

## ***FREQUENTLY ASKED QUESTIONS (FAQS)***

---

**Regulation** : Bank Indonesia Circular Letter Number 10/38/PM dated 14 November 2008 concerning Intraday Liquidity Facility (FLI) for Commercial Banks.

**Effective** : 14 November 2008

1. What are the requirements to be met to obtain the FLI?

Answer:

- a. To sign an agreement for the use of FLI and to submit the required supporting documents;
- b. To hold securities that can be repoed to Bank Indonesia in the form of Certificate of Bank Indonesia (SBI) and/or Government Bond (SUN);
- c. Not being suspended as a participant Bank in BI-RTGS System and/or being terminated as participation Bank in clearing system, and
- d. Being an active participant of BI-SSSS.

2. When Bank will notice that the FLI application is approved?

Answer:

Advice of approval or refusal of FLI application shall be forwarded by Bank Indonesia to the Bank at the latest 7 (seven) working days after complete documents are received by Bank Indonesia.

3. How the FLI transaction is implemented?

Answer:

FLI shall be implemented by the mechanism of repurchase agreement (repo) transaction using the securities in the forms of SBI and/or SUN held by the said bank registered in the trading account in the BI-SSSS.

4. How is the process of FLI implementation/application of ?

Answer:

- a. In FLI-RTGS, Bank has to transfer SBI and/or SUN from the trading account to the FLI-RTGS account in BI-SSSS when the Bank requires FLI-RTGS (self assessment) during the operational hours of BI-RTGS to the cut-off warning of BI-RTGS system.

- b. In FLI-Kliring, Bank has to transfer SBI and/or SUN from the trading account to FLI-Kliring account in order to meet the requirements for prefunding at the beginning of the day before commencement of Debit Clearing.

5. How to use the FLI-RTGS?

Answer:

- a. FLI-RTGS may be used from the commencement of BI-RTGS system to the cut-off warning of BI-RTGS system provided that Bank transferred the SBI and/or SUN to the FLI-RTGS account.
- b. The use of FLI-RTGS is automatic at the time when Rupiah demand deposit account of the Bank in Bank Indonesia has insufficient balance to cover outgoing transactions in BI-RTGS system and to settle the final result of Debit Clearing.

6. How to use the FLI-Kliring?

Answer :

The use of FLI-Kliring is automatic when the Rupiah demand deposit account of the Bank in Bank Indonesia has insufficient balance to settle the final result of Debit Clearing provided that the Bank has transferred the securities to FLI-Kliring account.

7. What is the process of FLI finalization?

Answer:

- a. For the use of FLI, Bank is obliged to finalize the FLI on the same day of the use of FLI (T+0) to the cut-off time of BI-RTGS system at the latest;
- b. Finalization is performed automatically by the BI-RTGS system every time there is an incoming transaction into the Rupiah demand deposit account of the Bank in Bank Indonesia.

8. What to do with the unfinalized FLI?

Answer :

To the FLI value that is unfinalized, repurchase agreement (repo) transaction with Bank Indonesia shall apply within a maturity of 1 (one) day.