

As of July 15, 2015

Indonesia Safeguard List
Safeguard Framework for Financial Services Liberalization under ASEAN Framework Agreement on Services

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sub-sectors	Measures to be Safeguarded	
	Market Access and National Treatment Measures	Laws and National Policies, including Prudential and Foreign Exchange Measures
All Financial Services Sector		
		<p>Tax Treatment</p> <ol style="list-style-type: none"> 1. Tax exemption and relief shall be in accordance with the prevailing tax laws and regulations. 2. The provisions of the schedule of specific commitments shall not apply to matters of taxation in the territory of either ASEAN Member States. Such matters shall be governed by the domestic laws of each ASEAN Member States and the terms of any agreement relating to taxation concluded between the Contracting Parties. 3. In assessing whether a measure related to taxation constitute expropriation, the following considerations shall be taken into account: <ol style="list-style-type: none"> (i) The imposition of taxes does not generally constitute expropriation. The mere introduction of new taxation measures or the imposition of taxes in more than one jurisdiction in respect of an investment, does not in and of itself constitute expropriation; (ii) Enforcement activities of the tax laws including seizure of property for the purpose of tax collection (in Indonesia: according to the Law on Tax Collection with Coercive Warrant or any other similar laws enacted thereafter) do not constitute expropriations; (iii) Taxation measures which are consistent with internationally recognized tax policies, principles and practices do not constitute expropriation. In particular, taxation measures aimed at preventing the avoidance or evasion of taxes should not be considered to be expropriator; and (iv) Taxation measures which are applied on a non-discriminatory basis, as opposed to being targeted at investors of a particular nationality or specific individual taxpayers, are not likely to constitute expropriation. A taxation measure should not constitute expropriation if, when the investment is made, it was already in force, and information about the measure was made public or otherwise made publicly available.

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		<p><i>Please refer to the following link:</i> http://www.pajak.go.id/enq/index.php?option=com_peraturan&Itemid=205</p> <p>Foreign exchange measures in Indonesia:</p> <ol style="list-style-type: none"> 1. FX Derivative transaction against Rupiah Resident banks are allowed to conduct derivative transaction with Foreign Party for amount exceeding USD 1 million on condition that it is based on underlying economic activities in Indonesia 2. Credit Provision Resident banks are prohibited from extending credit rupiah and/or foreign currency to Foreign party. The exception of such prohibition is applied for syndicated loan led by off-shore prime banks, credit cards, and personal loans utilized domestically. 3. Rupiah transfer to Foreign Party Rupiah transfer to Foreign Party must be executed through Rupiah account in banks in Indonesia. Such transfer for amount exceeding IDR 500 million per day must be based on the underlying economic activities in Indonesia and supported by related underlying document. <p><i>Please refer to the following link for those three measures:</i> http://www.bi.go.id/web/en/Peraturan/Moneter/bir+71405.htm</p> <ol style="list-style-type: none"> 4. FX Transaction against rupiah FX Transaction against rupiah must be settled in full movement of principal fund basis, with the exception for <i>force majeure</i> condition and for extended hedging transaction of economic activities in Indonesia (refer to BI Regulation No.10/37/PBI/2008 concerning FX Transaction against rupiah). 5. Purchase of Foreign Currency against rupiah Purchasing of Foreign Currency against rupiah through resident banks for amount

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		<p>exceeding USD 100,000 or equivalent per month are subject to verification of supporting document of the underlying transaction.</p> <p><i>Please refer to the following link for this measure:</i> http://www.bi.go.id/web/en/Peraturan/Moneter/pbi_102808.htm</p>
Sector: All insurance and insurance-related services		
Life Insurance Services	<p><u>Market Access</u></p> <ol style="list-style-type: none"> 1). Unbound 2). Unbound, except : <ol style="list-style-type: none"> a. There is no insurance company in Indonesia, either individually or group, which could handle the insurance risks of the object in question. b. There is no insurance company in Indonesia which wants to carry out an insurance coverage of the object in question. c. The owners of insurance objects in question are not Indonesian citizens or Indonesian legal entities. 	<p>Prudential Measures Law and National Policies concerning Direct Insurance (Life, Non-Life):</p> <p><u>Mode 1) and 2)</u> As stated in Insurance Law no. 40 Year 2014, Article 25:</p> <p>Insurance objects in Indonesia may only be insured at the Insurance Company and Sharia Insurance Company which obtains its business license from the Indonesia Financial Services Authority (OJK), except in the case of:</p> <ol style="list-style-type: none"> a. no Insurance Company and Sharia Insurance Company in Indonesia, either individually or as a group, has the ability to assume or manage insurance risk or Sharia Insurance risk on the relevant object; or b. no Insurance Company and Sharia Insurance Company in Indonesia who are willing to cover the insurance risk or Sharia insurance risk on the relevant object. <p>Law and National Policies concerning Direct Insurance (Life, Non-Life); Reinsurance and Retrocession; Insurance Intermediation</p> <p><u>Mode 3)</u></p> <ul style="list-style-type: none"> • License must be granted by the OJK under the terms and conditions stipulated in the

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	3). As specified in the Horizontal Measures and General Conditions. 4). Unbound except for director and technical advisor/expert. <u>National Treatment</u> 1) Unbound 2) Unbound 3) As specified in the General Condition 4) As specified in the Horizontal Measures	Insurance Law and other related regulations. <ul style="list-style-type: none"> • Legal Form <ul style="list-style-type: none"> - Shall be a limited liability company (PT) and shall form a joint venture company. • Foreign Equity Participation (FEP) <ul style="list-style-type: none"> - Foreign shareholding through direct equity in Insurance Industries Companies shall comply with Government Regulation (currently max. 80%) • Foreign Investors <ul style="list-style-type: none"> - Shall have a minimum equity of 5 times as much as their participation in the joint venture company - Shall have rating "A" from international rating agency - Shall be the same type of insurance companies/ or holding companies whose one of their subsidiary run the same type of insurance business. - Majority shareholders shall pass fit and proper test
Non-life insurance services	<u>Market Access</u> 1). Unbound 2). Unbound. Except: a. There is no insurance company in Indonesia, either individual or group, which could handle the insurance risks of the object in question. b. There is no insurance company in Indonesia which wants to carry	<ul style="list-style-type: none"> • The minimum paid up capital for the establishment: <ol style="list-style-type: none"> a. Rp.100,000,000,000 (one hundred billion Rupiah) for Insurance Companies; b. Rp.200,000,000,000 (two hundred billion Rupiah) for Reinsurance Companies; c. Rp.50,000,000,000 (fifty billion Rupiah) for Sharia Insurance Companies; d. Rp.100,000,000,000 (one hundred billion Rupiah) for Sharia Reinsurance Companies e. Rp.1,000,000,000 (one billion Rupiah) for Insurance Broking Companies and Reinsurance Broking Companies. f. General Insurance Companies which sell insurance products in Credit Insurance or Suretyship business lines, which provides a guarantee for the payment obligation which arise from a credit transaction, shall have a minimum equity of IDR 250,000,000,000 (two hundred- and fifty billion rupiah). g. The minimum paid up capital and each addition thereto shall be in the form of cash.

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	<p>out an insurance coverage of the object in question.</p> <p>c. The owners of insurance objects in question are not Indonesian citizens or Indonesian legal entities.</p> <p>3). As specified in the Horizontal Measures and General Conditions.</p> <p>4). Unbound except for director and technical advisor/expert.</p> <p><u>National Treatment</u></p> <p>1) Unbound</p> <p>2) Unbound</p> <p>3) As specified in the General Condition</p> <p>4) As specified in the Horizontal Measures</p>	<ul style="list-style-type: none"> • Merger, consolidation and acquisition: <ul style="list-style-type: none"> - Shall obtain written approval from OJK. - Shall meet minimum capital requirement that refers to requirement for existing companies. - Shall not violate minimum solvency requirement. - Shall have the same type of insurance business <p><u>Mode 4)</u></p> <p>Foreign Experts:</p> <ul style="list-style-type: none"> - shall pass fit and proper test from OJK - shall only permitted to work as technical expert, advisor or consultant. - shall possess the expertise necessary for the area of his/her responsibility - shall be deemed necessary in order to implement a certain project related to the operational underwriting activities of the company, and that the project shall not exceed 5 (five) year term - as an executive manager other than member of the Board of Directors: <ul style="list-style-type: none"> √ shall hold a position which is still not be able to be managed by any Indonesian citizen; √ shall have prepared the transfer of knowledge through education and training program.
Reinsurance Services	<p>Market Access</p> <p>1) Reinsurance service suppliers from other member must be rated minimum as BBB by Standard and Poor or equivalent.</p>	<ul style="list-style-type: none"> • Board of Director (BoD) <ul style="list-style-type: none"> - in the case of Foreign Direct Investment, BoD shall comprise the combination of Indonesian Citizen and Foreign Citizen; or fully Indonesian Citizen. - shall be domiciled in Indonesia • Board of Commissioner (BoC)

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	<p>2) Reinsurance service suppliers from other member must be rated minimum as BBB by Standard and Poor or equivalent.</p> <p>3) As specified in the Horizontal Measures and General Conditions.</p> <p>4) Unbound except for director and technical advisor/expert.</p> <p>National Treatment</p> <p>1) None.</p> <p>2) Unbound.</p> <p>3) As specified in the General Condition</p> <p>4) As specified in the Horizontal Measures</p>	<ul style="list-style-type: none"> - in the case of Foreign Direct Investment, BoC shall comprise the combination of Indonesian Citizen and Foreign Citizen; or fully Indonesian Citizen. - At least half of BoC members shall be domiciled in Indonesia - shall have relevant knowledge with their duties - all of independent commissioners shall be domiciled in Indonesia • The Insurance or Reinsurance Company employing such expatriate person shall submit a report to OJK on: <ul style="list-style-type: none"> - work program related to the area of his/her responsibility; and - education and training program related to his/her expertise <p>Related Regulations</p> <ol style="list-style-type: none"> 1. Law Of The Republic Of Indonesia Number 40 Year 2014 Concerning Insurance Business 2. Government Regulation Of The Republic Of Indonesia Number 73 Year 1992 Concerning Insurance Business Conduct (And Its Amendments: Government Regulation Number 63 Year 1999, Government Regulation Number 39 Year 2008 and Government Regulation Number 81 Year 2008). 3. Minister Of Finance Decree Number 422/KMK 06/2003 Concerning Business Conduct Of Insurance and Reinsurance Companies. 4. Minister Of Finance Decree Number 425/KMK.06/2003 Concerning Licensing And Business Conduct Of Insurance Supporting Companies 5. Minister Of Finance Decree Number 426/KMK.06/2003 Concerning Licensing And Institution Of insurance And Reinsurance Companies 6. Minister Of Finance Regulation No.53/PMK.010/2012 Concerning Financial Soundness Of insurance And Reinsurance Companies 7. Indonesia Financial Services Authority Regulation No. 4/POJK.05/2013 Concerning The Fit and Proper Test for Key Persons at Insurance Companies, Pension Fund, Finance Companies and Guarantee Companies
Insurance Brokerage Services	<p>Market Access</p> <p>1) Unbound</p>	

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	2) None 3) As specified in the Horizontal Measures and General Conditions. 4) Unbound except for director and technical advisor/expert. National Treatment 1) None 2) None 3) As specified in the General Conditions. 4) As specified in the Horizontal Measures.	8. OJK Regulation No. 2/POJK.05/2014 Concerning Good Corporate Governance for Insurance Companies
Reinsurance Brokerage Services	Market Access 1) Unbound 2) None 3) As specified in the Horizontal Measures and General Conditions. 4) Unbound except for director and technical advisor/expert. National Treatment 1) None	

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	Market Access and National Treatment Measures	Laws and National Policies, including Prudential and Foreign Exchange Measures
Securities Business - Trading for own account or for account of customers, on an exchange or over-the-counter market	Market Access 1) Unbound 2) None 3) Through establishment of a securities broker / dealer. 4) Unbound except as indicated in the Horizontal Measures. National Treatment	Laws and National Policies/Prudential Measures Mode 3) 1. Securities Companies shall have business license to operate from Indonesia Financial Services Authority (Indonesia FSA). Securities Company that obtained a license may act as an Underwriter, Broker-Dealer and or Investment Manager and other activities in accordance with the provisions stipulated by Indonesia FSA. 2. Foreign direct investment in the Securities Industry by foreign legal entity shall be conducted by establishing a joint venture company in the form Limited

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<ul style="list-style-type: none"> - Listed shares - Bond 	<ul style="list-style-type: none"> 1) Unbound 2) None 3) As specified in the General Conditions. 4) As specified in the Horizontal Measures. 	<p>Company, with the following requirements :</p> <ul style="list-style-type: none"> a. The shares of joint Venture Securities Company may be owned by foreign legal entity which operates in financial area. Except securities industry, not more than 85% (eighty five per cent) of paid in capital. b. The shares of joint Venture Securities Company may be owned by foreign legal entity which operates in securities industry. that has been granted business license or under supervision of Capital Market regulators in its country origin, not more than 99% (ninety nine per cent) of paid in capital. <p>4. In the event of local or joint venture securities companies carries out public offering, the shares of the respective securities company may be wholly owned by local investors or foreign investors; including foreign investors who do not operate in financial area.</p>
<p>Participation in issues of securities, including underwriting and placement as agent (whether publicly or privately), and provision of services related to such issues</p>	<p>Market Access</p> <ul style="list-style-type: none"> 1) Unbound 2) None 3) Through establishment of a securities underwriter company. 4) Unbound except as indicated in the Horizontal Measures. <p>National Treatment</p> <ul style="list-style-type: none"> 1) Unbound 2) None 3) As specified in the General Conditions. 4) As specified in the Horizontal Measures. 	<p>5. With regards to business license application process, a Joint Venture Securities Company should submits documents including :</p> <ul style="list-style-type: none"> a. a certificate or other evidence from the competent capital market authority in the foreign country that indicates that the foreign securities firm as shareholder of Joint Venture Securities Company is in its surveillance; b. a certificate or other evidence from the competent financial authority in the foreign country that indicates that the foreign financial firm as shareholder of Joint Venture Securities Company is in its surveillance <p>6. Paid up capital:</p> <ul style="list-style-type: none"> a. Securities company as a Broker Dealer at least Rp.30,000,000,000 (thirty billion Rupiahs). b. Securities company as a Broker Dealer that is not administers Securities Account for clients: at least Rp. 500.000.000, (five hundred million Rupiah). c. Securities Company as Investment Manager : at least Rp.25.000 000.000.- (twenty five billion Rupiah) d. Broker Dealer combined with Investment manager: at least Rp.55.000.000.000,- (fifty five billion Rupiah). e. Securities company as an Underwriter : at least Rp 50,000,000.000,- (fifty billion

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Measures to be Safeguarded

Sub-sectors

Market Access and National Treatment Measures

Laws and National Policies, including Prudential and Foreign Exchange Measures

Rupiah):

f. Underwriter combined with investment Manager: at least Rp.75,000,000,000,- (seventy five billion Rupiah).

7. Securities Company is prohibited to be controlled; directly or indirectly, by the Person(s) who:

- a. has ever committed indecent conduct and or being punished for committed financial crime that has been proven; and
- b. has no good integrity and moral, as stipulated in Article 35 paragraph (1) of Government Regulation Number 45 of 1995 concerning Capital Market Organization

8. Controller and shareholder of Securities Company shall satisfy the following requirements:

- a. integrity requirements; and
- b. financial soundness requirements

Related regulations:

- Law Number 8 of 1995 concerning Capital Market
- Law Number 40 of 2007 concerning Limited Company
- Government regulation Number 45/1995 concerning the implementation of operations in Capital Market:
- Government regulation Number 12/2004 concerning the Amendment of implementation of operations in Capital Market:
- Ministry of Finance Regulation Number 153/PMK.010/2010 dated 31 August 2010
- Capital Market and Non Bank Financial Institutions Supervisory Agency (Bapepam-LK) Rule Number V.A.1 concerning Licensing of Securities Company.

Mode 4)

1. Director and commissioner of Securities Company shall satisfy the following requirements:

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		<p>a. integrity requirements; and b. competency and expertise in capital market requirements</p> <p>2. All members of the Board of Directors of Securities Company shall have individual license as Securities Company Representative in accordance with each field of duties.</p> <p>3. Member of Board of Directors is prohibited from holding double positions in other companies, except as commissioner of Securities Exchange, Clearing and Guarantee Institution or Custodian and Settlement Institution.</p> <p>4. Commissioner of Securities Company is prohibited from holding position as commissioner of other Securities Companies at the same time.</p> <p>5. Director of Securities Company shall be domiciled in Indonesia.</p> <p>6. In applying business license, Securities Company which employs foreign workers shall also submit copy of Foreign Employment Permit / <i>Izin Mempekerjakan Tenaga Kerja Asing</i> (IMTA) and Foreign Employer Permit (<i>Izin Kerja Tenaga Asing</i>) (IKTA) as a permit from relevant authority in accordance with the laws in force.</p> <p>7. For further liabilities, Securities Company should report any changes related to Foreign Employment Permit / <i>Izin Mempekerjakan Tenaga Kerja Asing</i> (IMTA) and Foreign Employer Permit (<i>Izin Kerja Tenaga Asing</i>) (IKTA).</p> <p>8. Any individuals conducting business as Securities Company must have Securities Company Representative license from Bapepam-LK.</p> <p>9. Prior to applying, foreign individuals applying license as Securities Company Representative shall have employment in Indonesian Financial Services</p>

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		<p>institutions.</p> <p>10. To carry out the business of selling Investment Fund, individuals shall obtained the license as Securities Company Representatives, or Investment Fund Selling Agent Representatives from Indonesia FSA.</p> <p>11. An Investment Fund Selling Agent may only engage in the business of selling Investment Fund through an employee licensed as Securities Company Representative or Investment Fund Selling Agent Representative and the employee must obtain special assignment from investment Fund-Selling Agent to act for and on behalf of the Investment Fund Selling Agent to act for and on behalf of the Investment Fund Selling Agent.</p> <p>12. To engage in the business of Individual Investment Advisor, individuals shall obtain license from Indonesia FSA as Investment Advisor. This license only available for Indonesian citizen. As for Institutional Investment Advisor, applicant shall provide the Articles of Association proving the business activity of the company is dedicated to be an Investment Advisor, and domiciled in Indonesia.</p> <p>Related regulations:</p> <ul style="list-style-type: none"> - Law Number 8 of 1995 concerning Capital Market. - Government regulation Number 45/1995 concerning the implementation of operations in Capital Market; - Government regulation Number 12/2004 concerning the Amendment implementation of operations in Capital Market; - OJK Regulation No. 27/POJK.04/2014 on Licensing of Underwriters Representatives and Broker-Dealer Representatives; - Bapepam-LK Rule Number V.A.1 concerning Licensing of Securities Company; - Bapepam-LK Rule Number V.B.2 concerning Licensing of Investment Fund Marketing Agent Representatives - Bapepam-LK Rule Number V.8.3 concerning Registration of Investment Fund Selling

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		Agent - Bapepam-LK Rule Number V.B.4 concerning Code of Conduct for Investment Fund Selling Agent - Bapepam-LK Rule Number V.C.1 concerning Licensing of Investment Advisors - Bapepam-LK Rule Number V.D.5 concerning Maintenance and Reporting of Net Adjusted Working Capital
Portfolio management, all forms of collective investment management	Market Access 1) Unbound 2) None 3) Through establishment of an investment management company. 4) Unbound except for directors. National Treatment 1) Unbound 2) None 3) As specified in the General Conditions. 4) As specified in the Horizontal Measures.	Mode 1) Through the establishment of an investment management company licensed by OJK. Based on OJK Law and Capital Market Law, license of Investment Management. ASEAN has already established a framework for cross-border offering of Collective Investment Scheme. The cross border supply must be in accordance with the framework and the host country's regulations. Indonesia has yet to join/sign the MoU of the ASEAN Framework for Cross-Border Offering of Collective Investment Scheme therefore Indonesia could not commit on cross-border supply. Mode 3) Through the establishment of an investment management company licensed by OJK. Based on OJK Law and Capital Market Law, license of Investment Management Company must be granted by Indonesia Financial Services Agency (OJK). The terms and conditions of the licensing stipulated in those prevailing laws, prevailing implementing regulations of those laws and other prevailing related regulations. Based on the prevailing regulations Ministry of Finance Decree Number 153/PMK.010/2010 dated 31 August 2010

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Asset Management limited only to investment fund management	<p>Market Access</p> <p>1) Unbound</p> <p>2) None</p> <p>3) Through establishment of an investment management company.</p> <p>4) Unbound except for directors.</p> <p>National Treatment</p> <p>1) Unbound</p> <p>2) None</p> <p>3) As specified in the General Conditions.</p> <p>4) As specified in the Horizontal Measures.</p>	<p>Commercial presence of the ASEAN financial service provider (s) may be owned by foreign legal entity :</p> <p>a. The shares of Joint Venture Securities Company may be owned by foreign legal entity which operates in financial area, except securities industry, not more than 85% (eighty five per cent) of paid in capital.</p> <p>b. The shares of Joint Venture Securities Company may be owned by foreign legal entity which operates in securities industry, that has been granted business license or under supervision of Capital Market regulators in its country origin, not more than 99% (ninety nine per cent) of paid in capital.</p> <p>c. In the event of local or joint venture securities companies carries out public offering, then the shares of the respective securities company maybe wholly owned by local investors or foreign investors, including foreign investors who do not operate in financial area.</p> <p>Mode 4) as specified in the horizontal measures</p>
Investment Advisory Services limited only to investment advisory in capital market	<p>Market Access</p> <p>1) Unbound</p> <p>2) None</p> <p>3) Through establishment of an investment management company.</p> <p>4) Unbound except for directors.</p> <p>National Treatment</p> <p>1) Unbound</p>	<p>Mode 1) the product</p> <p>Mode 3) through establishment of an investment advisory company Based on OJK Law and Capital Market Law, license of Investment Management Company must be granted by Indonesia Financial Services Agency (OJK). The terms and conditions of the licensing stipulated in those prevailing laws, prevailing implementing regulations of those laws and other prevailing related regulations.</p> <p>Mode 4) as specified in the horizontal measures</p>

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	Market Access and National Treatment Measures	Laws and National Policies, including Prudential and Foreign Exchange Measures
	2) None 3) As specified in the General Conditions. 4) As specified in the Horizontal Measures.	
Financial Lease Services (CPC 81120)	Market Access <u>Mode 1)</u> None <u>Mode 2)</u> None <u>Mode 3)</u> As specified in the Horizontal Measures and General Conditions <u>Mode 4)</u> Unbound except as indicated in the Horizontal Measures National Treatment <u>Mode 1)</u> None <u>Mode 2)</u> None <u>Mode 3)</u> As specified in the General Condition <u>Mode 4)</u> Unbound except as indicated in the Horizontal Measures.	Prudential Measures Mode 1) None Mode 2) None Mode 3) <ol style="list-style-type: none"> 1. Joint venture should meet the following requirements: <ol style="list-style-type: none"> a) Should be in the form of Limited Liabilities Enterprise (Perseroan Terbatas). 2. Finance Companies in the form of Limited Liability Enterprise (Perseroan Terbatas) shall have: <ol style="list-style-type: none"> a) capital share that is owned by Indonesian Citizen, Indonesia Corporation, Indonesian Legal Entity, Foreign Corporation, Republic of Indonesia, and/or local government. b) minimum paid up capital at least Rp 100.000.000.000 (one hundred billion Rupiah) 3. Finance Companies are prohibited from: <ol style="list-style-type: none"> a) Giving cash money to the debtors. b) Purchasing of goods from debtors except by Sale and Leaseback Scheme. 4. Finance companies shall: <ol style="list-style-type: none"> a) submit monthly and audited annual reports. b) have financing to asset ratio at least 40%. c) have all directors that domiciled in Indonesia. d) have at least one Board of Commissioner that domiciled in Indonesia e) have Board of Directors which hold compliance unit. 5. Finance companies which have more than 5 (five) branch offices shall have an integrated information system and technology. 6. Finance Companies which have assets:
Factoring Services (CPC 8113)	Market Access <u>Mode 1)</u> None <u>Mode 2)</u> None <u>Mode 3)</u> As specified in the Horizontal Measures and General Conditions <u>Mode 4)</u> Unbound except as indicated in the Horizontal Measures	

Indonesia Safeguard List

Safeguard Framework for Financial Services Liberalization under ASEAN Framework Agreement on Services

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sub-sectors	Measures to be Safeguarded	
	Market Access and National Treatment Measures	Laws and National Policies, including Prudential and Foreign Exchange Measures
	<p>National Treatment</p> <p><u>Mode 1)</u> None</p> <p><u>Mode 2)</u> None</p> <p><u>Mode 3)</u> As spesified in the General Condition</p> <p><u>Mode 4)</u> Unbound except as indicated in the Horizontal Measures.</p>	<p>a) more than 200.000.000.000 (two hundred million Rupiah) shall have at least one Independent Commisioner and audit committee.</p> <p>b) up to 200.000.000.000 (two hundred billion Rupiah) shall have internal audit unit.</p> <p>7. Board of Directors is prohibited having double positions in other companies, except as a commisioner at most in 3 other Finance Companies.</p> <p>8. Board of Directos shall have:</p> <p>a) relevant knowledge with their duties; and</p> <p>b) expertise certificate in the field of finance.</p> <p>9. Board of Commisioners can only occupy the same position as a commisioner at most in 3 (three) other Finance Companies.</p> <p>10. Board of Commisioners shall have a basic level sertificate in the field of finance.</p> <p>11. Employees who occupy managerial positions ranging from head of branch office to one level below directors, shall have a basic level sertificate in the field of finance.</p> <p>12. Directors and officers that one level below the directors who occupy in risk management unit shall have expertise sertificate in the field of risk management..</p> <p>13. Employees who occupy in billing unit shall have professional certificate in the field of billing.</p> <p>14. Hold business license from Indonesia Financial Service Authority (OJK) berfore start business activity</p> <p>15. Finance companies shall undertake the following business activities:</p> <p>a) Investment financing;</p> <p>b) Working Capital Finance;</p> <p>c) Multipurpose Finance (consumer finance);</p> <p>The scheme of above financing activities could be as leaseing, factoring, and instalment payment, project finance, infrastructure finance, and working cpital finance.</p>
Consumers Finance Services (CPC 8113)	<p>Market Access</p> <p><u>Mode 1)</u> None</p> <p><u>Mode 2)</u> None</p> <p><u>Mode 3)</u> As specified in the Horizontal Measures and General Conditions</p> <p><u>Mode 4)</u> Unbound except as indicated in the Horizontal Measures</p> <p>National Treatment</p> <p><u>Mode 1)</u> None</p> <p><u>Mode 2)</u> None</p> <p><u>Mode 3)</u> As spesified in the General Condition</p> <p><u>Mode 4)</u> Unbound except as indicated in the Horizontal Measures.</p>	<p>Mode 4)</p> <p>1. Foreign labours shall meet the following requirements:</p> <p>a) Have relevant expertise with their duties.</p>

As of July 15, 2015

Indonesia Safeguard List

Safeguard Framework for Financial Services Liberalization under ASEAN Framework Agreement on Services

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Measures to be Safeguarded

Sub-sectors

Market Access and National Treatment Measures

Laws and National Policies, including Prudential and Foreign Exchange Measures

- b) Comply with Indonesia manpower laws and regulations.
- 2. Finance companies that employ foreign labours shall meet the following requirements:
 - a) Hold knowledge sharing activities of foreign labours to the employees.
 - b) Report to the Indonesia Financial Services Authority no lather than 30 (thirty) calendar days before the foreign labours are employed, which enclose curriculum vitae, annual training and education plan, placement and duty plans
- 3. Foreign Board of Directors, board of Commisioners, expert, adviser, and/or consultant must pass fit and proper test which conduct by Indonesia Financial Service Authority.

Related Regulation

- 1. Regulation No. 28/POJK.05/2014 concerning the Business Licences and Institutions of Financing Companies.
- 2. Regulation No. 29/POJK.05/2014 concerning the Business Activities of Financing Companies.
- 3. Regulation No.30/POJK.05/2014 concerning the Good Corporate Governance of Financing Companies.
- Regulation No.31/POJK.05/2014 concerning the Business Activities of Sharia Financing Companies.

Indonesia reserves the rights to further listing safeguard measures related to sectors/sub-sectors to be committed in the future negotiations. Sectors/sub-sectors not listed herein shall not be interpreted as liberalized.