submitting the report is on the next first business day.
- (8) If the Provider obtains a business license for less than 6 (six) months until the fiscal year ends, the obligation to submit annual financial statement as referred to in Article 65 paragraph (2) letter b shall take effect in the following fiscal year.
- (9) The Providers are obliged to publish to the public the financial position statement and income statements that has been audited by a public accountant along with auditor's opinion to the said report on the Electronic System used by the Provider.
- (10) Publication as referred to in paragraph (9) shall be made no later than 1 (one) month after the end of period for submitting annual financial statement as referred to in paragraph (4).
- (11) Further provisions regarding reporting procedures and mechanisms shall be stipulated by the Financial Services Authority.

Part Six

Administrative Sanctions

Article 67

- (1) The Provider which violates the provisions as referred to in

Article 60 paragraph (2), paragraph (3), paragraph (4), and paragraph (5), Article 61 paragraph (1) and paragraph (2), Article 62 paragraph (2) and paragraph (3), Article 63 paragraph (1) and (2), Article 64 paragraph (1), paragraph (2), and paragraph (4), Article 65 paragraph (1), Article 66 paragraph (1), paragraph (3), paragraph (4) , paragraph (5), paragraph (6), paragraph (9), and/or paragraph (10) shall be subject to administrative sanctions in the form of:

- a. written warning;
 - b. fines, namely the obligation to pay a certain amount of money;
 - c. limitation of business activities; and/or
 - d. license revocation.
- (2) Administrative sanctions as referred to in paragraph (1) may be accompanied by Provider's Electronic System blocking.
 - (3) Administrative sanction in the form of fines as referred to in paragraph (1) letter b may be imposed separately or jointly with the imposition of administrative sanctions as referred to in paragraph (1) letter a, letter c, and letter d.
 - (4) Administrative sanction in the form of a written warning as referred to in paragraph (1) letter a, is given a maximum of 3 (three) times, each with a maximum validity period of 2 (two) months.
 - (5) In the event that the administrative sanction in the form of a written warning as referred to in paragraph (3) expires and the Provider still cannot address the cause of sanction imposition, the Financial Services Authority shall impose an administrative sanction in the form of limitation of business activities.
 - (6) Administrative sanction in the form of limitation of business activities as referred to in paragraph (5) is given in writing and is effective as of the date of stipulation for a

maximum period of 6 (six) months.

- (7) If the administrative sanctions in the form of a written warning and/or limitation of business activities expire on a holiday, the administrative sanctions in the form of a written warning and/or limitation of business activities are valid until the next first business day.
- (8) In the event that prior to the expiry of administrative sanction in the form of a written warning as referred to in paragraph (4) or limitation of business activities as referred to in paragraph (6), the Provider has fulfilled the provisions as referred to in paragraph (1), the Financial Services Authority shall revoke administrative sanction in the form of written warnings or limitation of business activities.
- (9) In the event that administrative sanction in the form of limitation of business activities is still in effect and the Provider continues to carry out business activities, the Financial Services Authority may immediately impose administrative sanction in the form of revocation of business licenses.
- (10) In the event that until the expiration of limitation period for business activities as referred to in paragraph (6), the Provider does not fulfill the provisions as referred to in paragraph (1), the Financial Services Authority shall revoke the business license of relevant Provider.
- (11) The Provider that does not comply with the provisions as referred to in Article 66 paragraph (3) and paragraph (4) shall be subject to administrative sanction in the form of a fine of IDR 500,000.00 (five hundred thousand rupiah) per day of delay per report and may be subject to other administrative sanctions.
- (12) In the event that the Provider submits the report 20 (twenty) business days after the period as referred to in

Article 66 paragraph (3) and paragraph (4), the Provider is deemed not to have submitted the report and is subjected to a written warning sanction and an obligation to pay a fine of IDR 30,000,000.00 (thirty million rupiah).

- (13) In the event that based on supervision of Financial Services Authority an error in the report that has been submitted by the Provider is found as referred to in Article 66 paragraph (1), the Provider shall be subject to an administrative sanction in the form of an administrative fine of IDR 100,000.00 (one hundred thousand rupiah) per line and a maximum of IDR 30,000,000.00 (thirty million rupiah).

CHAPTER X CHANGE OF OWNERSHIP, MERGER, AND CONSOLIDATION

Part One Change Of Ownership

Article 68

- (1) Any change of ownership shall first obtain approval from the Financial Services Authority.
- (2) Changes of ownership as referred to in paragraph (1) include changes to:
- a. shareholders of Provider which is not a public company;
 - b. shareholders of the Provider's shareholders who are not public company;
 - c. PSP of Provider which is in form of a public company; and
 - d. controlling shareholder of the Provider's shareholder which is in form of a public company.

- (3) The Providers are prohibited from changing ownership as referred to in paragraph (2) which results in:
 - a. new shareholders; and/or
 - b. PSP change,within a period of 3 (three) years from the date of business license as a Provider from the Financial Services Authority.
- (4) The change of ownership plan shall be included in the business plan as referred to in the Regulation of Financial Services Authority concerning the business plan of a non-bank financial service institution.
- (5) Changes of ownership shall comply with the provisions as referred to in Article 3.
- (6) In order to approve the change of ownership resulting in the change of PSP as referred to in paragraph (3) letter b, the Financial Services Authority shall conduct a fit and proper test to the prospective new PSP as referred to in Article 19.

Article 69

- (1) Application for approval as referred to in Article 68 paragraph (1) is submitted to the Financial Services Authority by using format 12 listed in Appendix which is an integral part of this Regulation of Financial Services Authority, by attaching the following documents:
 - a. draft deed of GMS approving the change of ownership in the event that the change of ownership requires approval of the GMS;
 - b. ownership structure plan up to the last ownership;
 - c. a copy of government regulation regarding state capital participation of the Republic of Indonesia for changes of ownership of Provider in the event that the shareholder is central government;
 - d. a copy of regional regulation concerning regional

government capital participation for changes of ownership in the event that the shareholder is regional government;

- e. draft deed of transfer of rights on shares or draft deed of shares sale and purchase;
- f. latest financial statement which has been audited by a public accountant and proforma financial statement belong to the Provider;
- g. photocopy of tax return for the last 2 (two) years prior to capital participation and other documents showing the financial capability and fund source for prospective individual shareholders, if the change in ownership results in:
 - 1) new shareholders of Provider which is not a public company;
 - 2) new shareholders of the Provider's shareholders who are not public company;
 - 3) new PSP of Provider which is in form of a public company; and/or
 - 4) new controlling shareholder of the Provider's shareholder which is in form of a public company.

as referred to in Article 68 paragraph (2), which is natural persons;

- h. confirmation from the supervisory authority in foreign party's country of origin, if there is direct participation by a foreign legal entity that has supervisory authority in its country of origin;
- i. debtor data documents from the financial information service system (SLIK) of Financial Services Authority from prospective shareholders which resulted from changes of ownership as referred to in Article 68 paragraph (2), or documents deemed equivalent by

- the Financial Services Authority;
- j. data of members of the Board of Directors and members of the Board of Commissioners as referred to in Article 9 paragraph (1) letter i and/or data of members of the DPS as referred to in Article 9 paragraph (1) letter m in the event of changes to the Board of Directors, Board of Commissioners, and/or DPS;
 - k. certificate from the Association for prospective shareholders;
 - l. Provider's shareholder data;
 - 1. natural persons attach the documents as referred to in Article 9 paragraph (1) letter d number 1; or
 - 2. legal entity attaches the documents as referred to in Article 9 paragraph (1) letter d number 2;
 - m. proof of fund placement in Escrow Account and/or time deposit, if the change of ownership is made through cash deposit; and
 - n. proof of prospective shareholders' funds readiness.
- (2) In the event that there is a shortage of documents as referred to in paragraph (1), the Financial Services Authority submits a request for document completion.
 - (3) The Provider shall submit the document completion no later than 10 (ten) business days as of the date of request letter for document completion from the Financial Services Authority.
 - (4) If within 10 (ten) business days as of the date of request letter for document completion as referred to in paragraph (3), the Financial Services Authority has not received the said document completion, the Provider is deemed to have canceled the application.
 - (5) Approval or rejection to the application for change of

ownership is made within a maximum period of 10 (ten) business days from the receipt of application document for change of ownership in accordance with the requirements in this Regulation of Financial Services Authority.

Part Two

Increase in Paid-Up Capital

Article 70

- (1) The Providers that will increase their paid-up capital shall obtain approval from the Financial Services Authority.
- (2) Increase in Paid-Up Capital shall be included in the business plan as referred to in the Regulation of Financial Services Authority concerning the business plan of a non-bank financial service institution.
- (3) Application for approval as referred to in paragraph (1) is submitted to the Financial Services Authority by using format 13 listed in Appendix which is an integral part of this Regulation of Financial Services Authority, by attaching the following documents:
 - a. proof that capital is not originating from a loan;
 - b. proof of additional paid-up capital;
 - c. shareholder statement letter which state that the paid-up capital does not originate from loans, terrorism financing, funding of proliferation of weapons of mass destruction, and other financial crimes in the event that additional capital as referred to in letter b is made in the form of cash deposits;
 - d. tax return for the last 2 (two) years and other documents which show the financial capacity and source of funds for prospective individual shareholder;
 - e. shareholder's financial statement that has been

- audited by a public accountant and/or the latest financial statement, in the event that the shareholder is a legal entity;
- f. current account for individual shareholders; and
 - g. proof of fund placement in Escrow Account and/or time deposit, if the change of ownership is made through cash deposit.
- (4) The Provider that has made additional paid-up capital is required to submit a report on additional paid-up capital realization to the Financial Services Authority by attaching a deed of amendment accompanied by proof of approval from the competent agency.
- (5) Addition of paid-up capital is prohibited other than in the form of:
- a. cash deposit;
 - b. transfer of profit balance; and/or
 - c. share dividends.

Part Three

Changes of Members of the Board of Directors, Members of the Board of Commissioners, and Members of the Sharia Supervisory Board

Article 71

- (1) The Provider which conducts changes to members of the Board of Directors, members of the Board of Commissioners, and/or members of the DPS shall first apply for approval from the Financial Services Authority no later than 15 (fifteen) business days from the date of appointment based on the GMS.
- (2) The plan to change members of the Board of Directors, members of the Board of Commissioners, and/or members of the DPS shall be included in business plan as referred

to in the Regulation of Financial Services Authority concerning business plan of non-bank financial services institutions.

- (3) Application for approval as referred to in paragraph (1) shall be submitted by the Board of Directors to the Financial Services Authority by using format 14 listed in Appendix which is an integral part of this Regulation of Financial Services Authority, by attaching the following documents:
 - a. copy of the deed of GMS; and
 - b. data of members of the Board of Directors and members of the Board of Commissioners as referred to in Article 9 paragraph (1) letter i and/or members of the DPS as referred to in Article 9 paragraph (1) letter m.
- (4) In order to give the approval as referred to in paragraph (1), the Financial Services Authority shall conduct a fit and proper test to prospective new members of the Board of Directors, members of the Board of Commissioners, and/or members of the DPS.

Part Four

Merger and Consolidation

Article 72

- (1) The Provider may conduct:
 - a. Merger; or
 - b. Consolidation.
- (2) The Merger or Consolidation as referred to in paragraph (1) shall first obtain approval from the Financial Services Authority.
- (3) The Merger and Consolidation Plan shall be included in the business plan as referred to in the Regulation of

Financial Services Authority concerning the business plan of a non-bank financial institution.

- (4) Merger or Consolidation as referred to in paragraph (1) may only be carried out by Providers which have similar Funding principles.
- (5) Application for approval as referred to in paragraph (2) is submitted to the Financial Services Authority by using format 15 listed in Appendix which is an integral part of this Regulation of Financial Services Authority, by attaching the following documents:
 - a. summary of the Merger or Consolidation plan in accordance with the provisions of law regarding limited liability company;
 - b. draft deed of GMS approving the Merger or Consolidation;
 - c. draft deed of Merger or Consolidation;
 - d. draft list of ownership, for Provider that will conduct Merger or Consolidation;
 - e. latest financial statement that has been audited by a public accountant registered in the Financial Services Authority of each Provider;
 - f. proforma financial statement from the Provider resulting from the Merger or Consolidation;
 - g. organizational structure resulting from the Merger or Consolidation;
 - h. a list of shareholders and details of size of each share ownership up to the ultimate shareholder and/or beneficial owner resulting from Merger or Consolidation; and
 - i. business feasibility study for the first 3 (three) years from the Provider resulting from the Merger or Consolidation as referred to in Article 9 paragraph (1) letter 1.

- (6) In the event of a change of:
- a. members of the Board of Directors;
 - b. members of the Board of Commissioners; and
 - c. members of DPS.

The Provider is required to attach the documents as referred to in Article 9 paragraph (1) letter i, letter j, and letter m.

- (7) To obtain approval for the Merger or Consolidation as referred to in paragraph (2), the following requirements shall be met:
- a. Such Merger or Consolidation does not prejudice User's rights;
 - b. Merger or Consolidation has been included in the business plan;
 - c. financial condition of the Provider resulting from the Consolidation or Merger shall meet the minimum equity requirements as stipulated in Article 50 paragraph (2); and
 - d. does not result in the Provider to violate the provisions as stipulated in this Regulation of Financial Services Authority.

Article 73

- (1) Application for approval of Merger or Consolidation implementation plan as referred to in Article 72 paragraph (2) shall be submitted along with the application for fit and proper test for prospective of members of the Board of Directors, members of the Board of Commissioners, members of DPS, and/or PSP of Provider.
- (2) The Financial Services Authority grants approval or rejection of the plan for implementation of the Merger or Consolidation within a maximum period of 20 (twenty) business days from the application documents received in

full.

- (3) In the event that there is a shortage of documents as referred to in paragraph (2), the Financial Services Authority submits a request for document completion.
- (4) If within 20 (twenty) business days from the date of request letter for document completion, the Financial Services Authority has not received the said document completion, the Board of Directors of Provider is deemed to have canceled the application for approval of the Merger or Consolidation plan.
- (5) In the event that the application is approved, the Financial Services Authority issues a letter of approval for the Merger or Consolidation implementation plan to the Board of Directors of Provider.

Part Five

Implementation and Approval of the GMS on the Changes of Ownership, Merger, or Consolidation

Article 74

- (1) The Provider that has obtained approval for implementation plan of change of ownership, Merger, or Consolidation from the Financial Services Authority shall hold a GMS which approve the change of ownership, Merger, or Consolidation no later than 60 (sixty) business days as of the date of Financial Services Authority approval letter.
- (2) In the event that the GMS which approve the implementation plan of change of ownership, Merger, or Consolidation is not in accordance with the time period as referred to in paragraph (1), the approval letter from the Financial Services Authority becomes invalid.

Article 75

- (1) The Provider that obtains approval for the change of ownership, Merger, or Consolidation shall report the implementation of the GMS which approve the change of ownership, Merger, or Consolidation to the Financial Services Authority no later than 10 (ten) business days from the date of GMS.
- (2) The report on the implementation of the GMS which approve the change of ownership, Merger, or Consolidation as referred to in paragraph (1), is submitted by the Board of Directors to the Financial Services Authority by using format 16 listed in Appendix which is an integral part of this Regulation of Financial Services Authority, by attaching the following documents:
 - a. copy of deed of minutes of the GMS which approve the change of ownership, Merger, or Consolidation;
 - b. copy of the deed of change of ownership, Merger, or Consolidation;
 - c. latest draft articles of association resulting from changes of ownership, Merger, or Consolidation;
 - d. a document stating that the Provider has no tax debt from the competent authority; and
 - e. proof or announcement of change of ownership, Merger, or Consolidation;
- (3) Based on the implementation report of the GMS which approve the Merger or Consolidation as referred to in paragraph (2), the Financial Services Authority shall:
 - a. analyze and research on the documents completion as referred to in paragraph (2);
 - b. perform revocation of business license of the Provider which conducts the Merger or Consolidation, granting business license to the Provider resulting from Consolidation which comes into force as of the

articles of association being ratified, approved by, or notified to the competent authority.

- (4) The Provider is required to announce the change of ownership, Merger, or Consolidation to the public no later than 5 (five) business days after the resolution of GMS.

Article 76

The Provider that receives approval for change of ownership, Merger, or Consolidation are required to report the implementation of change of ownership, Merger, or Consolidation to the Financial Services Authority by using format 17 listed in Appendix which is an integral part of this Regulation of Financial Services Authority, attached with a copy of deed of establishment or articles of association that has been ratified, approved by, or notified to the competent authority to the Financial Services Authority no later than 20 (twenty) business days from the date of ratification, approval, or receipt of notification.

Part Six

Administrative Sanctions

Article 77

- (1) The Provider which violates the provisions as referred to in Article 68 paragraph (1), paragraph (3), paragraph (4), and paragraph (5), Article 70 paragraph (1), paragraph (2), paragraph (4), and paragraph (5), Article 71 paragraph (1) and paragraph (2), Article 72 paragraph (2), paragraph (3), and paragraph (6), Article 75 paragraph (1) and paragraph (4), and/or Article 76 shall be subject to administrative sanctions in the form of:
 - a. written warning;
 - b. limitation of business activities; and/or

- c. license revocation.
- (2) Administrative sanctions as referred to in paragraph (1) may be accompanied by Provider's Electronic System blocking.
 - (3) Administrative sanction in the form of a written warning as referred to in paragraph (1) letter a, is given a maximum of 3 (three) times, each with a maximum validity period of 2 (two) months.
 - (4) In the event that the administrative sanction in the form of a written warning as referred to in paragraph (3) expires and the Provider still cannot address the cause of sanction imposition, the Financial Services Authority shall impose an administrative sanction in the form of limitation of business activities.
 - (5) Administrative sanction in the form of limitation of business activities as referred to in paragraph (4) is given in writing and is effective as of the date of stipulation for a maximum period of 6 (six) months.
 - (6) If the administrative sanctions in the form of a written warning and/or limitation of business activities expire on a holiday, the administrative sanctions in the form of a written warning and/or limitation of business activities are valid until the next first business day.
 - (7) In the event that prior to the expiry of administrative sanction in the form of a written warning as referred to in paragraph (3) or limitation of business activities as referred to in paragraph (5), the Provider has fulfilled the provisions as referred to in paragraph (1), the Financial Services Authority shall revoke administrative sanction in the form of written warnings or limitation of business activities.
 - (8) In the event that administrative sanction in the form of limitation of business activities is still in effect and the

Provider continues to carry out business activities, the Financial Services Authority may immediately impose administrative sanction in the form of revocation of business licenses.

- (9) In the event that until the expiration of limitation period for business activities as referred to in paragraph (6), the Provider does not fulfill the provisions as referred to in paragraph (1), the Financial Services Authority shall revoke the business license of relevant Provider.

CHAPTER XI

DISSOLUTION, LIQUIDATION, AND BANKRUPTCY

Part One

Business License Return

Article 78

- (1) The Providers that will cease their operational activities shall submit an application for business license return plan to the Financial Services Authority.
- (2) The Providers that will cease their business activities as referred to in paragraph (1) shall meet the requirements that they are not being sanctioned by freezing its business activities.
- (3) Application for business license return plan as referred to in paragraph (1) is submitted to the Financial Services Authority by using format 18 listed in Appendix which is an integral part of this Regulation of Financial Services Authority, by attaching the documents which contain:
 - a. reasons for operational activity cessation;
 - b. plan for settlement of rights and obligations of the User;
 - c. minutes of the GMS regarding the Provider's business

- activities cessation plan; and
- d. latest monthly reports.
- (4) The Financial Services Authority may clarify to members of the Board of Directors, members of the Board of Commissioners, and/or other parties related to the Provider to ensure business license return plan and the settlement of rights and obligations of the User.
- (5) The Financial Services Authority grants approval for the application for business license return plan no later than 20 (twenty) business days after the complete application is received.
- (6) In the event that the Financial Services Authority grants approval for the application for business license return plan as referred to in paragraph (5), the Provider is required to cease their business activities.

Part Two

Settlement of Rights and Obligations of the User;

Article 79

- (1) The settlement of rights and obligations of the Provider to all Users is carried out by:
- a. final position of Funding portfolios transfer that have not been repaid; and/or
 - b. other mechanisms agreed by the User.
- (2) The settlement of the Provider's obligations as referred to in paragraph (1) shall be completed no later than 6 (six) months after the approval as referred to in Article 78 paragraph (5).
- (3) The settlement of the Provider obligations to all Users as referred to in paragraphs (1) and (2) is prohibited from harming or prejudice the rights of Users.

Article 80

- (1) In the event that the settlement of obligations to the User is carried out by transferring final position of Funding portfolio that has not been repaid as referred to in Article 79 paragraph (1) letter a to another Provider, the Provider shall notify the portfolio transfer plan to the User through:
 - a. announcement of business activities cessation plan through the Electronic System used by Provider; and
 - b. letters and/or announcements through other media to each User.
- (2) The transfer of total final position of Funding that has not been repaid as referred to in paragraph (1) shall meet the following requirements:
 - a. does not prejudice User's rights;
 - b. carried out on Provider that has similar business operating principles;
 - c. does not result in the Provider that receives portfolio transfer to violate applicable provisions in the field of LPBBTI; and
 - d. approved by the User.

Article 81

In settle the rights and obligations as referred to in Article 79 paragraph (1), the Provider may provide any information required by the User to settle the rights and obligations between Users by taking into account of the provisions of laws and regulations.

Article 82

- (1) After all rights and obligations of User have been settled as referred to in Article 79, the Board of Directors is required to submit a report to the Financial Services Authority.
- (2) The Financial Services Authority issues a decree regarding

the revocation of Provider's business license within a period of no later than 30 (thirty) business days from the receipt of complete report as referred to in paragraph (1).

Part Three

Obligations and Prohibitions for Provider Post Revocation of Provider's Business License

Article 83

- (1) The Provider shall cease their business activities as of the revocation of Provider's business license.
- (2) As of the revocation business license of Provider, shareholders, Board of Directors, Board of Commissioners, and/or employees, Provider is prohibited from transferring, securing, pledging, using assets, and/or taking other actions that may reduce the assets or reduce the value of Provider's assets.

Article 84

- (1) The Board of Directors is required to prepare and submit a closing financial position statement to the Financial Services Authority no later than 15 (fifteen) business days from the date of revocation of Provider's business license.
- (2) If within the period as referred to in paragraph (1) the closing financial position statement is not submitted to the Financial Services Authority, the Financial Services Authority appoints a public accountant to prepare a closing financial position statement within a certain time limit.
- (3) Time limit as referred to in paragraph (2) is no later than 50 (fifty) business days from the date of appointment of public accountant.
- (4) In the event that the closing financial position statement

is prepared by a public accountant as referred to in paragraph (2), the responsibility for said closing financial position statement remains in charge of the Board of Directors.

- (5) Cost of preparing the closing financial position statement by the public accountant as referred to in paragraph (2) shall be borne by the Provider.
- (6) The Financial Services Authority submits the closing financial position statement to the Liquidation Team after receiving closing financial position statement which is prepared and submitted by the Board of Directors as referred to in paragraph (1) or prepared and submitted by a public accountant as referred to in paragraph (2) and paragraph (3).

Part Four Dissolution

Article 85

- (1) The Provider whose business license has been revoked are required to hold a GMS to decide on related Dissolution and form a Liquidation Team no later than 30 (thirty) calendar days from the date of revocation of business license.
- (2) The members of Liquidation Team as referred to in paragraph (1) shall first obtain the approval of Financial Services Authority.
- (3) To obtain the approval of Financial Services Authority as referred to in paragraph (2), the Board of Directors shall submit the following documents:
 - a. photocopy of proof of identity of prospective members of Liquidation Team;
 - b. curriculum vitae of prospective members of

Liquidation Team; and

- c. statement of the prospective member of Liquidation Team that the person concerned is willing to carry out the Liquidation.
- (4) The documents as referred to in paragraph (3) shall be submitted to the Financial Services Authority no later than 15 (fifteen) business days prior to the date of GMS.
- (5) The Financial Services Authority grants approval or rejection to the proposal for prospective members of Liquidation Team as referred to in paragraph (2) no later than 5 (five) business days after receipt of complete documents.
- (6) In the event that the Financial Services Authority rejects the proposal for prospective member of Liquidation Team, the Board of Directors is required to submit a proposal for a new prospective member of Liquidation Team and submit the documents as referred to in paragraph (3) no later than 5 (five) business days after receiving notification from the Financial Services Authority.

Article 86

- (1) In the case of dissolution, the Liquidation Team established by the GMS as referred to in Article 76 paragraph (1) shall register and notify the Dissolution to the competent authority, and announce it in the State Gazette of the Republic of Indonesia and the Electronic System used by Provider.
- (2) The registration, notification, and announcement as referred to in paragraph (1) shall be carried out by the Liquidation Team no later than 30 (thirty) calendar days from the date of decision of Dissolution by the GMS.
- (3) Notifications and announcements as referred to in paragraph (1) contain:

- a. Dissolution and its legal basis;
 - b. name and address of Liquidation Team;
 - c. bill submission procedure; and
 - d. bill submission period.
- (4) The period of bill submission as referred to in paragraph (3) letter d is no later than 60 (sixty) calendar days from the date of announcement as referred to in paragraph (1).

Article 87

- (1) If within the period as referred to in Article 85 paragraph (1) the GMS cannot be held or the GMS can be held but fails to decide on Dissolution and/or fails to form a Liquidation Team, the Financial Services Authority:
- a. decide on the Dissolution and form a Liquidation Team;
 - b. register and notify the Dissolution to the competent authority, and announce it in the State Gazette of the Republic of Indonesia and the Electronic System used by Provider.
 - c. instruct the Liquidation Team to carry out Liquidation in accordance with the provisions of laws and regulations; and
 - d. instruct the Liquidation Team to report the results of Liquidation to the Financial Services Authority.
- (2) The action as referred to in paragraph (1) letter b is carried out by the Financial Services Authority no later than 15 (fifteen) business days from the date of decision of Dissolution by the Financial Services Authority as referred to in paragraph (1) letter a.
- (3) Notifications and announcements as referred to in paragraph (1) letter b contain:
- a. Dissolution and its legal basis;
 - b. name and address of Liquidation Team;

- c. bill submission procedure; and
 - d. bill submission period.
- (4) All costs incurred as referred to in paragraph (1) shall be borne through the Provider's assets in Liquidation and shall be issued in advance from any disbursement proceeds.

Article 88

The Provider is called Provider in Liquidation and shall include the word "in liquidation" abbreviated as "(DL)" after the name of Provider since the resolution of GMS as referred to in Article 85 paragraph (1) or the decision of the Financial Services Authority as referred to in Article 87 paragraph (1) letter a.

Part Five

Liquidation Period

Article 89

- (1) The implementation of Liquidation by the Liquidation Team shall be completed within a maximum period of 2 (two) years from the date of formation of Liquidation Team.
- (2) In the event that the implementation of Liquidation cannot be completed within the period as referred to in paragraph (1) then:
 - a. The GMS has the authority to extend period of Liquidation for a maximum of 2 (two) times, each for a maximum of 1 (one) year for the Liquidation Team formed by the GMS after first obtaining approval from the Financial Services Authority; or
 - b. The Financial Services Authority may extend period of Liquidation implementation for a maximum of 2 (two) times, each for a maximum of 1 (one) year for the Liquidation Team formed by the Financial

Services Authority.

- (3) The application for period extension of Liquidation implementation as referred to in paragraph (2) shall at least be accompanied by:
 - a. reasons for the period extension of Liquidation implementation;
 - b. report on the progress of Liquidation process up to the date of application along with supporting evidence; and
 - c. work plan and budget during the period extension of Liquidation implementation.
- (4) The application for period extension of Liquidation implementation as referred to in paragraph (2) shall be submitted no later than 4 (four) months prior to the expiration of period for Liquidation implementation as referred to in paragraph (1) or the expiration of first period extension.
- (5) In the event that the implementation of Liquidation cannot be completed within the period as referred to in paragraph (2), the Financial Services Authority may:
 - a. pending until there is a court decision that has permanent legal force, in the event that Liquidation implementation has not been completed until the period as referred to in paragraph (2) due to a lawsuit or dispute on non-performing assets of Provider in Liquidation; or
 - b. determines other settlement steps in accordance with the provisions of laws and regulations

Part Six
Liquidation Supervising and Reporting

Article 90

- (1) The Financial Services Authority shall supervise the implementation of Liquidation.
- (2) Supervision of Liquidation implementation as referred to in paragraph (1) is carried out indirectly by analyzing the report submitted by the Liquidation Team to the Financial Services Authority.
- (3) If necessary, the Financial Services Authority may directly supervise the Provider in Liquidation.
- (4) Financial Services Authority may appoint a public accountant or other party for and on behalf of the Financial Services Authority to carry out direct supervision as referred to in paragraph (3).

Article 91

- (1) The Liquidation Team shall submit a report on realization of work plan and budget to the Financial Services Authority monthly no later than the 10 (ten) of the following month.
- (2) If the deadline for submitting the report on realization of work plan and budget as referred to in paragraph (1) falls on a holiday, the deadline for submitting report is the next first business day.

Part Seven
Liquidation Termination

Article 92

Liquidation is completed in the event that:

- a. all obligations of Provider in Liquidation have been paid;

- b. there are no more assets that can be used to pay obligations before the end of period for Liquidation implementation; or
- c. expiration of period of Liquidation as referred to in Article 89.

Article 93

- (1) In the event that the Liquidation implementation will end as referred to in Article 89 paragraph (1) and paragraph (2), no later than 3 (three) months prior to the estimated expiration of Liquidation implementation, the Liquidation Team shall announce the date of last payment to the creditor including the follow-up if creditor does not take his rights within the period up to the date of last payment.
- (2) The last payment date as referred to in paragraph (1) is no later than 30 (thirty) business days from the announcement date.
- (3) Announcement as referred to in paragraph (1) is made through the Electronic System used by Provider.
- (4) In the event that the creditor has not taken his rights up to the time limit as referred to in paragraph (2), the funds which become the rights of creditor are deposited to the court.
- (5) Fund deposit as referred to in paragraph (4) is carried out no later than 30 (thirty) business days from the payment period as referred to in paragraph (2).
- (6) Liquidation Team is declared to have made obligation payment to the creditor concerned after depositing the funds which become the rights of creditor that have not been taken as referred to in paragraph (4).
- (7) If within a period of 30 (thirty) years the funds which become the rights of creditor as referred to in paragraph (4) are not taken by the creditor concerned, the funds are

handed over to the state treasury.

Part Eight
Bankruptcy

Article 94

- (1) In the event that a Provider is in bankruptcy proceedings, either at its own request or at the request of its creditors, the Provider is required to report to the Financial Services Authority no later than 5 (five) business days after receiving application notification.
- (2) Reporting as referred to in paragraph (1) shall be submitted by the Board of Directors to the Financial Services Authority by using format 19 listed in Appendix which is an integral part of this Regulation of Financial Services Authority, by attaching at least:
 - a. the name of party filing for bankruptcy;
 - b. summary of application for declaration of bankruptcy which includes:
 1. legal standing of the applicant which contains a clear description of right of applicant to file an application; and
 2. reasons of application for declaration of bankruptcy are described in a clear and detailed manner; and
 - c. action plan to be carried out by the Provider to follow up on bankruptcy proceedings.

Article 95

The provisions regarding the settlement of User's rights and obligations as referred to in Article 79 and Article 80 shall apply mutatis mutandis to Providers that are declared bankrupt.

Article 96

The provisions regarding bankruptcy mechanism follow the provisions of laws and regulations governing bankruptcy.

Article 97

In the event that the settlement of Provider's asset which is declared bankrupt has been carried out and the bankruptcy of Provider has ended, the Financial Services Authority shall revoke the business license of Provider.

Part Nine

Administrative Sanctions

Article 98

- (1) The Provider which violates the provisions as referred to in Article 79 paragraph (2) and paragraph (3), Article 80 paragraph (1), Article 82 paragraph (1), Article 83 paragraph (2), Article 84 paragraph (1), Article 85 paragraph (1), paragraph (2) and paragraph (4), Article 86 paragraph (1), Article 89 paragraph (1), Article 91 paragraph (1), and/or Article 94 shall be subject to administrative sanctions in the form of:
 - a. written warning;
 - b. limitation of business activities; and/or
 - c. license revocation.
- (2) Administrative sanctions as referred to in paragraph (1) may be accompanied by Provider's Electronic System blocking.
- (3) Administrative sanction in the form of a written warning as referred to in paragraph (1) letter a, is given a maximum of 3 (three) times, each with a maximum validity period of 2 (two) months.
- (4) In the event that the administrative sanction in the form

of a written warning as referred to in paragraph (3) expires and the Provider still cannot address the cause of sanction imposition, the Financial Services Authority shall impose an administrative sanction in the form of limitation of business activities.

- (5) Administrative sanction in the form of limitation of business activities as referred to in paragraph (4) is given in writing and is effective as of the date of stipulation for a maximum period of 6 (six) months.
- (6) If the administrative sanctions in the form of a written warning and/or limitation of business activities expire on a holiday, the administrative sanctions in the form of a written warning and/or limitation of business activities are valid until the next first business day.
- (7) In the event that prior to the expiry of administrative sanction in the form of a written warning as referred to in paragraph (3) or limitation of business activities as referred to in paragraph (5), the Provider has fulfilled the provisions as referred to in paragraph (1), the Financial Services Authority shall revoke administrative sanction in the form of written warnings or limitation of business activities.
- (8) In the event that administrative sanction in the form of limitation of business activities is still in effect and the Provider continues to carry out business activities, the Financial Services Authority may immediately impose administrative sanction in the form of revocation of business licenses.
- (9) In the event that until the expiration of limitation period for business activities as referred to in paragraph (6), the Provider does not fulfill the provisions as referred to in paragraph (1), the Financial Services Authority shall revoke the business license of relevant Provider.

Article 99

The Party which violates the provisions of Article 83 paragraph (2), Article 84 paragraph (1), Article 85 paragraph (1), paragraph (2), and paragraph (6), Article 86 paragraph (1), Article 88, Article 89 paragraph (1), Article 91 paragraph (1), and/or Article 93 paragraph (1) shall be subject to administrative sanctions in the form of:

- a. warning letter;
- b. termination as Liquidation Team; and/or
- c. prohibition of being a shareholder, Board of Directors, Board of Commissioners, or Sharia Supervisory Board of Provider.

CHAPTER XII

EDUCATION AND PROTECTION OF LPBBI USER

Part One

Consumer Protection

Article 100

- (1) To realize consumer protection, Providers are required to apply the following principles:
 - a. transparency;
 - b. fair treatment;
 - c. reliability;
 - d. confidentiality and security of consumer data/information; and
 - e. handling complaints and consumer's dispute resolution in a simple, fast, and affordable way.
- (2) Consumer protection as referred to in paragraph (1) is implemented in accordance with the Regulation of Financial Services Authority concerning consumer

protection in the financial services sector.

Part Two
Provider Transparency

Article 101

- (1) The Providers are required to clearly state the name of Provider at the head office, office other than the head office, and Electronic System.
- (2) The Providers are required to state the coordinates of global positioning system on Provider's website regarding location of:
 - a. head office; and
 - b. office other than the head office.
- (3) The Electronic System used by Provider shall at least contain:
 - a. Provider's name;
 - b. logo;
 - c. name of Electronic System;
 - d. profiles of all Board of Directors, Board of Commissioners, DPS, and shareholders of Provider;
 - e. Funding performance; and
 - f. information that the Provider is supervised by the Financial Services Authority.
- (4) Funding Performance as referred to in paragraph (3) letter e contains at least the following information:
 - a. Funding value distributed;
 - b. number of Funders;
 - c. number of Fund Recipients; and
 - d. payment success rate.
- (5) The information as referred to in paragraph (4) letter a to letter c is submitted:
 - a. since conducting business activities;

- b. in the current year; and
 - c. in the form of final position.
- (6) Further provisions regarding the calculation of success rate of payment shall be stipulated by the Financial Services Authority.

Part Three
Collection

Article 102

- (1) In the event that the Fund Recipient is in default, the Provider is required to collect the Fund Recipient, at least by giving a warning letter in accordance with the time period in Funding agreement between the Funder and Fund Recipient.
- (2) Warning letter as referred to in paragraph (1) shall contain at least the following information:
- a. late day number of payment of obligations;
 - b. final position of the total Funding that has not been repaid or principal payable;
 - c. economic benefits of Funding; and
 - d. payable fines.

Article 103

- (1) The Provider may cooperate with other parties in performing collection function to the Fund Recipient as referred to in Article 102 paragraph (1).
- (2) The Provider is required to establish cooperation with other parties as referred to in paragraph (1) in the form of a written agreement.
- (3) Cooperation with other parties as referred to in paragraph (1) shall meet the following provisions:
- a. other party is in the form of a legal entity;

- b. other party has a license from the competent authority;
 - c. other party has human resources who have obtained certification in the field of collection from a professional certification agency registered in the Financial Services Authority; and
 - d. other party is not an affiliate of Provider or Funder.
- (4) The Provider shall be fully responsible for all impacts arising from cooperation with other parties as referred to in paragraph (1).
- (5) The Provider is required to periodically evaluate the cooperation with other parties as referred to in paragraph (1).

Article 104

- (1) In collecting to Fund Recipients as referred to in Article 102 paragraph (1) and Article 103 paragraph (1), the Provider is required to ensure that collection is carried out in accordance to the norms prevailing in society and the provisions of laws and regulations.
- (2) Further provisions regarding collection shall be stipulated by the Financial Services Authority.

Part Four

Administrative Sanctions

Article 105

- (1) The Provider which violates the provisions as referred to in Article 100 paragraph (1), Article 101 paragraph (1), paragraph (2), and paragraph (3), Article 102, Article 103 paragraph (2), paragraph (3), paragraph (4), and paragraph (5), and/or Article 104 shall be subject to administrative sanctions in the form of:

- a. written warning;
 - b. limitation of business activities; and/or
 - c. license revocation.
- (2) Administrative sanctions as referred to in paragraph (1) may be accompanied by Provider's Electronic System blocking.
 - (3) Administrative sanction in the form of a written warning as referred to in paragraph (1) letter a, is given a maximum of 3 (three) times, each with a maximum validity period of 2 (two) months.
 - (4) In the event that the administrative sanction in the form of a written warning as referred to in paragraph (3) expires and the Provider still cannot address the cause of sanction imposition, the Financial Services Authority shall impose an administrative sanction in the form of limitation of business activities.
 - (5) Administrative sanction in the form of limitation of business activities as referred to in paragraph (4) is given in writing and is effective as of the date of stipulation for a maximum period of 6 (six) months.
 - (6) If the administrative sanctions in the form of a written warning and/or limitation of business activities expire on a holiday, the administrative sanctions in the form of a written warning and/or limitation of business activities are valid until the next first business day.
 - (7) In the event that prior to the expiry of administrative sanction in the form of a written warning as referred to in paragraph (3) or limitation of business activities as referred to in paragraph (5), the Provider has fulfilled the provisions as referred to in paragraph (1), the Financial Services Authority shall revoke administrative sanction in the form of written warnings or limitation of business activities.

- (8) In the event that administrative sanction in the form of limitation of business activities is still in effect and the Provider continues to carry out business activities, the Financial Services Authority may immediately impose administrative sanction in the form of revocation of business licenses.
- (9) In the event that until the expiration of limitation period for business activities as referred to in paragraph (6), the Provider does not fulfill the provisions as referred to in paragraph (1), the Financial Services Authority shall revoke the business license of relevant Provider.

CHAPTER XIII

SUBMISSION OF LICENSING APPLICATIONS, APPROVAL APPLICATIONS, AND ONLINE REPORTING

Article 106

- (1) Licensing application, approval application and reporting as referred to in Article 5 paragraph (4), Article 9 paragraph (1), Article 10 paragraph (5), Article 13 paragraph (2), Article 14 paragraph (2), Article 18 paragraph (3), paragraph (6), and paragraph (10), Article 43 paragraph (4), Article 60 paragraph (5), Article 61 paragraph (4), Article 62 paragraph (3), Article 63 paragraph (3) , Article 64 paragraph (3), Article 66 paragraph (3), paragraph (4), and paragraph (5), Article 69 paragraph (1), Article 70 paragraph (3), Article 71 paragraph (3), Article 72 paragraph (5), Article 75 paragraph (1), Article 76, Article 78 paragraph (3), and/or Article 94 paragraph (2) are submitted through the Financial Services Authority data communication network system.
- (2) By submitting the licensing application, approval

application and reporting to the Financial Services Authority online as referred to in paragraph (1), the Provider does not require to submit printed documents.

- (3) Provider is required to be responsible that any document submitted to the Financial Services Authority is a document in accordance with the original document.
- (4) In the event that the Financial Services Authority data communication network system as referred to in paragraph (1) is not yet available or experiencing technical problems, the Provider shall submit the application in the form of electronic data via electronic mail as determined by the Financial Services Authority.

Article 107

- (1) The Provider which violates the provisions as referred to in Article 106 paragraph (3) shall be subject to administrative sanctions in the form of:
 - a. written warning;
 - b. limitation of business activities; and/or
 - c. license revocation.
- (2) Administrative sanctions as referred to in paragraph (1) may be accompanied by Provider's Electronic System blocking.
- (3) Administrative sanction in the form of a written warning as referred to in paragraph (1) letter a, is given a maximum of 3 (three) times, each with a maximum validity period of 2 (two) months.
- (4) In the event that the administrative sanction in the form of a written warning as referred to in paragraph (3) expires and the Provider still cannot address the cause of sanction imposition, the Financial Services Authority shall impose an administrative sanction in the form of limitation of business activities.

- (5) Administrative sanction in the form of limitation of business activities as referred to in paragraph (4) is given in writing and is effective as of the date of stipulation for a maximum period of 6 (six) months.
- (6) If the administrative sanctions in the form of a written warning and/or limitation of business activities expire on a holiday, the administrative sanctions in the form of a written warning and/or limitation of business activities are valid until the next first business day.
- (7) In the event that prior to the expiry of administrative sanction in the form of a written warning as referred to in paragraph (3) or limitation of business activities as referred to in paragraph (5), the Provider has fulfilled the provisions as referred to in paragraph (1), the Financial Services Authority shall revoke administrative sanction in the form of written warnings or limitation of business activities.
- (8) In the event that administrative sanction in the form of limitation of business activities is still in effect and the Provider continues to carry out business activities, the Financial Services Authority may immediately impose administrative sanction in the form of revocation of business licenses.
- (9) In the event that until the expiration of limitation period for business activities as referred to in paragraph (6), the Provider does not fulfill the provisions as referred to in paragraph (1), the Financial Services Authority shall revoke the business license of relevant Provider.

CHAPTER XIV
ASSOCIATION

Article 108

- (1) The Provider shall be registered as a member of the Association.
- (2) The Provider shall comply with the market code of conduct issued by the Association within the scope of LPBBTI.
- (3) Association submits an annual report to the Financial Services Authority no later than 4 (four) months after the end of financial year.

Article 109

- (1) The Provider which violates the provisions as referred to in Article 108 paragraph (1) shall be subject to administrative sanctions in the form of:
 - a. written warning;
 - b. limitation of business activities; and/or
 - c. license revocation.
- (2) Administrative sanctions as referred to in paragraph (1) may be accompanied by Provider's Electronic System blocking.
- (3) Administrative sanction in the form of a written warning as referred to in paragraph (1) letter a, is given a maximum of 3 (three) times, each with a maximum validity period of 2 (two) months.
- (4) In the event that the administrative sanction in the form of a written warning as referred to in paragraph (3) expires and the Provider still cannot address the cause of sanction imposition, the Financial Services Authority shall impose an administrative sanction in the form of limitation of business activities.
- (5) Administrative sanction in the form of limitation of

business activities as referred to in paragraph (4) is given in writing and is effective as of the date of stipulation for a maximum period of 6 (six) months.

- (6) If the administrative sanctions in the form of a written warning and/or limitation of business activities expire on a holiday, the administrative sanctions in the form of a written warning and/or limitation of business activities are valid until the next first business day.
- (7) In the event that prior to the expiry of administrative sanction in the form of a written warning as referred to in paragraph (3) or limitation of business activities as referred to in paragraph (5), the Provider has fulfilled the provisions as referred to in paragraph (1), the Financial Services Authority shall revoke administrative sanction in the form of written warnings or limitation of business activities.
- (8) In the event that administrative sanction in the form of limitation of business activities is still in effect and the Provider continues to carry out business activities, the Financial Services Authority may immediately impose administrative sanction in the form of revocation of business licenses.
- (9) In the event that until the expiration of limitation period for business activities as referred to in paragraph (6), the Provider does not fulfill the provisions as referred to in paragraph (1), the Financial Services Authority shall revoke the business license of relevant Provider.

CHAPTER XV SUPERVISION

Article 110

- (1) The Financial Services Authority has the authority to

- supervise Provider.
- (2) The Supervision as referred to in paragraph (1) is carried out by considering:
 - a. Direct Inspection; and
 - b. Indirect inspection.
 - (3) The implementation of Direct Inspection as referred to in paragraph (2) letter a is carried out in accordance with the Regulation of Financial Services Authority regarding direct inspection of non-bank financial service institutions.
 - (4) The Financial Services Authority shall carry out integrated supervision to Providers which part of a financial conglomerate in accordance with the Regulation of Financial Services Authority concerning financial conglomerates.

CHAPTER XVI PROHIBITION

Article 111

In carrying out business activities, the Provider is prohibited from:

- a. carry out business activities other than the business activities regulated in this Regulation of Financial Services Authority;
- b. act as Funder or Fund Recipient;
- c. represent Funder to conduct Funding and/or provide Funding features automatically;
- d. provide access to members of the Board of Directors, members of the Board of Commissioners, DPS, and employees and affiliates to act as Funder;
- e. provide access to members of the Board of Directors, members of the Board of Commissioners, DPS, and shareholders and affiliates to act as Fund Recipients;

- f. provide security in all its forms for the obligation fulfillment of other parties;
- g. issue a debt security;
- h. have a loan;
- i. give recommendations to Users;
- j. publish fictitious and/or misleading information;
- k. offer services either directly or indirectly to Users and/or public through personal communication facilities without consent;
- l. charge Users and/or the public for complaint services; and/or
- m. conduct an action which result in or force other financial service institutions under the supervision of Financial Services Authority to violate and/or avoid the provisions of laws and regulations.

Article 112

- (1) The Provider which violates the provisions as referred to in Article 111 shall be subject to administrative sanctions in the form of:
 - a. written warning;
 - b. limitation of business activities; and/or
 - c. license revocation.
- (2) Administrative sanctions as referred to in paragraph (1) may be accompanied by Provider's Electronic System blocking.
- (3) Administrative sanction in the form of a written warning as referred to in paragraph (1) letter a, is given a maximum of 3 (three) times, each with a maximum validity period of 2 (two) months.
- (4) In the event that the administrative sanction in the form of a written warning as referred to in paragraph (3) expires and the Provider still cannot address the cause of sanction

imposition, the Financial Services Authority shall impose an administrative sanction in the form of limitation of business activities.

- (5) Administrative sanction in the form of limitation of business activities as referred to in paragraph (4) is given in writing and is effective as of the date of stipulation for a maximum period of 6 (six) months.
- (6) If the administrative sanctions in the form of a written warning and/or limitation of business activities expire on a holiday, the administrative sanctions in the form of a written warning and/or limitation of business activities is valid until the next first business day.
- (7) In the event that prior to the expiry of administrative sanction in the form of a written warning as referred to in paragraph (3) or limitation of business activities as referred to in paragraph (5), the Provider has fulfilled the provisions as referred to in paragraph (1), the Financial Services Authority shall revoke administrative sanction in the form of written warnings or limitation of business activities.
- (8) In the event that administrative sanction in the form of limitation of business activities is still in effect and the Provider continues to carry out business activities, the Financial Services Authority may immediately impose administrative sanction in the form of revocation of business licenses.
- (9) In the event that until the expiration of limitation period for business activities as referred to in paragraph (6), the Provider does not fulfill the provisions as referred to in paragraph (1), the Financial Services Authority shall revoke the business license of relevant Provider.

CHAPTER XVII
TRANSITIONAL PROVISION

Article 113

- (1) Provision related to paid-up capital as referred to in Article 4 paragraph (1) does not apply to Providers that:
 - a. have obtained a license;
 - b. are applying for licensing processes; and
 - c. have returned their registered certificates and will apply for re-licensing,
prior to the promulgation of this Regulation of Financial Services Authority.
- (2) The paid-up capital requirement as referred to in paragraph (1) letter b and letter c is determined at IDR 2,500,000,000.00 (two billion five hundred million rupiah) which only applies to Provider that applies for a license for a maximum of 6 (six) months since this Regulation of Financial Services Authority was promulgated.
- (3) When submitting licensing application to the Financial Services Authority, a Provider that has returned a registered certificate and will apply for licensing as referred to in paragraph (1) letter c shall comply with the following provisions:
 - a. does not change their PSP; and
 - b. have a minimum amount of equity of IDR 2,500,000,000 (two billion five hundred million rupiah).

Article 114

- (1) Conventional providers that have sharia products or business units and have not complied with the provisions as referred to in Article 24 paragraph (3) shall cease to market their sharia products since this Regulation of

Financial Services Authority is promulgated and complete the rights and obligations of Provider no later than 6 (six) months after this Regulation of Financial Services Authority is promulgated.

- (2) Provisions related to the number of members of the Board of Directors as referred to in Article 55 paragraph (1), the number of the Board of Commissioners as referred to in Article 56 paragraph (1), certification as stipulated in Article 15 paragraph (1), ownership, control, and management of Electronic Systems as stipulated in Article 42 paragraph (2), and ownership of Electronic System on device and website address as stipulated in Article 42 paragraph (4) shall be fulfilled no later than 1 (one) year since this Regulation of Financial Services Authority is promulgated.
- (3) Provisions related to concurrent positions of board of directors as regulated in Article 55 paragraph (4), concurrent positions of commissioners as referred to in Article 56 paragraph (3), and ownership of internal audit unit as regulated in Article 58 paragraph (1) shall be fulfilled no later than 6 (six) months since this Regulation of Financial Services Authority is promulgated.
- (4) In the event that the Provider has used foreign worker as referred to in Article 18 paragraph (1) prior to the promulgation of this Regulation of Financial Services Authority, the use period of foreign worker remains valid until the expiration of agreed employment contract for the use of foreign worker.
- (5) At the time of promulgation of this Regulation of Financial Services Authority, each party that becomes a PSP for more than 1 (one) conventional Provider and 1 (one) Provider based on Sharia Principles, shall comply with the provisions in Article 6 paragraph (1) no later than 1 (one)

year since the promulgation of this Regulation of Financial Services Authority.

- (6) The Main Party of Provider that has served before this Regulation of Financial Services Authority is promulgated, may still be the Main Party until the end of term of office.
- (7) The Main Party as referred to in paragraph (6) must take a fit and proper test before the person concerned is subject to an extension of office or transfer of office.

Article 115

The Provider that has obtained a business license at the time this Regulation of Financial Services Authority is promulgated and has foreign ownership either directly or indirectly which exceed 85% (eighty five percent) is exempted from the foreign ownership limit as referred to in Article 3 paragraph (4) as long as they do not change the ownership.

Article 116

Information Technology-Based Lending and Borrowing Services as referred to in the Regulation of Financial Services Authority Number 77/POJK.01/2016 concerning Information Technology-Based Lending and Borrowing Services is stated as LPBBTI based on this Regulation of Financial Services Authority.

CHAPTER XVIII

CLOSING PROVISIONS

Article 117

At the time this Regulation of Financial Services Authority comes into force, the provision for implementation of Regulation of Financial Services Authority Number 77/POJK.01/2016 of 2016 concerning Information Technology-Based Lending and

Borrowing Services (State Gazette of the Republic of Indonesia of 2016 Number 324, Supplement to the State Gazette of the Republic of Indonesia 6005), is declared still valid as long as it does not conflict with the provisions in this Regulation of Financial Services Authority.

Article 118

At the time this Regulation of Financial Services Authority comes into force, Regulation of Financial Services Authority Number 77/POJK.01/2016 of 2016 concerning Information Technology-Based Lending and Borrowing Services (State Gazette of the Republic of Indonesia of 2016 Number 324, Supplement to the State Gazette of the Republic of Indonesia 6005), is revoked and declared invalid.

Article 119

At the time this Regulation of Financial Services Authority comes into force, Article 30 letter a of Regulation of Financial Services Authority Number 4/POJK.05/2021 concerning Application of Risk Management in the Use of Information Technology by Non-Bank Financial Services Institutions (State Gazette of the Republic of Indonesia of 2021 Number 78, Supplement to the State Gazette of the Republic of Indonesia Number 6668), is declared invalid for Provider.

Article 120

This Regulation of Financial Services Authority comes into force on the date of promulgation.

For public cognizance, this Regulation of Financial Services Authority shall be promulgated by placing it in the State Gazette of the Republic of Indonesia.

Stipulated in Jakarta
on 29 June 2022

CHAIRMAN OF BOARD OF
COMMISSIONERS OF THE
FINANCIAL SERVICES AUTHORITY
OF THE REPUBLIC OF INDONESIA

signature

WIMBOH SANTOSO

Promulgated in Jakarta
on 4 July 2022

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

signature

YASONNA H. LAOLY

STATE GAZETTE OF THE REPUBLIC OF INDONESIA NUMBER 2/OJK OF
2022

The copy is in accordance with the original
Legal Director 1
Law Department

signature

Mufli Asmawidjaja

ELUCIDATION ON
REGULATION OF FINANCIAL SERVICES AUTHORITY
OF THE REPUBLIC OF INDONESIA
NUMBER 10/POJK.05/2022
CONCERNING
INFORMATION TECHNOLOGY-BASED CO-FUNDING SERVICES

I. GENERAL

The development of information technology has a major impact on the financial services industry (IJK). The digitization of IJK has encouraged IJK to innovate quickly and adapt to the needs of community. One of the IJK that has developed very rapidly in recent years is the financial technology (fintech) industry, particularly the information technology-based lending and borrowing service industry (LPMUBTI).

Since being regulated and supervised by the Financial Services Authority in 2016, the development of LPMUBTI industry has recorded a very high growth, far above the growth of other IJKs. The number of users continues to grow significantly. Business model and cooperation of other parties in the ecosystem continues to grow and become more complex. This positive industrial development needs to be directed towards making an optimal contribution to the Indonesian nation through funding to communities, regions, and business sector that have not been optimally funded by existing financial institutions.

LPMUBTI industry is supported by information technology with different characteristics from existing IJKs, such as non-face-to-face transaction mechanisms, high transaction frequency, fast processing, simple requirements, including artificial intelligence support. These characteristics result in the nature of business that requires different supervision from conventional supervision methods. Supervision shall be carried out by utilizing information technology optimally to increase effectiveness and efficiency. Information technology support in supervision is also to be able to accommodate the development of an increasingly complex industry.

The rapid development and characteristics of industry, as described previously, require a more flexible principle-based regulatory model to accommodate industrial developments. The supervisory approach also needs to be directed at market conduct by involving industry associations. In addition, transparency to the public also needs to be prioritized so the public can participate in assessing the quality of industry and Provider, and can increase public trust.

The Regulation of Financial Services Authority Number 77/POJK.01/2016 concerning Information Technology-Based Lending and Borrowing Services (POJK 77/2016) is considered no longer able to accommodate the rapid industrial development and future industrial demands. There are many things that have not been regulated in POJK 77/2016, including many provisions which are not accommodate the current and future needs of industry. This has an impact on the less optimal of the regulatory support for the development, quality, and contribution of industry. In addition, POJK 77/2016 has not been able to provide optimal regulatory for consumer protection.

Furthermore, the development of LPMUBTI with sharia principles and the emergence of sharia products caused the lending and borrowing term to be less appropriate to use. To accommodate business activities with sharia and conventional principles, it is necessary to make adjustments by using more universal terms. Thus, to accommodate the needs and describe the concept of lending and borrowing in LPMUBTI, the use of information technology-based co-funding services (LPBBTI) term is more appropriate and more universal.

POJK 77/2016 which regulates the LPMUBTI industry needs to be replaced with new regulation that can accommodate future needs. Through the new regulation, it is expected that the needs of Financial Services Authority regarding the effectiveness and efficiency of supervision, the needs of industry in order to be able to develop optimally, healthy and contributively, as well as consumer needs for more optimal protection can be accommodated.

II. ARTICLE BY ARTICLE

Article 1

Self-explanatory.

Article 2

Self-explanatory.

Article 3

Paragraph (1)

Letter a

Self-explanatory.

Letter b

Foreign legal entities include *naamloze vennootschap* (NV), private limited (Pte. Ltd), or *sendirian berhad* (Sdn. Bhd).

Paragraph (2)

Self-explanatory.

Paragraph (3)

Self-explanatory.

Paragraph (4)

Self-explanatory.

Paragraph (5)

Self-explanatory.

Article 4

Self-explanatory.

Article 5

Self-explanatory.

Article 6

Paragraph (1)

Example of prohibition on being a PSP in more than 1 (one) conventional Provider or 1 (one) Provider based on Sharia Principles.

1. A is a PSP at PT X which is a conventional Provider. A cannot become a PSP to other conventional Providers.
2. B is a PSP at PT Y which is a Provider based on Sharia Principles. B cannot become a PSP to other Provider based

on Sharia Principles.

3. A is a PSP at PT X which is a conventional Provider that may become a PSP at PT Y which is a Provider based on Sharia Principles.

Paragraph (2)

Self-explanatory.

Article 7

Self-explanatory.

Article 8

Paragraph (1)

Self-explanatory.

Paragraph (2)

Self-explanatory.

Paragraph (3)

Self-explanatory.

Paragraph (4)

Self-explanatory.

Paragraph (5)

What is meant by “from the date” is the calculation of commencement on the specified date. Example: if the Provider is registered on 5 June, then that date is taken into account.

Paragraph (6)

Self-explanatory.

Paragraph (7)

Self-explanatory.

Article 9

Paragraph (1)

Letter a

Self-explanatory.

Letter b

Self-explanatory.

Letter c

The ultimate shareholder is commonly known as the ultimate shareholder.

The beneficial owner is commonly known as the beneficial owner.

Letter d

Self-explanatory.

Letter e

Self-explanatory.

Letter f

What is meant by “other documents which show the financial capability and source of funds for prospective individual shareholders” are among others current accounts and certificates of deposit.

Letter g

Self-explanatory.

Letter h

Example of documents that prove that the paid-up capital does not originate from a loan include:

1. information on shareholders from the financial information service system,
2. equivalent documents from the authorities of other countries,
3. current account, and
4. others.

Letter i

Self-explanatory.

Letter j

Self-explanatory.

Letter k

Self-explanatory.

Letter l

Self-explanatory.

Letter m

Self-explanatory.

Letter n

Self-explanatory.

Letter o

What is meant by “proof of payment of licensing fee” is a valid proof of payment of Provider licensing fee to the Financial Services Authority.

Paragraph (2)

What is meant by “Electronic System presentation” is presentation related to Electronic Systems owned by Provider, flow of Funding from both Funder and Fund Recipients, reliability of Electronic Systems, and integration of Electronic Systems with fintech lending data centers.

Paragraph (3)

Self-explanatory.

Paragraph (4)

Self-explanatory.

Paragraph (5)

Self-explanatory.

Paragraph (6)

Self-explanatory.

Paragraph (7)

What is meant by “document completion” is that the documents are complete and meet the terms and conditions in this Regulation of Financial Services Authority.

Paragraph (8)

Self-explanatory.

Paragraph (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

Paragraph (1)

What is meant by “certificate of work competence” refers to the Indonesian National Qualifications Framework applicable in the field of financial technology.

What is meant by “professional certification agency” is a professional certification agency accredited by the National Professional Certification Agency and registered in the Financial Services Authority.

Paragraph (2)

Self-explanatory.

Paragraph (3)

Self-explanatory.

Article 17

Paragraph (1)

Examples of Electronic Systems used by Provider are websites and mobile applications.

Paragraph (2)

For expertise, it can be proven, among others, by certification.

Article 18

Self-explanatory.

Article 19

Paragraph (1)

Self-explanatory.

Paragraph (2)

Self-explanatory.

Paragraph (3)

Self-explanatory.

Paragraph (4)

Letter a

Self-explanatory.

Letter b

What is meant by “registered with a third-party association of similar companies” is an association which is recognized under Indonesian law or recognized internationally when there is no similar association in Indonesia.

Letter c

Self-explanatory.

Letter d

Self-explanatory.

Paragraph (5)

Self-explanatory.

Article 20

Self-explanatory.

Article 21

Self-explanatory.

Article 22

Self-explanatory.

Article 23

Self-explanatory.

Article 24

Paragraph (1)

Self-explanatory.

Paragraph (2)

This provision is intended that a Provider which conducts business activities conventionally cannot carry out business activities based on Sharia Principles simultaneously with conventional business activities, including through the

establishment of a sharia unit or vice versa.

Paragraph (3)

Self-explanatory.

Article 25

Paragraph (1)

Letter a

What is meant by “productive Funding” is Funding for businesses which produce goods and/or services, including businesses that provide added value and increase income for the Fund Recipients. Productive funding, among others, invoice financing, procurement of ordered goods (purchase order), procurement of goods for online sales (online seller), business capital facilities, or project Funding.

Letter b

What is meant by “Multipurpose Funding” is the Funding of goods and/or services required by the Fund Recipient for use/consumption and not for business purposes or productive activities within the agreed period.

Multipurpose Funding activities is carried out directly to Fund Recipients or indirectly to Fund Recipients through other parties.

Paragraph (2)

Letter a

What is meant by “provision of security” is the seller of receivables bears the risk of not being collected in part or all of receivables made based on factoring.

Letter b

Self-explanatory.

Paragraph (3)

Self-explanatory.

Article 26

Paragraph (1)

Self-explanatory.

Paragraph (2)

Letter a

Self-explanatory.

Letter b

What is meant by “affiliate” is:

- a. when the Funder is a company that has:
 1. family relationship due to marriage or descent to the second degree, both horizontally and vertically with employees, members of the board of directors, members of the board of commissioners, members of the sharia supervisory board, and/or company shareholders;
 2. relationship with the company due to the similarity of one or more members of the board of directors or members of the board of commissioners;
 3. controlling relationship with the company, either directly or indirectly;
 4. share ownership relationship in the company of 20% (twenty percent) or more; and/or
 5. relationship between 2 (two) companies which are controlled, either directly or indirectly, by the same party
- b. when the Funder is an individual who has:
 1. family relationship due to marriage or descent to the second degree, both horizontally and vertically;
 2. employees who are directly employed by the Funder; and/or
 3. a party other than letter a and letter b who act

for the benefit of another Funder.

Paragraph (3)

What is meant by “Maximum limit of Funding for each Fund Recipient” is the maximum limit of total Funding that has not been repaid by each Fund Recipient in one Provider.

Example:

A is a Fund Recipient at ABCD Provider, A cannot apply for new Funding if the total unpaid Funding of A has reached IDR 2,000,000,000 (two billion rupiah), if A has repaid part or all of the loan, then A can only re-apply for new Funding until the total unpaid Funding of A reaches IDR 2,000,000,000 (two billion rupiah).

Paragraph (4)

What is meant by “25% (twenty five percent) of outstanding Funding at the end of month” is determined based on information on Funding transactions of Provider at any time.

Example:

At the end of month, the Provider submits information on Funding which is amounted to 50 billion, so in the following month, each Funder can only distribute Funding of a maximum of 12.5 billion (50 x 25%).

Paragraph (5)

Self-explanatory.

Paragraph (6)

The maximum limit of Funding for financial services business actors supervised by the Financial Services Authority is applied while still adhering to the provisions of laws and regulations for such financial services business actors.

Paragraph (7)

Self-explanatory.

Paragraph (8)

Self-explanatory.

Article 27

Paragraph (1)

Self-explanatory.

Paragraph (2)

Letter a

Self-explanatory.

Letter b

Self-explanatory.

Letter c

Indonesian legal entities do not include the government or government institutions such as ministries, public service agencies, and/or revolving fund management institutions.

Letter d

Self-explanatory.

Letter e

Self-explanatory.

Letter f

Self-explanatory.

Letter g

Self-explanatory.

Article 28

Paragraph (1)

Self-explanatory.

Paragraph (2)

Self-explanatory.

Article 29

Paragraph (1)

What is meant by “economic benefits” are the rate of return including interest, profit sharing, *ujrah* or margin.

Paragraph (2)

Self-explanatory.

Paragraph (3)

Self-explanatory.

Article 30

Self-explanatory.

Article 31

Paragraph (1)

Self-explanatory.

Paragraph (2)

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

What is meant by “use of Personal Data” is, among others, approval of the use of Personal Data from the Funder and the scope of data use by the Provider.

Letter l

What is meant by “Funding collection mechanism” is collection by the Provider and assignment of collection to a third party.

Letter m

What is meant by “risk mitigation in the event of bad Funding” is the settlement of bad Funding that can be carried out by the Funder which consists of collection by Provider, assignment of collection to a third party, and insurance claims.

Letter n

Self-explanatory.

Letter o

Examples of Providers that are unable to continue their operational activities are:

- 1) Provider has returned the license certificate to the Financial Services Authority;
- 2) Financial Services Authority has revoked the Provider’s business license; and
- 3) Provider is converting from conventional LPBBTI operations to LPBBTI operations based on Sharia Principles.

Paragraph (3)

Self-explanatory.

Paragraph (4)

Self-explanatory.

Paragraph (5)

Self-explanatory.

Letter a

What is meant by “final position of Funding” is among others the remaining amount of Funding that has not been paid.

Letter b

Self-explanatory.

Letter c

Self-explanatory.

Letter d

Self-explanatory.

Paragraph (6)

Self-explanatory.

Paragraph (7)

Submission of agreement is carried out by providing a special section on the Electronic System used by Provider. Examples of websites or mobile applications which give access to Funder to be able to review the signed agreement.

Article 32

Paragraph (1)

Self-explanatory.

Paragraph (2)

Letter a

Self-explanatory.

Letter b

Self-explanatory.

Letter c

The identity of parties only includes the names and National Identity Number (NIK) or Business Identification Number (NIB) or other numbers deemed equivalent.

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.

Letter l

Self-explanatory.

Letter m

Self-explanatory.

Letter n

Self-explanatory.

Paragraph (3)

Self-explanatory.

Paragraph (4)

Self-explanatory.

Paragraph (5)

Self-explanatory.

Paragraph (6)

Self-explanatory.

Paragraph (7)

Self-explanatory.

Article 33

What is meant by “ensure the User has read and understood the contents of agreement” is to provide facilities which ensure that the User has read and understood the contents of agreement before the agreement is signed.

Example:

Before the User agrees to the agreement in Electronic System of Provider, there is a notification of “Has the User read and understood the contents of agreement?” submitted to the User.

Article 34

Self-explanatory.

Article 35

Paragraph (1)

Self-explanatory.

Paragraph (2)

Self-explanatory.

Paragraph (3)

Self-explanatory.

Paragraph (4)

Letter a

In conducting risk analysis of Funding to be facilitated, the Provider may perform independently or in collaboration with other parties, such as credit or data management providers.

What is meant by “Funding risk analysis” is the Provider performs scoring/assessment of prospective Fund Recipients who apply for Funding. Prospective Fund Recipients who meet the criteria to receive funds are presented to prospective Funder for selection/granting of Funding. Positions of all prospective Fund Recipients are equal or all are eligible to be funded. Provider is prohibited from directing prospective Funder to select a part of prospective Fund Recipients who meet the criteria (eligible). Provider frees (without providing advice/suggestion/direction) the prospective Funder to choose the prospective Fund Recipient presented by Provider.

Example:

Of the 5 (five) prospective Fund Recipients who submitted, only 4 (four) people met the criteria based on Provider scoring/assessment to be funded (with different or same scoring/assessment results). Provider presents the results of scoring/assessment of 4 (four) people to the prospective Funder in order to be selected/funded.

Provider is prohibited from providing advice/suggestions/directions so prospective Funder grants the funds to certain people among the 4 (four) people.

Letter b

In verifying the User’s identity, the Provider cooperates

with electronic certification provider.

In terms of ensuring the authenticity of documents, the Provider shall inspect the truth and authenticity of documents submitted by both the Fund Recipient and Funder, including in the event that there is collateral in intended process.

Letter c

In facilitating the Funder for collection until the Funding is paid, the Provider may independently collect until the Funding is paid or assign it to a third party for collection. In addition, the Provider may also represent the Funder to take actions in order to collect or settle the payments to Fund Recipient.

Letter d

In order to transfer the risk of Funding, it can be done through the transfer of risks arising from the Funding carried out by the Funder.

Letter e

What is meant by “transfer of risk on the object of security” is insuring the object of security.

Other risk mitigation that may be carried out by the Provider includes, among others, when there is collateral in Funding agreement between the Funder and Fund Recipient, the Provider cooperates with other parties who have the authority to accommodate or store the object of collateral based on the provisions of laws and regulations.

Paragraph (5)

Self-explanatory.

Paragraph (6)

Self-explanatory

Article 36

Paragraph (1)

What is meant by “using an Escrow Account and Virtual

Account/payment gateway for LPBBTI” is all Funding activities between Users which are not through the account of Provider but using an Escrow Account and Virtual Account/payment gateway.

Paragraph (2)

What is meant by “special fund account” is an account in a bank which specifically is used for LPBBTI transactions.

Paragraph (3)

Self-explanatory.

Paragraph (4)

Self-explanatory.

Paragraph (5)

Self-explanatory.

Paragraph (6)

Self-explanatory.

Paragraph (7)

Self-explanatory.

Paragraph (8)

Self-explanatory.

Paragraph (9)

Self-explanatory.

Article 37

Self-explanatory.

Article 38

Paragraph (1)

What is meant by “non-financial institutions” are among others the utilization of population data, data center provider, partnerships, and others.

Paragraph (2)

Self-explanatory.

Paragraph (3)

Letter a

What is meant by “informative service” is a service which

particularly limited to providing information within the Provider's Electronic System without any further interaction and is not followed by the execution of financial transactions. Example:

Insurance company cooperate on informative services with the Provider by placing advertisements, when the User clicks on advertisement in question, the User will be directed to the insurance company's website without the execution of financial transactions.

Letter b

Self-explanatory.

Letter c

Self-explanatory.

Paragraph (4)

Self-explanatory.

Paragraph (5)

Self-explanatory.

Article 39

Self-explanatory.

Article 40

Paragraph (1)

What is meant by "data exchange cooperation" is cooperation with information technology-based supporting service providers in the context of data exchange.

Examples of information technology-based supporting service providers are among others, credit information management institutions, alternative providers of telecommunication-based credit scoring or e-commerce providers.

What is meant by "data" is data required in the credit scoring process, including Personal Data and transaction data.

Paragraph (2)

Self-explanatory.

Paragraph (3)

Self-explanatory.

Paragraph (4)

Self-explanatory.

Paragraph (5)

Self-explanatory.

Paragraph (6)

Self-explanatory.

Paragraph (7)

Self-explanatory.

Article 41

Self-explanatory.

Article 42

Paragraph (1)

Self-explanatory.

Paragraph (2)

What is meant by “owned, controlled, and managed” includes the ability to develop, modify, and delete Electronic Systems.

Paragraph (3)

What is meant by “registered” is an Electronic System registered in the authority in charge of communication and information.

Paragraph (4)

Self-explanatory.

Article 43

Paragraph (1)

Self-explanatory.

Paragraph (2)

Self-explanatory.

Paragraph (3)

Self-explanatory.

Paragraph (4)

Self-explanatory.

Paragraph (5)

Self-explanatory.

Paragraph (6)

Letter a

Self-explanatory.

Letter b

What is meant by “information on Funding transactions” includes information related to the submission of Funding and provision of Funding, including the final position of total unpaid Funds, number of transactions, and amount of distribution.

Letter c

What is meant by “information on Funding quality” is information regarding payment of Funding consisting of due date, payment status, fines, and payment value.

Article 44

Self-explanatory.

Article 45

Paragraph (1)

Self-explanatory.

Paragraph (2)

Self-explanatory.

Paragraph (3)

What is meant by “other needs” is the use of audit track records other than for the purposes of supervision, law enforcement, dispute resolution, verification, and testing.

An example of an inspection to obtain certification from an international standardization organization (ISO).

Paragraph (4)

Self-explanatory.

Article 46

Self-explanatory.

Article 47

Paragraph (1)

What is meant by “approval” is approval from the User in writing or in other forms in accordance with the applicable provisions.

Paragraph (2)

Self-explanatory.

Paragraph (3)

Self-explanatory.

Paragraph (4)

Self-explanatory.

Paragraph (5)

What is meant by “In writing application” is an application by letter, e-mail, or other channels in the Electronic System provided by Provider.

Article 48

Self-explanatory.

Article 49

Paragraph (1)

Self-explanatory.

Paragraph (2)

Self-explanatory.

Paragraph (3)

Self-explanatory.

Paragraph (4)

Self-explanatory.

Paragraph (5)

Self-explanatory.

Paragraph (6)

Self-explanatory.

Paragraph (7)

Self-explanatory.

Paragraph (8)

Self-explanatory.

Paragraph (9)

Self-explanatory.

Paragraph (10)

Self-explanatory.

Paragraph (11)

What is meant by “transaction data entry error” is any error in transaction data entry reported by Provider through the Financial Services Authority fintech lending data center.

Example:

Each transaction data report contains several dimensions (columns), including the name of Provider, name of Funder, name of Fund Recipient, amount of economic benefit, and date of payment. In the event that the Provider incorrectly reports the dimensions of economic benefit amount and payment date, the Provider is subject to an administrative sanction in the form of a fine for incorrect transaction data entry in the amount of IDR 50,000.00 (fifty thousand) x 2 (two) entries.

Paragraph (12)

Self-explanatory.

Paragraph (13)

Self-explanatory.

Article 50

Paragraph (1)

Self-explanatory.

Paragraph (2)

What is meant by “equity” is equity based on financial accounting standards applicable in Indonesia.

Article 51

Self-explanatory.

Article 52

Self-explanatory.

Article 53

Paragraph (1)

Self-explanatory.

Paragraph (2)

Letter a

What is meant by “transparency” is transparency in the decision-making process and openness in disclosure and provision of relevant information regarding the Provider, which is easily accessible by stakeholders in accordance with the provisions of laws and regulations in the field of LPBBTI as well as standards, principles, and practices for healthy LPBBTI business operations.

Letter b

What is meant by “accountability” is the clarity of function and implementation of responsibility of Provider organs so the performance of Provider can run in a transparent, fair, effective and efficient manner.

Letter c

What is meant by “responsibility” is the conformity of Provider management with the provisions of laws and regulations in the field of LPBBTI and ethical values as well as standards, principles and practices of healthy LPBBTI business operations.

Letter d

What is meant by “independency” is the condition of Provider which is managed independently and professionally and free from conflicts of interest and influence or pressure from any party which is not in accordance to the provisions of laws and regulations in the field of LPBBTI and ethical values as well as standards, principles, and practices of healthy LPBBTI business operations.

Letter e

What is meant by “fairness” is equality, balance, and justice in fulfilling the rights of stakeholders which arise based on agreements, provisions of laws and regulations,

and ethical values as well as standards, principles, and practices of healthy LPBBTI business operations.

Article 54

Self-explanatory.

Article 55

Paragraph (1)

Self-explanatory.

Paragraph (2)

What is meant by “managerial experience” is a person who has held a managerial position and has the authority to make decisions.

What is meant by “credit/financing, risk management, and/or finance field” is a job function which shall exist in business activities of a financial service institution so if such job is not available, the said activity will be severely disrupted or not carried out properly.

Paragraph (3)

Self-explanatory.

Paragraph (4)

Self-explanatory.

Paragraph (5)

Self-explanatory.

Paragraph (6)

Self-explanatory.

Paragraph (7)

Self-explanatory.

Article 56

Paragraph (1)

Self-explanatory.

Paragraph (2)

What is meant by “managerial level” is a person who has held a managerial position and has the authority to make decisions.

Paragraph (3)

Self-explanatory.

Paragraph (4)

Self-explanatory.

Paragraph (5)

Self-explanatory.

Paragraph (6)

Self-explanatory.

Paragraph (7)

Self-explanatory.

Article 57

Paragraph (1)

Self-explanatory.

Paragraph (2)

Examples of provisions prohibiting concurrent positions as members of DPS at more than 3 (three) other sharia financial institutions is:

A is a member of the DPS of Provider based on Sharia Principles of O. A concurrently serves as:

- a. member of DPS in P sharia financing company;
- b. member of DPS in Q sharia insurance company;
- c. member of DPS in R sharia commercial bank; and
- d. member of DPS in S sharia people's financing bank.

Article 58

Self-explanatory.

Article 59

Self-explanatory.

Article 60

Self-explanatory.

Article 61

Self-explanatory.

Article 62

Self-explanatory.

Article 63

Self-explanatory.

Article 64

Paragraph (1)

What is meant by “change of business model” is a change or addition to a business model that has a significant difference with the business model run by Provider.

Example:

Provider X is a platform that provides multipurpose Funding services, if Provider wants to open productive Funding services, the Provider shall report to the Financial Services Authority.

Provider X is engaged in distributing agricultural Funding, if Provider intends to distribute Funding for consistent income employees, the Provider shall report to the Financial Services Authority. Provider X, which previously distributed Funding for consistent income employees at a company, if Provider wants to distribute Funding in general, the Provider shall report to the Financial Services Authority.

Paragraph (2)

Self-explanatory.

Paragraph (3)

Self-explanatory.

Paragraph (4)

Self-explanatory.

Article 65

Paragraph (1)

Incidental reports are a report which not regulated in the Regulation of Financial Services Authority and shall be reported immediately.

Examples of reports of fraud act, reports on implementation of internal audits, and reports on implementation of education.

Paragraph (2)

Self-explanatory.

Paragraph (3)

Self-explanatory.

Article 66

Paragraph (1)

What is meant by “true” is in accordance with the actual conditions at the LJKNB and does not contain false material information or facts.

What is meant by “complete” is to contain all elements of report and does not omit material information or facts.

Paragraph (2)

Self-explanatory.

Paragraph (3)

Self-explanatory.

Paragraph (4)

Self-explanatory.

Paragraph (5)

Self-explanatory.

Paragraph (6)

Self-explanatory.

Paragraph (7)

Self-explanatory.

Paragraph (8)

Self-explanatory.

Paragraph (9)

Self-explanatory.

Paragraph (10)

Self-explanatory.

Paragraph (11)

Self-explanatory.

Article 67

Self-explanatory.

Article 68

Paragraph (1)

Self-explanatory.

Paragraph (2)

Letter a

Self-explanatory.

Letter b

Examples of change of ownership in this provision:

A is the Provider whose shares are owned by B and C. B and C are private companies that do not trade shares on the stock exchange. When the shareholder of B and/or C change their ownership, A is required to first obtain approval from the Financial Services Authority.

Letter c

Self-explanatory.

Letter d

Examples of change of ownership in this provision:

A is the Provider whose shares are owned by B. B is a public company that trades shares on the stock exchange. When the controlling shareholder of B change his ownership, A is required to first obtain approval from the Financial Services Authority.

Paragraph (3)

What is meant by “change of ownership” is a change in the share ownership portion or shareholder structure as a result of shares sale and purchase either directly or through a public offering.

Paragraph (4)

Self-explanatory.

Paragraph (5)

Self-explanatory.

Paragraph (6)

Self-explanatory.

Article 69

Paragraph (1)

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

Self-explanatory.

Letter l

Self-explanatory.

Letter m

Self-explanatory.

Letter n

Proof of prospective shareholders' funds readiness, among others:

1. proof of copy of deposit ownership or fund ownership of prospective shareholders at the bank which in accordance to the fair value as stated in the deed plan and/or the sale and purchase agreement/transfer of shares;

2. proof of fund deposit that have been distributed to the Provider; and/or
3. current account for the last 3 (three) months.

Paragraph (2)

Self-explanatory.

Paragraph (3)

Self-explanatory.

Paragraph (4)

Self-explanatory.

Paragraph (5)

Self-explanatory.

Article 70

Self-explanatory.

Article 71

Self-explanatory.

Article 72

Paragraph (1)

Self-explanatory.

Paragraph (2)

Self-explanatory.

Paragraph (3)

Self-explanatory.

Paragraph (4)

What is meant by “similar Funding principles” is:

- a. Conventional Provider performs Merger or Consolidation with conventional Providers; or
- b. Provider with Sharia Principles performs Merger or Consolidation with Providers with Sharia Principles.

Paragraph (5)

Self-explanatory.

Paragraph (6)

Self-explanatory.

Paragraph (7)

Self-explanatory.

Article 73

Self-explanatory.

Article 74

Self-explanatory.

Article 75

Paragraph (1)

Self-explanatory.

Paragraph (2)

Self-explanatory.

Paragraph (3)

Self-explanatory.

Paragraph (4)

Announcing changes of ownership, Merger, or Consolidation to the public can be done through newspapers or print media and electronic media or Provider's website.

Article 76

Self-explanatory.

Article 77

Self-explanatory.

Article 78

Self-explanatory.

Article 79

Self-explanatory.

Article 80

Paragraph (1)

Letter a

Self-explanatory.

Letter b

What is meant by "letter" includes also electronic mail.

Paragraph (2)

Letter a

Self-explanatory.

Letter b

What is meant by “similar business operating principles” is as follows:

- a. Conventional Provider and conventional Provider; or
- b. Provider with Sharia Principles and Provider with Sharia Principles.

Letter c

Self-explanatory.

Letter d

Self-explanatory.

Article 81

What is meant by “provision of laws and regulations” is among others Regulation of Financial Services Authority concerning consumer protection in the financial services sector.

Article 82

Self-explanatory.

Article 83

Self-explanatory.

Article 84

Paragraph (1)

Self-explanatory.

Paragraph (2)

Self-explanatory.

Paragraph (3)

The time limit for submission of closing financial position statement is carried out by taking into account of, among others, the location of office, condition of assets, and complexity of the Provider problems.

Paragraph (4)

Self-explanatory.

Paragraph (5)

Self-explanatory.

Paragraph (6)

Self-explanatory.

Article 85

Self-explanatory.

Article 86

Self-explanatory.

Article 87

Self-explanatory.

Article 88

Self-explanatory.

Article 89

Paragraph (1)

Self-explanatory.

Paragraph (2)

Self-explanatory.

Paragraph (3)

Self-explanatory.

Paragraph (4)

Self-explanatory.

Paragraph (5)

Letter a

Self-explanatory.

Letter b

What is meant by “other settlement steps in accordance with the provisions of laws and regulations” include, among others, settlement through the courts.

Article 90

Paragraph (1)

Self-explanatory.

Paragraph (2)

Self-explanatory.

Paragraph (3)

What is meant by “direct supervision” is inspection.

Paragraph (4)

What is meant by “other parties” are, among others, independent appraisal agencies.

Article 91

Self-explanatory.

Article 92

Self-explanatory.

Article 93

Self-explanatory.

Article 94

Self-explanatory.

Article 95

Self-explanatory.

Article 96

Self-explanatory.

Article 97

Self-explanatory.

Article 98

Self-explanatory.

Article 99

Self-explanatory.

Article 100

Self-explanatory.

Article 101

Paragraph (1)

Self-explanatory.

Paragraph (2)

Self-explanatory.

Paragraph (3)

Self-explanatory.

Paragraph (4)

Letter a

Self-explanatory.

Letter b

Self-explanatory.

Letter c

Self-explanatory.

Letter d

Calculation of payment success rate (TKB), namely:

$$\text{TKB90} = 100\% - \text{TWP90}$$

$$\text{TWP90} = \frac{\text{final position of default is more than 90 days}}{\text{Total final position}} \times 100\%$$

TKB90 is a measure of the success rate of LPBBTI Provider in facilitating the settlement of Funding obligations within a period of up to 90 (ninety) days from the due date.

TWP90 is a measure of level of default or failure to settle the obligations stated in Funding agreement over 90 (ninety) days from the due date.

Paragraph (5)

Self-explanatory.

Paragraph (6)

Self-explanatory.

Article 102

Paragraph (1)

The warning letter can be delivered physically or digitally through Electronic System or personal communication facilities registered on Electronic System used by Provider.

Paragraph (2)

Self-explanatory.

Article 103

Self-explanatory.

Article 104

The norms which apply in society are among others norms of propriety, courtesy, and decency.

Example:

- a. non-use of threats, violence and/or actions which embarrass the Fund Recipient;

- b. non-use of physical or verbal pressure;
- c. made only to the Funder; and
- d. not carried out continuously which is disturbing if the collection uses a means of communication.

Article 105

Self-explanatory.

Article 106

Self-explanatory.

Article 107

Self-explanatory.

Article 108

Self-explanatory.

Article 109

Self-explanatory.

Article 110

Paragraph (1)

Self-explanatory.

Paragraph (2)

Self-explanatory.

Paragraph (3)

Self-explanatory.

Paragraph (4)

What is meant by “part of a financial conglomerate” is a Provider which is a part of a financial conglomerate that meets the criteria in accordance to financial conglomerate in the Regulation of Financial Services Authority concerning financial conglomerates.

Article 111

Letter a

Self-explanatory.

Letter b

Self-explanatory.

Letter c

What is meant by “Automatic Funding” is Funding which uses a scheme where the Funder submits its funds to the Provider to be distributed to the Fund Recipient without any interaction or involvement of Funder on Funding carried out.

Letter d

Self-explanatory.

Letter e

Self-explanatory.

Letter f

Self-explanatory.

Letter g

What is meant by “debt securities” is short-term or long-term debt securities issued by Provider to other parties, among others in the form of promissory notes, medium term notes (MTN) or bonds.

Letter h

What is meant by “loan” is a loan in the form of money which causes the Provider to have an obligation to return a certain amount of value. Example:

- a. bank loan;
- b. loans from shareholders; and
- c. loans from other sources.

Letter i

What is meant by “prohibited from providing recommendations to Users” is that the Provider is prohibited from directing prospective Funder to select a part of prospective Fund Recipients who meet the criteria (eligible). Provider frees (without providing advice/suggestion/direction) the prospective Funder to choose the prospective Fund Recipient presented by Provider.

Example:

Of the 5 (five) prospective Fund Recipients who submitted, only 4 (four) people met the criteria based on Provider

scoring/assessment to be funded (with different or same scoring/assessment results). Provider presents the results of scoring/assessment of 4 (four) people to the prospective Funder in order to be selected/funded. Provider is prohibited from providing advice/suggestions/directions so prospective Funder grants the funds to certain people among the 4 (four) people. Explanation above does not include in the category of providing recommendations as referred to in letter i, because the activities carried out by Provider are included in the main activities of LPPBTI implementation.

Letter j

Self-explanatory.

Letter k

What is meant by “make a service offer either directly or indirectly” is an offer made by the Provider, either independently or through certain cooperation with other parties to offer Provider’s products through its means or facilities.

Letter l

Self-explanatory.

Letter m

Examples of “taking actions which result in or force other financial service institutions” include but are not limited to the Provider which cooperates with Rural Banks, the Provider shall pay attention to the operational area of Rural Banks in accordance with the provisions of laws and regulations.

Article 112

Self-explanatory.

Article 113

Self-explanatory.

Article 114

Self-explanatory.

Article 115

Self-explanatory.

Article 116

Self-explanatory.

Article 117

Self-explanatory.

Article 118

Self-explanatory.

Article 119

Self-explanatory.

Article 120

Self-explanatory.

SUPPLEMENT TO THE STATE GAZETTE OF THE REPUBLIC OF INDONESIA
NUMBER 2/ FINANCIAL SERVICES AUTHORITY (OJK)

APPENDIX
REGULATION OF FINANCIAL
SERVICES AUTHORITY OF THE
REPUBLIC OF INDONESIA
NUMBER 10/POJK.05/2022
CONCERNING
INFORMATION TECHNOLOGY-BASED
CO-FUNDING SERVICES

FORMAT 1: REPORT ON DETERMINATION OF EXISTING/NEW CONTROLLING SHAREHOLDER

Number : ,20 ...
Appendix :
Subject : Report On Appointment of Existing/New Controlling Shareholder

To:

Chief Executive Supervisor of Insurance, Pension Funds, Financing Institutions, and Other Financial Services Institutions
Attn. Director of Fintech Regulation, Licensing and Supervision
Wisma Mulia 2
Jalan Gatot Subroto Kav. 42
Jakarta 12710

We hereby:

Company Name : PT. *
Company Address :
City: Province :
Postal Code:
Company Telephone/Fax. No. :
Company Website Address :
Company Email :

submit a report on the appointment of a controlling shareholder (PSP)/report on the appointment of a new controlling shareholder (PSP)**) with the Minutes of General Meeting of Shareholders dated and number of deed of establishment/deed of amendment.... Dated..., with the details as follows:

***)

In the case of appointment of controlling shareholder

Name of PSP

PSP identity number :

PSP Form :

PSP Citizenship :

PSP Address :

City : Province :

Postal Code :

Share Ownership : .

Number of Shares	Share Nominal	Ownership Percentage

In the case of appointment of new controlling shareholder

Before Change			After Change		
Name of PSP			Name of PSP		
PSP identity Number			PSP identity Number		
PSP Form			PSP Form		
PSP Citizenship			PSP Citizenship		
PSP Address			PSP Address		
Share Ownership			Share Ownership		
Number of Shares	Share Nominal	Ownership Percentage	Number of Shares	Share Nominal	Ownership Percentage

As the data completion, we attach herewith the documents as referred to in Article ... paragraph ... Regulation of Financial Services Authority Number .../POJK.XX/... concerning Information Technology-Based Co-Funding Services (LPBBTI).

Thus, our report is submitted and for your attention**), we thank you.

Best Regards,
Board of Directors of PT*

.....

(Print name and signature)

*) Please specify

**) Cross out the unnecessary

***) Delete the unnecessary

FORMAT 2 : APPLICATION OF PROVIDER'S BUSINESS LICENSE

Number : ,20 ...
Appendix :
Subject : Application of Business License for the
Implementation of Information Technology-Based Co-
Funding Services

To:

Chief Executive Supervisor of Insurance, Pension Funds, Financing
Institutions, and Other Financial Services Institutions

Attn. Director of Fintech Regulation, Licensing and Supervision

Wisma Mulia 2

Jalan Gatot Subroto Kav. 42

Jakarta 12710

Referring to the Regulation of Financial Services Authority Number
.../POJK.XX/... concerning Information Technology-Based Co-Funding
Services, we hereby apply for a business license as LPBBTI Provider:

Name : PT *
Address :
City: Province : Postal Code: Telephone
Number
.....
Email :

To complete the application, we hereby submit the following documents:

1. a copy of the deed of establishment of a legal entity accompanied by evidence of ratification by competent authority;
2. a copy of the last deed of amendment to the articles of association (if any) accompanied by proof of approval, and/or a letter of receipt of notification from the competent authority;
3. a list of shareholders along with details of the size of each share ownership up to the ultimate shareholder and/or beneficial owner as well

- as a list of other companies owned by the shareholders;
4. data of shareholders;
 5. photocopy of tax return (SPT) for the last 2 (two) years prior to capital participation;
 6. other documents which show the financial capacity and source of funds for prospective individual shareholders;
 7. photocopy of proof of payment of paid-up capital;
 8. documents that prove that the paid-up capital does not originate from a loan;
 9. data of members of the Board of Directors, members of the Board of Commissioners, and/or members of the DPS;
 10. proof of work competency certificate from a professional certification agency in the field of financial technology;
 11. evidence of operational readiness that supports business activities;
 12. business feasibility study for the first 3 (three) years;
 13. additional documents for Provider which conducts business activities based on Sharia Principles;
 14. confirmation from the supervisory authority in foreign party's country of origin, if there is direct participation by a foreign legal entity that has supervisory authority in its country of origin; and
 15. proof of payment of licensing fees in the context of granting a business license;

We hereby convey that for the purposes of a business license, please contact Mr./Mrs. via email address or telephone number

Thus, our application is submitted and for your attention**), we thank you.

Best Regards,
Board of Directors of PT*

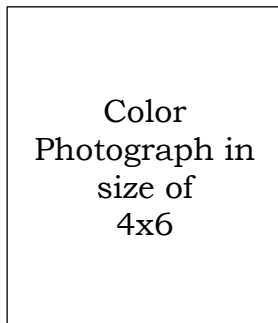
.....

(Print name and signature)

*) Please specify

***) Cross out the unnecessary

FORMAT 3 : CURRICULUM VITAE



CURRICULUM VITAE*

(to be filled in by Members of the Board of Directors/Members of the Board of Commissioners/Members of the Sharia Supervisory Board/Individual Shareholders/board of directors or equivalent for Shareholders in the Form of Legal Entities/Foreign Worker***)

I. Personal Data

1. Name :
2. Gender :
3. Place/Date of Birth :
4. Nationality :
5. Home Address :
6. Office Address :
7. ID Card/Passport
Number :
8. TIN :
9. DSN MUI
Recommendation for
DPS :
10. Office Phone/Mobile
Phone :
11. Email :

II. Educational Background

1. Formal

Educational Degree	Major/Specialization	Name/Place	Graduation Year

2. Non-Formal (Certified)

Courses/Seminars	Organizer	Graduation Year

3. Skills Education (Profession)

Certification	Organizer	Graduation Year

III. Employment History***

Company Name	Title	Main Job Description	First Day of Work	Last Day of Work	Resignation Reason

IV. Awards That Have Been Achieved and Relevant to the Financial Services Sector

No.	Type of Award	Year	Remarks

V. Skills Mastered and Mastery of Indonesian/Foreign Language

No.	Type of Skill	Mastery Level	Remarks

Thus this Curriculum Vitae we made truthfully

....., 20

(place, date)

.....

(Print name and signature)

*) Filled

**) Cross out the unnecessary

***) Proven by attaching proof of work experience certificate

FORMAT 4: APPLICATION OF APPROVAL FOR CONVERSION OF CONVENTIONAL TO SHARIA LPBBTI PROVIDER

Number : ,20 ...
Appendix :
Subject : Application of Approval for Conversion of
Conventional to Sharia LPBBTI Provider

To:

Chief Executive Supervisor of Insurance, Pension Funds, Financing
Institutions, and Other Financial Services Institutions

Attn. Director of Fintech Regulation, Licensing and Supervision

Wisma Mulia 2

Jalan Gatot Subroto Kav. 42

Jakarta 12710

Referring to the Regulation of Financial Services Authority Number .../POJK.05/xx concerning Information Technology-Based Co-Funding Services, we hereby submit a request for conversion from a conventional Information Technology-Based Co-Funding Services (LPBBTI) Provider to LPBBTI Provider with Sharia principles:

Name : PT

Address :
City of
Province of

Telephone/fax number :

Email :

To complete the application, we hereby submit the following documents:

1. proof of announcement related to the conversion plan and impact of conversion on the User through the Electronic System in the form of a website and/or mobile application.
2. draft deed of minutes of GMS approving conversion to Sharia Financing

Company;

3. draft of amendment to the articles of association;
4. latest audited financial statement;
5. plan for settlement of rights and obligations of the User;
6. projection of initial financial statements of the business activities of the converted Provider based on Sharia Principles;
7. work plan related to business activities based on Sharia Principles to be carried out for the first 3 (three) years; and
8. Draft of Escrow Account and Virtual Account cooperation agreement with a bank that conducts business activities based on Sharia Principles.

We hereby convey that for this purpose, please contact Mr./Mrs. ..., via email address ... or telephone number ...

Thus, our application is submitted and for your attention**), we thank you.

Best Regards,

Board of Directors of PT*

.....

(Print name and signature)

FORMAT 5: REPORT OF USE OF FOREIGN WORKER

Number : ,20 ...
Appendix :
Subject : Report of Use of Foreign worker

To:

Chief Executive Supervisor of Insurance, Pension Funds, Financing Institutions, and Other Financial Services Institutions

Attn. Director of Fintech Regulation, Licensing and Supervision

Wisma Mulia 2

Jalan Gatot Subroto Kav. 42

Jakarta 12710

Referring to the Regulation of Financial Services Authority Number .../POJK.XX/... concerning Information Technology-Based Co-Funding Services (LPBBTI), we hereby report the appointment of foreign workers as follows:

No.	Name	Title	Country of Origin	Appointment Period
1.				
2.	etc.			

As a document completion, we submit the following documents;

1. curriculum vitae of foreign worker employed using format 3 which is listed in Appendix which is integral part of the Regulation of the Financial Services Authority, accompanied by photocopies of documents reflecting their fields of expertise;
2. plans for annual education and training program as long as the foreign worker is employed; and
3. placement plans and areas of duty that are the responsibility of foreign worker.

Thus, our report is submitted and for your attention**), we thank you.

Best Regards,

Board of Directors of PT*

.....

(Print name and signature)

*) Please specify

**) Cross out the unnecessary

FORMAT 6: REPORT OF DATA EXCHANGE COOPERATION

Number : ,20 ...
Appendix :
Subject : Report of Data Exchange Cooperation between
Information Technology-Based Co-Funding Services
Providers and (Name of Third-Party Legal Entity)

To: Chief Executive Supervisor of Insurance, Pension Funds, Financing
Institutions, and Other Financial Services Institutions
Attn. Director of Fintech Regulation, Licensing and Supervision
Wisma Mulia 2
Jalan Gatot Subroto Kav. 42
Jakarta 12710

We hereby:

Company Name : PT. *
Company Address :
City: Province :
Postal Code:
Company Telephone/Fax. No. :
Company Website Address :
Company Email :

submit a report of data exchange cooperation.

To complete related report, we hereby attach a business license document from the relevant authorities when implementing cooperation and draft of data confidentiality agreement.

Thus, our report is submitted and for your attention**), we thank you.

Best Regards,

Board of Directors of PT*

.....

(Print name and signature)

*) Please specify

**) Cross out

FORMAT 7: REPORT OF OPENING OF OFFICE OTHER THAN THE HEAD OFFICE

Number : ,20 ...
Appendix :
Subject : Report of Opening of Office other than the Head Office

To:

Chief Executive Supervisor of Insurance, Pension Funds, Financing Institutions, and Other Financial Services Institutions
Attn. Director of Fintech Regulation, Licensing and Supervision
Wisma Mulia 2
Jalan Gatot Subroto Kav. 42
Jakarta 12710

Referring to the Regulation of Financial Services Authority Number .../POJK.XX/... concerning Information Technology-Based Co-Funding Services (LPBBTI), we hereby report opening of office other than the head office with the following detail

No.	City	Address	Person in charge
1.			
2.			

To complete related report, we hereby attach:

1. Description of office name and office function;
2. Company domicile certificate from the competent agency or equivalent document;
3. proof of ownership or control over an office other than the head office;
4. description which states the name of leader, job description and authority of office leader accompanied with:
 - a. photocopy of identity document in the form of a valid identity card or passport;
 - b. photocopy of taxpayer identification number for Indonesian citizens or equivalent documents valid for foreign citizens;

- c. curriculum vitae; and
- d. 2 (two) recent color photographs with a size of 4 x 6 cm;
- 5. proof of inclusion of address GPS of office other than the head office on the Electronic System page;
- 6. proof of appointment letter of leader of office other than the head office; and
- 7. Decree of the Board of Directors regarding the opening of office other than the head office.

Thus, our report is submitted and for your attention**), we thank you.

Best Regards,

Board of Directors of PT*

.....

(Print name and signature)

*) Please specify

**) Cross out the unnecessary

**FORMAT 8: REPORT OF CESSATION / CLOSING OF OFFICE
OTHER THAN THE HEAD OFFICE**

Number : ,20 ...
Appendix :
Subject : Report of Closing of Office other than the Head Office

To:

Chief Executive Supervisor of Insurance, Pension Funds, Financing
Institutions, and Other Financial Services Institutions
Attn. Director of Fintech Regulation, Licensing and Supervision
Wisma Mulia 2
Jalan Gatot Subroto Kav. 42
Jakarta 12710

We hereby:

Name : PT

Address :

submit report of closing of office other than the head office as follows:

Number	City/District and Province	Address, Telephone Number and Fax Number
1.		
etc.		

To complete related report, we hereby attach and submit the following documents:

1. recommendation letter containing reasons for closing of office other than the head office;
2. proof of electronic submission of announcements to users regarding the closing of head office; and
3. proof of submission of services assignment of closed office other than the head office to the head office or office outside the nearest head office.

We hereby convey that for this purpose, please contact Mr./Mrs. ..., via

email address ... or telephone number ...

Thus, our report is submitted and for your attention**), we thank you.

Best Regards,

Board of Directors of PT*

.....

(Print name and signature)

FORMAT 9: REPORT OF CHANGES IN THE NAME OF PROVIDER AND/OR ELECTRONIC SYSTEM

Number : ,20 ...
Appendix :
Subject : Report of Changes in the Name of Company and/or Electronic System in Information Technology-Based Co-Funding Services

To: Chief Executive Supervisor of Insurance, Pension Funds, Financing Institutions, and Other Financial Services Institutions
Attn. Director of Fintech Regulation, Licensing and Supervision
Wisma Mulia 2
Jalan Gatot Subroto Kav. 42
Jakarta 12710

We hereby:

Company Name : PT. *
Company Address :
City: Province :
Postal Code:
Company Telephone/Fax. No. :
Company Website Address :
Company Email :

report that in accordance with the General Meeting of Shareholders/Members Meeting**) dated, there has been a change in the name of Company and/or Electronic System**), as follows:

Number and date of Company business license decision/electronic system number**)	Previous name	New name

--	--	--

For data completion, we hereby attach and submit a document consisting of
by attaching a receipt of notification or approval from the competent authority.

Thus, our report is submitted and for your attention**), we thank you.

Best Regards,

Board of Directors of PT*

.....

(Print name and signature)

*) Please specify

**) Cross out the unnecessary

FORMAT 10: REPORT OF CHANGES IN THE ADDRESS OF THE HEAD OFFICE AND OFFICES OTHER THAN THE HEAD OFFICE

Number : ,20 ...
Appendix :
Subject : Report Of Changes in the Address of the Head Office and Offices other than the Head Office

To: Chief Executive Supervisor of Insurance, Pension Funds, Financing Institutions, and Other Financial Services Institutions
Attn. Director of Fintech Regulation, Licensing and Supervision
Wisma Mulia 2
Jalan Gatot Subroto Kav. 42
Jakarta 12710

We hereby:

Company Name : PT. *

Company Address :

City: Province:

Postal Code:

Company Telephone/Fax. No. :

Company Website Address :

Company Email :

report that the Head Office/Office other than the Head Office** has moved to a new address with the following details:

New address :.....

Phone :.....

Movement date :.....

For data completion, we hereby attach and submit the following documents:

1. data regarding the office address accompanied by supporting documents from the competent authority which at least states name and address of the Provider; and

2. proof of ownership or control of office building showing the address of Provider office along with outside photo of building and indoor photo as well as layout of room; and

Thus, our report is submitted and for your attention**), we thank you.

Best Regards,

Board of Directors of PT*

.....

(Print name and signature)

*) Please specify

**) Cross out the unnecessary

FORMAT 11: REPORT OF CHANGE IN BUSINESS MODEL

Number : ,20 ...
Appendix :
Subject : Report of Changes or Additions to the Information
Technology-Based Co-Funding Services Business
Model

To: Chief Executive Supervisor of Insurance, Pension Funds, Financing
Institutions, and Other Financial Services Institutions

Attn. Director of Fintech Regulation, Licensing and Supervision

Wisma Mulia 2

Jalan Gatot Subroto Kav. 42

Jakarta 12710

We hereby:

Company Name : PT. *

Company Address :

City: Province:

Postal Code:

Company Telephone/Fax. No. :

Company Website Address :

Company Email :

submit a report of changes or additions to the business model, We hereby
attach and submit the documents consisting of:

1. business feasibility study which at least contains an explanation of
business model, and a Funding projection of 3 (three) years or more;
2. cost and benefit analysis;
3. risk and mitigation analysis; and
4. cooperation agreement with other parties (if any).

Thus, our report is submitted and for your attention**), we thank you.

Best Regards,

Board of Directors of PT*

.....

(Print name and signature)

*) Please specify

**) Cross out the unnecessary

FORMAT 12: APPLICATION OF OWNERSHIP CHANGE APPROVAL

Number : ,20 ...
Appendix :
Subject : Application of Ownership Change Approval of
Information Technology-Based Co-Funding Services

To: Chief Executive Supervisor of Insurance, Pension Funds, Financing
Institutions, and Other Financial Services Institutions
Attn. Director of Fintech Regulation, Licensing and Supervision
Wisma Mulia 2
Jalan Gatot Subroto Kav. 42
Jakarta 12710

We hereby:

Company Name : PT. *
Company Address :
City: Province:
Postal Code:
Company Telephone/Fax. No. :
Company Website Address :
Company Email :

submit an application of approval of the change in company ownership in
accordance with the Minutes of the Plan of General Meeting of Shareholders
dated, with the details as follows:

Before Change		After Change	
Name of Shareholders	Total Nominal Value of Shares (IDR)	Name of Shareholders	Total Nominal Value of Shares (IDR)

For data completion, we hereby attach and submit the documents which

consist of:

1. draft deed of GMS approving the change of ownership in the event that the change of ownership requires approval of the GMS;
2. ownership structure plan up to the last ownership (*ultimate shareholder*);
3. a copy of government regulation regarding state capital participation of the Republic of Indonesia for the acquisition of the Company's ownership in the event that the Shareholder is Central Government;
4. a copy of regional regulation regarding regional capital participation for acquisition of ownership in the event that the Shareholder is Regional Government;
5. draft deed of transfer of rights on shares or draft deed of shares sale and purchase;
6. latest financial statement which has been audited by a public accountant and proforma financial statement belong to the Provider;
7. photocopy of tax return for the last 2 (two) years prior to capital participation and other documents showing the financial capacity and fund source for prospective individual shareholder;
8. confirmation from the supervisory authority in foreign party's country of origin, if there is direct participation by a foreign legal entity that has supervisory authority in its country of origin;
9. debtor data documents from the Financial Services Authority SLIK from prospective shareholders which resulted from changes of ownership as referred to in Article 60 paragraph (2), or documents deemed equivalent by the Financial Services Authority;
10. document for management requirements as regulated in the licensing section in the event that there are plans for changes and/or changes to the Board of Directors and the Board of Commissioners;
11. certificate from the Association for prospective shareholders;
12. Provider's shareholder data;
13. proof of fund placement in *Escrow Account* and/or time deposit, if the change of ownership is made through cash deposit; and
14. proof of prospective shareholders' funds readiness;

Thus, our application is submitted and for your attention**), we thank you.

Best Regards,

Board of Directors of PT*

.....

(Print name and signature)

*) Please specify

**) Cross out the unnecessary

FORMAT 13: APPLICATION OF INCREASE IN PAID-UP CAPITAL APPROVAL

Number : ,20 ...
 Appendix :
 Subject : Application of Increase in Company Paid-Up Capital of Information Technology-Based Co-Funding Services

To: Chief Executive Supervisor of Insurance, Pension Funds, Financing Institutions, and Other Financial Services Institutions
 Attn. Director of Fintech Regulation, Licensing and Supervision
 Wisma Mulia 2
 Jalan Gatot Subroto Kav. 42
 Jakarta 12710

We hereby:

Company Name : PT. *
 Company Address :
 City: Province:
 Postal Code:
 Company Telephone/Fax. No. :
 Company Website Address :
 Company Email :

report that in accordance with the General Meeting of Shareholders dated, there has been amendments to the company's Articles of Association regarding the addition of paid-up capital, as follows *):

Capital	Before Change	After Change
For Company with Limited Liability Company Legal Entity		
1. Authorized Capital		
2. Issued and Paid-up Capital		

With the composition of shareholders as follows *):

No	Name of Shareholders	Total Nominal Value of Shares Before Changes (IDR)	Total Nominal Value of Shares After Changes (IDR)
1.			
etc.			

For data completion, we hereby attach and submit the documents which consist of:

1. proof that capital is not originating from a loan;
2. proof of additional paid-up capital;
3. shareholder statement letter which states that the paid-up capital does not originate from loans, terrorism financing, funding of proliferation of weapons of mass destruction, and other financial crimes;
4. tax return for the last 2 (two) years and other documents which show the financial capacity and source of funds for prospective individual shareholder;
5. shareholder's financial statement that has been audited by a public accountant and/or the latest financial statement, in the event that the shareholder is a legal entity;
6. current account for individual shareholders; and
7. proof of fund placement in Escrow Account and/or time deposit, if the change of ownership is made through cash deposit.

Thus, our application is submitted and for your attention**), we thank you.

Best Regards,
 Board of Directors of PT*

.....

(Print name and signature)

*) Please specify

**) Cross out the unnecessary

FORMAT 14: APPLICATION OF APPROVAL FOR CHANGES IN MEMBERS OF THE BOARD OF DIRECTORS, MEMBERS OF THE BOARD OF COMMISSIONERS, AND MEMBERS OF THE SHARIA SUPERVISORY BOARD

Number : ,20 ...
 Appendix :
 Subject : Application of Approval for Changes in Provider Main Party of Information Technology-Based Co-Funding Services

To: Chief Executive Supervisor of Insurance, Pension Funds, Financing Institutions, and Other Financial Services Institutions
 Attn. Director of Fintech Regulation, Licensing and Supervision
 Wisma Mulia 2
 Jalan Gatot Subroto Kav. 42
 Jakarta 12710

We hereby:

Company Name : PT. *
 Company Address :
 City: Province:
 Postal Code:
 Company Telephone/Fax. No. :
 Company Website Address :
 Company Email :

report that in accordance with the General Meeting of Shareholders/Members Meeting*) dated there has been amendments to the company's Articles of Association regarding the members of the Board of Directors, Sharia Supervisory Board and/or Board of Commissioners has been carried out**) namely:

Title	Before Change	After Change	Number and Date of Fit and Proper Test Passing Certificate
-------	---------------	--------------	--

Commissioner			
Director			
Sharia Supervisory Board			

For the data completion, we attach and submit a copy of the deed of GMS, and data of members of the Board of Directors and members of the Board of Commissioners as referred to in Article 9 letter i and/or members of the DPS as referred to in Article 9 letter m **).

Thus, our application is submitted and for your attention**), we thank you.

Best Regards,
Board of Directors of PT*

.....

(Print name and signature)

*) Please specify
**) Cross out the unnecessary

FORMAT 15: APPLICATION OF APPROVAL FOR THE MERGER OR CONSOLIDATION IMPLEMENTATION PLAN

Number : ,20 ...
Appendix :
Subject : Application of Approval for the Merger or Consolidation Implementation Plan**) of Information Technology-Based Co-Funding Services

To: Chief Executive Supervisor of Insurance, Pension Funds, Financing Institutions, and Other Financial Services Institutions
Attn. Director of Fintech Regulation, Licensing and Supervision
Wisma Mulia 2
Jalan Gatot Subroto Kav. 42
Jakarta 12710

We hereby:

Company Name : PT. *
Company Address :
City: Province:
Postal Code:
Company Telephone/Fax. No. :
Company Website Address :
Company Email :

submit an application of approval for the Merger or Consolidation implementation plan**) PT..... becomes PT..... which is the LPBBTI provider.

For data completion, we hereby attach and submit the documents which consist of:

- 1. summary of the Merger or Consolidation plan in accordance with the provisions of Limited Liability Company Law;
- 2. draft deed of minutes of the GMS approving the Merger or Consolidation;
- 3. draft deed of Merger or Consolidation;

- 4. draft list of ownership, for Provider that will conduct Merger or Consolidation;
- 5. latest financial statement that has been audited by a public accountant registered in the Financial Services Authority of each Provider;
- 6. proforma financial statement from the Provider resulting from the Merger or Consolidation;
- 7. organizational structure resulting from the Merger or Consolidation;
- 8. list of shareholders and the details up to the ultimate shareholder/beneficial owner resulting from the Merger or Consolidation; and
- 9. business feasibility study for the first 3 (three) years from the Provider resulting from the Merger or Consolidation as referred to in Article 9 paragraph (1) letter 1.

With regard to the foregoing, we ask Mr./Mrs.***) to give approval to the Merger/Consolidation implementation plan*).

Thus, our application is submitted and for your attention**), we thank you.

Best Regards,
 Board of Directors of PT*

.....

(Print name and signature)

*) Please specify
 **) Cross out the unnecessary

FORMAT 16: REPORT OF THE GMS IMPLEMENTATION WHICH APPROVES THE CHANGE OF OWNERSHIP, MERGER, OR CONSOLIDATION

Number : ,20 ...
Appendix :
Subject : Report of the GMS Implementation on Approval of Change of Ownership, Merger or Consolidation Implementation Plan of Information Technology-Based Co-Funding Services

To: Chief Executive Supervisor of Insurance, Pension Funds, Financing Institutions, and Other Financial Services Institutions
Attn. Director of Fintech Regulation, Licensing and Supervision
Wisma Mulia 2
Jalan Gatot Subroto Kav. 42
Jakarta 12710

We hereby:

Company Name : PT. *
Company Address :
City: Province:
Postal Code:
Company Telephone/Fax. No. :
Company Website Address :
Company Email :

report that in accordance with the General Meeting of Shareholders dated there has been a Change of Ownership/Merger/Consolidation**) between PT. and PT. become PT..... which are the LPBBTI providers For data completion, we hereby attach and submit the documents which consist of:

- 1. copy of deed of minutes of the GMS which approve the change of ownership, Merger, or Consolidation;

- 2. copy of the deed of change of ownership, Merger, or Consolidation;
- 3. latest draft articles of association resulting from changes of ownership, Merger, or Consolidation;
- 4. a document stating that the Provider has no tax debt from the competent authority; and
- 5. proof or announcement of change of ownership, Merger, or Consolidation;

Thus, our report is submitted and for your attention**), we thank you.

Best Regards,
Board of Directors of PT*

.....

(Print name and signature)

*) Please specify
**) Cross out the unnecessary

FORMAT 17: REPORT OF THE IMPLEMENTATION OF CHANGE OF OWNERSHIP, MERGER, OR CONSOLIDATION

Number : ,20 ...
 Appendix :
 Subject : Report of the Implementation of Change of Ownership, Merger, Or Consolidation

To:
 Chief Executive Supervisor of Insurance, Pension Funds, Financing Institutions, and Other Financial Services Institutions
 Attn. Director of Fintech Regulation, Licensing and Supervision
 Wisma Mulia 2
 Jalan Gatot Subroto Kav. 42
 Jakarta 12710

We hereby:
 Name : PT.....
 Address :.....

report that in accordance with the General Meeting of Shareholders dated....., an adjustment of share ownership/merger/consolidation of the company has been made, with the following data changes

Before Change		After Change	
Name of Shareholders	Total Nominal Value of Shares (IDR)	Name of Shareholders	Total Nominal Value of Shares (IDR)

Before Change		After Change	
Title	Name	Title	Name
Board of Directors		Board of Directors	

.....		
.....		
Commissioner		Commissioner	
.....		
.....		
Sharia Supervisory Board		Sharia Supervisory Board	
.....		
.....		

for the data completion, we hereby attach and submit the articles of association that have been ratified by the competent authority to the Financial Services Authority which are ratified, approved by or notified to the competent authority.

We hereby convey that for this purpose, please contact Mr./Mrs. ..., via email address ... or telephone number ...

Thus, our report is submitted and for your attention**), we thank you.

Best Regards,
Board of Directors of PT*

.....

(Print name and signature)

*) Cross out the unnecessary

FORMAT 18: APPLICATION FOR BUSINESS LICENSE RETURN PLAN

Number : ,20 ...
Appendix :
Subject : Application of Provider’s Business License Return of
Information Technology-Based Co-Funding Services

To: Chief Executive Supervisor of Insurance, Pension Funds, Financing
Institutions, and Other Financial Services Institutions

Attn. Director of Fintech Regulation, Licensing and Supervision/Director of
Sharia IKNB*)

Wisma Mulia 2

Jalan Gatot Subroto Kav. 42

Jakarta 12710

Referring to the Regulation of Financial Services Authority Number
.../POJK.XX/... concerning Information Technology-Based Co-Funding
Services (POJK LPBBTI), we hereby apply for the revocation of our license as
Provider:

Applicant Name :

Applicant Title :

Applicant Address :

City: Province:

Postal Code:

Applicant Telephone Number :

Applicant Mobile Phone Number :

Applicant Email :

Company Name : PT.*

Number and Date of License: S-*/..... and dated*

Company Address :

City: Province:

Postal Code:

Company Telephone/Fax. No. :

Company Website Address :

Company Email :

To complete the application, we hereby attach the following documents:

- 1. reasons for operational activity cessation;
- 2. plan for settlement of rights and obligations of the User;
- 3. minutes of the GMS regarding the provider’s business activities cessation plan; and
- 4. latest financial statement.

Thus, our application is submitted and for your attention**), we thank you.

Best Regards,
Board of Directors of PT*

.....

(Print name and signature)

*) Please specify
**) Cross out the unnecessary

FORMAT 19: REPORT OF BANKRUPTCY APPLICATION

Number : ,20 ...
Appendix :
Subject : Report of Bankruptcy Application

To:

Chief Executive Supervisor of Insurance, Pension Funds, Financing Institutions, and Other Financial Services Institutions

Attn. Director of Fintech Regulation, Licensing and Supervision

Wisma Mulia 2

Jalan Gatot Subroto Kav. 42

Jakarta 12710

We hereby:

Name : PT.....

Address :.....

Submit a report on the bankruptcy application submitted to us. To complete related report, we hereby submit:

1. the name of party filing for bankruptcy;
2. summary of application for declaration of bankruptcy which includes:
 - a. legal standing of the applicant which contains a clear description of right of applicant to file an application;
 - b. reasons of application for declaration of bankruptcy are described in a clear and detailed manner; and
3. action plan to be carried out by the Provider to follow up on bankruptcy proceedings.

We hereby convey that for this purpose, please contact Mr./Mrs. ..., via email address ... or telephone number ...

Thus, our application is submitted and for your attention**), we thank you.

Best Regards,
Board of Directors of PT*

.....

(Print name and signature)

***) Cross out the unnecessary

Stipulated in Jakarta
on 29 June 2022

CHAIRMAN OF BOARD OF
COMMISSIONERS OF THE
FINANCIAL SERVICES AUTHORITY
OF THE REPUBLIC OF INDONESIA

signature

WIMBOH SANTOSO

The copy is in accordance with the original
Legal Director 1
Law Department

signature

Mufli Asmawidjaja