

REGULATION OF BANK
INDONESIA
NUMBER 18/20/PBI/2016 ON
NON-BANK FOREIGN EXCHANGE BUSINESS ACTIVITIES

BY THE BLESSINGS OF THE ALMIGHTY GOD

GOVERNOR OF BANK INDONESIA,

- Considering :
- a. that in order to achieve and maintain Rupiah stability and maintain the sustainability of national economy, financial market support is required, including sound domestic foreign currency;
 - b. that to establish sound domestic foreign currency market, it is necessary to align the regulation on transactions of foreign currencies against Rupiah between money changers and other parties with the regulation of Bank Indonesia on transactions of foreign currencies against Rupiah between banks and domestic parties and the regulation of Bank Indonesia on transactions of foreign currencies against Rupiah between Banks and foreign parties;
 - c. that to prevent the foreign exchange business activities from being exploited for money laundering, terrorism funding, or any other crimes, and to increase the professionalism of money changers in providing their

services to the community, it is necessary to improve the governance of non-bank foreign exchange business activities;

- d. that to support the development of sounder and more efficient non-bank foreign exchange business activities, it is necessary to improve the regulation on non-bank foreign exchange business activities;
- e. that based on the foregoing considerations in letter a until letter d, it is necessary to issue Regulation of Bank Indonesia on Non-Bank Foreign Exchange Business Activities;

- Observing :
1. Law Number 23 of 1999 on Bank Indonesia (State Gazette of the Republic of Indonesia of 1999 Number 66, Supplement to State Gazette of the Republic of Indonesia Number 3843) as last amended by Law Number 6 of 2009 on Establishment of Government Regulation in Lieu of Law Number 2 of 2008 on the Second Amendment to Law Number 23 of 1999 on Bank Indonesia as Law (State Gazette of the Republic of Indonesia of 2009 Number 7, Supplement to State Gazette of the Republic of Indonesia Number 4962);
 2. Law Number 24 of 1999 on Foreign Exchange Flows and Exchange Rate System (State Gazette of the Republic of Indonesia of 1999 Number 7, Supplement to State Gazette of the Republic of Indonesia Number 3844);
 3. Law Number 8 of 2010 on Prevention and Eradication of Money Laundering (State Gazette of the Republic of Indonesia of 2010 Number 122, Supplement to State Gazette of the Republic of Indonesia Number 5164);
 4. Law Number 7 of 2011 on Currencies (State Gazette of the Republic of Indonesia of 2011 Number 64, Supplement to

- State Gazette of the Republic of Indonesia Number 5223);
5. Law Number 9 of 2013 on Prevention and Eradication of Terrorism Funding (State Gazette of the Republic of Indonesia of 2013 Number 50, Supplement to State Gazette of the Republic of Indonesia Number 5406);

HAS DECIDED:

To issue : REGULATION OF BANK INDONESIA ON NON-BANK FOREIGN EXCHANGE BUSINESS ACTIVITIES.

CHAPTER I
GENERAL PROVISIONS

Article 1

In this Regulation:

1. Foreign Banknote means a foreign paper currency officially issued by a foreign country and acknowledged as legal tender in the relevant country.
2. Traveler's Check means traveler's check in a foreign currency, which may be used as a means of payment.
3. Limited Liability Company means a legal establishment as stipulated in the law on limited liability companies.
4. Business Activities of Foreign Exchange mean selling and buying of foreign banknotes and Traveler's Checks.
5. Money Changer means a company whose form is not a Limited Liability Company and which conducts foreign exchange business activities.
6. Customer means a party who uses the services of a Money Changer.

7. Board of Directors means the Board of Directors as stipulated in the law on limited liability companies.
8. Board of Commissioners means the Board of Commissioners as stipulated in the law on limited liability companies.
9. Shareholder means a legal establishment and/or individual who own a share or shares of a Money changer.
10. Underlying Transaction means an activity which underlies foreign banknote buying by a Customer.

CHAPTER II

MONEY CHANGERS

Article 2

- (1) Non-Bank Foreign Exchange Business Activities include:
 - a. exchange in the mechanism of selling and buying foreign banknotes; and
 - b. buying Traveler's Checks.
- (2) In addition to the activities set forth in paragraph (1), Money Changers may also conduct other business activities pertaining to foreign exchange provided that they are governed in the provisions of Bank Indonesia.
- (3) The mechanism of selling and buying foreign banknotes set forth in paragraph (1) letter a is stipulated as follows:
 - a. foreign banknotes must be transferred physically;
 - b. Rupiah must be transferred physically or through intra-bank or interbank transfers;
 - c. buying foreign banknotes above a certain threshold per month per Customer of Money Changers must have underlying transactions; and

- d. if foreign banknotes are bought by a Money Changer, the obligation set forth in letter c will not be applicable.
- (4) The threshold per month per Customer set forth in paragraph (3) letter c refers to the provisions of Bank Indonesia on transactions of foreign currencies against Rupiah between banks and domestic parties, and provisions of Bank Indonesia on transactions of foreign currencies against Rupiah between banks and foreign parties.
- (5) If Rupiah is transferred through intra-bank or interbank transfer in selling or buying transactions as set forth in paragraph (3) letter b, the transfer must be designated to or come from the Money Changer's account.
- (6) In conducting the business activities set forth in paragraphs (1) and (2), Money Changers must apply provisions for anti-money laundering and prevention of terrorism funding as well as for mandatory use of Rupiah within the Republic of Indonesia.
- (7) Money Changers must record transactions according to the generally accepted accounting principles.
- (8) Money Changers must maintain documents and instruments pertaining to transaction recording as set forth in paragraph (7) under the laws and regulations.

- (9) Further provisions for business activities by Money Changers will be stipulated in a Circular Letter of Bank Indonesia.

Article 3

- (1) The Underlying Transactions set forth in Article 2 paragraph (3) letter c include the following activities:
 - a. trade of goods and services within and outside the country; and/or
 - b. onshore and offshore investment.
- (2) The Underlying Transactions for trade of goods and services and/or investment set forth in paragraph (1) also include the estimated needs for foreign banknotes.
- (3) The Underlying Transactions set forth in Article 2 paragraph (3) letter c exclude purchase of foreign banknotes for:
 - a. fund placement with banks;
 - b. money transfer through fund transfer companies; and
 - c. bill payment in foreign currencies from transactions for which use of Rupiah is mandatory.

Article 4

- (1) Purchase of foreign banknotes from Money Changers set forth in Article 2 paragraph (3) letter c may not exceed the nominal value of the Underlying Transaction.
- (2) The nominal value of the Underlying Transaction set forth in Article 2 paragraph (3) letter c may be rounded up in a certain multiple.
- (3) The certain nominal set forth in paragraph (2) refers to the provisions of Bank Indonesia for transactions of foreign currencies against Rupiah between banks and domestic parties and the provisions of Bank Indonesia for transactions of foreign currencies against Rupiah between banks and foreign parties.

Article 5

- (1) If a Customer purchases foreign banknotes above a certain threshold or its equivalent per month per Customer set forth in Article 2 paragraph (3) letter c, a Money Changer must ensure that the Customer has submitted the following documents:
 - a. justifiable Underlying Transaction documents:
 1. final documents, such as copies of bills or any documents with payment obligations and copies of contracts or agreements; and/or
 2. estimate documents, such as cost estimate requirement documents.
 - b. supporting documents for purchase of foreign banknotes:
 1. copy of Customer's identity document;
 2. copy of Customer's Taxpayer Identification Number (TIN);
 3. duly stamped documents signed by a Customer or any party authorized to represent the Customer containing the following information:
 - a) authenticity and reliability of Underlying Transaction documents and use of Underlying Transaction documents for purchase of foreign banknotes amounting to a maximum of the nominal amount of the Underlying Transaction in national Money Changer industry; and
 - b) amount, purpose, and date of use of foreign banknotes; and
 4. power of attorney if a Customer is represented by another party.
- (2) If a Customer purchases foreign banknotes up to the certain threshold set forth in Article 2 paragraph (3) letter c, a Money Changer must ensure that the Customer

submits a written statement stating that the purchase has not exceeded the certain threshold set forth in Article 2 paragraph (3) letter c.

- (3) A Money Changer must ensure that a Customer has submitted the Underlying Transaction documents and supporting documents set forth in paragraph (1) on the foreign banknote purchase date.
- (4) A Money Changer must administer the Underlying Transaction documents and supporting documents of foreign banknote purchase set forth in paragraph (1).
- (5) If a Customer makes regular transactions from time to time and the Customer's Underlying Transaction documents are final, a Money Changer may use the supporting documents set forth in paragraph (1) letter b they have administered.

Article 6

A Money Changer may not:

- a. act as an agent selling Traveler's Checks;
- b. conduct margin trading, spot, forward, swap, and other derivative transactions for the interests of any Customers and the Money Changer themselves;
- c. sell and buy foreign banknotes and buy Traveler's Checks to and from any Money Changers unlicensed by Bank Indonesia;
- d. conduct fund transfer activities; and
- e. conduct any other business activities other than the business activities set forth in Article 2 paragraphs (1) and (2).

Article 7

- (1) In addition to the restrictions set forth in Article 6, a Money Changer may not:
 - a. become an owner of any unlicensed Money Changers;
 - b. cooperate with any unlicensed Money Changers; and
 - c. conduct business activities through any unlicensed Money Changers.
- (2) The restrictions set forth in paragraph (1) shall be applicable to the Board of Directors, Board of Commissioners, and/or Shareholders of a Money Changer.

Article 8

In addition to the restrictions set forth in Article 7 paragraph (2), the Board of Directors, Board of Commissioners, and/or Shareholders of a Money Changer may not:

- a. conduct the business activities set forth in Article 2 paragraphs (1) and (2) for their personal interests by exploiting the Money Changer; and/or
- b. conduct the business activities set forth in Article 2 paragraphs (1) and (2) for their Money Changer's interests in their personal names.

Article 9

- (1) A Money Changer must determine:
 - a. selling and buying rates of foreign banknotes; and
 - b. buying rate of Traveler's Check, according to the market mechanism.
- (2) To determine the exchange rates set forth in paragraph (1), a Money Changer must at least:
 - a. have written policies and procedures for exchange rate determination;

- b. use accountable and consistently applicable exchange rate determination; and
 - c. maintain records and/or worksheets in the exchange rate determination, including among others the factors or facts as the consideration and calculation.
- (3) Bank Indonesia conducts supervision of exchange rate determination by Money Changers.

Article 10

- (1) In conducting their activities, a Money Changer must ensure the application of customer protection principles.
- (2) The application of customer protection principles set forth in paragraph (1) must at least take the following forms:
- a. delivery of information on exchange rates to Customers in a transparent manner;
 - b. protection of Customer's data and/or information; and
 - c. effective handling and settlements of Customer's complaints.
- (3) Money Changers may not charge any fees against their Customers.
- (4) Further provisions for application of customer protection principles are specified in a Circular Letter of Bank Indonesia.

CHAPTER III

LICENSES FOR NON-BANK FOREIGN EXCHANGE BUSINESS ACTIVITIES

Article 11

- (1) Any non-bank entities, which intend to conduct business activities as Money Changers, must obtain a license from Bank Indonesia.

- (2) The Board of Directors, Board of Commissioners, and shareholders of the non-bank entities set forth in paragraph (1) must obtain prior approval of Bank Indonesia.
- (3) To obtain the license from Bank Indonesia set forth in paragraph (1), a non-bank entity must meet the following requirements:
 - a. has the form of Limited Liability Company whose entire shares are owned by:
 1. Indonesian citizen(s); and/or
 2. business entity whose entire shares are owned by Indonesian citizen(s);
 - b. specify in their articles of association that the company's purpose and objective are to sell and buy foreign banknotes and to buy Traveler's Checks;
 - c. meet the amount of paid-up capital determined by Bank Indonesia; and
 - d. the paid-up capital does not come from and/or is used for money laundering.
- (4) Application for a license as a Money Changer set forth in paragraph (1) must be submitted in writing by the Board of Directors.
- (5) Further provisions for the requirements and procedures for license application as a Money Changer are specified in a Circular Letter of Bank Indonesia.

Article 12

- (1) The license as a Money Changer set forth in Article 11 paragraph (1) is granted by Bank Indonesia through the following phases:
 - a. scrutiny of fulfillment of the requirements set forth in Article 11 Paragraph (3);
 - b. scrutiny of fulfillment of the requirements as members of the Board of Directors, members of the Board of Commissioners, and shareholders set forth

in Articles 19 and 21;

- c. examination of the business premises of a Money Changer applicant; and
 - d. dissemination of provisions to the Board of Directors, members of the Board of Commissioners, and shareholders of a Money Changer applicant.
- (2) To conduct the activities set forth in paragraph (1) letter a until letter c, Bank Indonesia may conduct a confirmation or interview session with a Money Changer applicant.
- (3) Further provisions for implementation of the license grant and procedures for the confirmation or confirmation are specified in a Circular Letter of Bank Indonesia.

Article 13

- (1) A Money Changer applicant must meet all phases of the scrutiny, business premises examination, and dissemination of provisions set forth in Article 12 paragraph (1).
- (2) If a Money Changer applicant fails to meet the phases set forth in paragraph (1) until the time limit determined by Bank Indonesia, the Money Changer applicant will be declared to cancel their application.

Article 14

- (1) License as a Money Changer issued by Bank Indonesia is valid for 5(five) years as of the license date and may be extended by submitting an application to Bank Indonesia.
- (2) The license extension application set forth in paragraph (1) must be submitted no later than 3 (three) months prior to the license expiration.

- (3) Further provisions for the requirements for license extension and procedures for license extension by a Money Changer are specified in a Circular Letter of Bank Indonesia.

Article 15

- (1) Bank Indonesia shall evaluate licenses issued for Money Changers.
- (2) The evaluation set forth in paragraph (1) is conducted based on:
 - a. the result of supervision by Bank Indonesia during the license validity; and/or
 - b. the application for license extension set forth in Article 14.
- (3) The evaluation result set forth in paragraph (2) is used as consideration to determine the following policies on the granted license:
 - a. extend the license validity;
 - b. shorten the license validity;
 - c. limit the implementation of business activities of foreign exchange; and/or
 - d. revoke the license.

Article 16

- (1) Bank Indonesia may determine license limit policies by considering among others to maintain national efficiency, public interests, industrial growth, and/or fair business competition.
- (2) The license limit policies set forth in paragraph (1) are implemented in the following forms:
 - a. rejection of license application as a Money Changer;
 - b. rejection of license application as a Money Changer in a certain area;

- c. rejection of application to open an office network;
and/or
- d. limitation of business activities.

Article 17

The license as a Money Changer obtained from Bank Indonesia set forth in Article 11 paragraph (1) may not be transferred to any other parties or used by any other parties.

Article 18

- (1) A Money Changer, which has obtained license from Bank Indonesia set forth in Article 11 paragraph (1) must conduct their activities within 30 (thirty) days as of the license date.
- (2) The implementation of business activities set forth in paragraph (1) must be reported by a Money Changer to Bank Indonesia no later than 10 (ten) working days after the commencement date of the implementation of business activities.
- (3) If within the period set forth in paragraph (1) a Money Changer has not conducted business activities, the license granted by Bank Indonesia will become null and void.
- (4) Further provisions for procedures for license grant and report submission are specified in a Circular Letter of Bank Indonesia.

CHAPTER IV
IMPLEMENTATION OF NON-BANK FOREIGN
EXCHANGE BUSINESS ACTIVITIES

Division One
Board of Directors, Board of Commissioners, and
Shareholders

Article 19

- (1) Members of the Board of Directors and Board of Commissioners must meet the following requirements:
- a. Indonesian citizen;
 - b. has at least a three-year formal diploma degree;
 - c. has knowledge on implementation of business activities of foreign exchange adequate and relevant to their positions;
 - d. is not included in the national blacklist of blank check and/or bilyet giro passers;
 - e. does not have any non-performing loans according to the data in the debtor information system;
 - f. meets tax obligations evidenced by a fiscal certificate issued by the tax authority within the last 1 (one) year;
 - g. has never been charged guilty of any crimes within the last 2 (two) years;
 - h. has never been acting as the shareholder, member of Board of Directors, or member of Board of Commissioners of a Limited Liability Company imposed with an administrative sanction in the form of license revocation by Bank Indonesia within 2 (two) years prior to the application submission date;
 - i. has never been declared insolvent or has never been acting as the shareholder, member of Board of Directors, or member of Board of Commissioners charged guilty of making a company insolvent

within 2 (two) years prior to the application submission date;

- j. has a commitment to perform their duties and obligations in carrying on business activities under the regulation on Non-Bank Foreign Exchange Business Activities and the laws and regulations; and
 - k. submits data, information, statement, or declaration to Bank Indonesia according to the actual condition and be responsible for the submitted data, information, statement, or declaration.
- (2) To ensure the fulfillment of the requirements set forth in paragraph (1), Bank Indonesia may conduct a confirmation or interview session with the relevant member of Board of Directors or Board of Commissioners of a Money Changer.
 - (3) Further provisions for procedures for fulfillment of requirements and for the confirmation or interview are specified in a Circular Letter of Bank Indonesia.

Article 20

- (1) Members of Board of Directors of a Money Changer must attend training and/or certification supportive of foreign exchange business activity implementation.
- (2) The training and/or certification set forth in paragraph (1) may be conducted after members of Board of Directors obtain approval of Bank Indonesia.
- (3) Further provisions for training and/or certification are specified in a Circular Letter of Bank Indonesia.

Article 21

- (1) Shareholders of a Money Changer must meet the following requirements:

- a. Indonesian citizen and/or legal entity of Indonesia;
 - b. is not included in the national blacklist of blank check and/or bilyet giro passers;
 - c. does not have any non-performing loans according to the data in the debtor information system;
 - d. meets tax obligations evidenced by a fiscal certificate issued by the tax authority within the last 1 (one) year;
 - e. has never been charged guilty of any crimes within the last 2 (two) years;
 - f. has never been acting as the shareholder, member of Board of Directors, or member of Board of Commissioners of a Limited Liability Company imposed with an administrative sanction in the form of license revocation by Bank Indonesia within 2 (two) years prior to the application submission date;
 - g. has never been declared insolvent or has never been acting as the shareholder, member of Board of Directors, or member of Board of Commissioners charged guilty of making a company insolvent within 2 (two) years prior to the application submission date; and
 - h. submits data, information, statement, or declaration to Bank Indonesia according to the actual condition and be responsible for the submitted data, information, statement, or declaration.
- (2) If a Shareholder is a legal entity, the requirements set forth in paragraph (1) must be submitted by the Board of Directors of such Shareholder.
 - (3) To ensure fulfillment of the requirements set forth in paragraph (1), Bank Indonesia may conduct a confirmation or interview session with the Shareholder.

- (4) Further provisions for procedures for fulfillment of requirements and for the confirmation or interview are specified in a Circular Letter of Bank Indonesia.

Article 22

- (1) If a Money Changer intends to change their Board of Directors, Board of Commissioners, and/or Shareholders, the prospective members of Board of Directors, Board of Commissioners, and/or Shareholders must obtain prior approval of Bank Indonesia.
- (2) Prospective members of Board of Directors, Board of Commissioners, and/or Shareholders of a Money Changer set forth in paragraph (1) must meet the requirements set forth in Articles 19 and 21 and attend the dissemination of provisions set forth in Article 12 paragraph (1) letter d.
- (3) Appointment of Board of Directors, Board of Commissioners, and/or change of Shareholders of a Money Changer approved by Bank Indonesia set forth in paragraph (1) must be reported to Bank Indonesia, the report of which must be accompanied by supporting documents.
- (4) Further provisions for procedures for approval application and reporting are specified in a Circular Letter of Bank Indonesia.

Article 23

- (1) Shareholders must change members of Board of Directors and/or Board of Commissioners charged guilty of a certain crime under a final and binding court decision.
- (2) A Shareholder must assign their shares to another party if the Shareholder is found guilty of a certain crime under

a final and binding court decision.

- (3) Change of members of Board of Directors and/or Board of Commissioners and assignment of shares must be conducted no later than 3 (three) months after the court decision on the certain crime becomes final and binding.

Division Two

Inclusion of Logo, Certificate, and Trade Name

Article 24

- (1) A Money Changer must post:
 - a. logo of licensed Money Changer issued by Bank Indonesia;
 - b. business license certificate issued by Bank Indonesia; and
 - c. script of Authorized Money Changer and name of the Money Changer as a Limited Liability Company on visible spots in their business premises.
- (2) A Money Changer must use the script set forth in paragraph (1) letter c in any documents, correspondences, and other forms.
- (3) A Money Changer may use their trade name under the following provisions:
 - a. it has only 1 (one) trade name; and
 - b. the trade name reflects the Money Changer's name as a Limited Liability Company.

Division Three
Money Changer's Bank Account

Article 25

- (1) A Money Changer must have a bank account under their name.
- (2) The bank account set forth in paragraph (1) may only be used for business and operational activities as a Money Changer.
- (3) A Money Changer may not use any bank account other than that under their name.

Division Four
Opening of Branch Offices and Counters

Article 26

- (1) Opening of a Money Changer's branch office must obtain prior approval of Bank Indonesia.
- (2) The opening of a Money Changer's branch office set forth in paragraph (1) must meet the requirements for capital, location viability, and readiness for branch office opening.
- (3) To grant the approval for branch office opening set forth in paragraph (1), Bank Indonesia also considers compliance with the applicable provisions.
- (4) Further provisions for requirements and procedures for approval application and approval grant are specified in a Circular Letter of Bank Indonesia.

Article 27

- (1) Counter opening outside of a Money Changer's office must be reported to Bank Indonesia to obtain confirmation.
- (2) The counter opening set forth in paragraph (1) is conducted for a certain period and purpose.
- (3) Further provisions for procedures for reporting and the period and purpose of counter opening by a Money Changer are specified in a Circular Letter of Bank Indonesia.

Division Five

Change of Office Address

Article 28

- (1) Change of address of a Money Changer's office must obtain prior approval of Bank Indonesia.
- (2) The office address change set forth in paragraph (1) must meet the requirements for location viability and readiness of office address change.
- (3) Further provisions for procedures for approval application and requirements for location viability and readiness of office address change are specified in a Circular Letter of Bank Indonesia.

Division Six

Change of Name and Capital

Article 29

- (1) Change of name and capital of a Money Changer as a Limited Liability Company must be reported to Bank Indonesia upon approval of the competent authority.
- (2) Further provisions for procedures for reporting of Money Changer's name and capital change are specified in a Circular Letter of Bank Indonesia.

Division Seven

Termination of Headquarters' Business Activities and/or
Branch Office Closing

Article 30

- (1) Termination of headquarters' business activities and/or branch office closing of a Money Changer may be conducted:
 - a. under the order of Bank Indonesia; or
 - b. at the Money Changer's request for certain reasons.
- (2) The termination of headquarters' business activities and/or branch office closing of a Money Changer set forth in (1) letter b must obtain prior approval of Bank Indonesia.
- (3) To obtain the approval set forth in paragraph (2), a Money Changer must submit an application together with the reasons for termination of headquarters' business activities and/or branch office closing, at least accompanied by the following:
 - a. copy of minutes of General Meeting of Shareholders on the termination of headquarters' business activities and/or decision of the Board of Directors on branch office closing;
 - b. statement from the Shareholder that the Money Changer has completed all obligations and will be responsible for any claims potentially arising in the future;
 - c. logo of the Money Changer issued by Bank Indonesia; and
 - d. the Money Changer's business license certificate and approval for branch office opening.
- (4) Termination of the headquarters' business activities and/or branch office opening set forth in paragraph (1)

are conducted by Bank Indonesia by revoking the Money Changer's business license or approval for branch office opening and declaring them invalid.

CHAPTER V REPORTING OF MONEY CHANGERS

Article 31

- (1) A Money Changer must submit the following reports to Bank Indonesia:
 - a. periodic reports; and
 - b. incidental reports.
- (2) The reports set forth in paragraph (1) must be submitted by the deadline determined by Bank Indonesia.
- (3) The periodic reports set forth in paragraph (1) letter a must be submitted online through the reporting application system of Bank Indonesia.
- (4) The incidental reports set forth in paragraph (1) letter b must be submitted to Bank Indonesia in writing and signed by the Board of Directors.
- (5) In the event of any troubles to the reporting application system or for any certain reasons resulting in the failure of online submission set forth in paragraph (3), a Money Changer must submit the reports to Bank Indonesia in writing, which are signed by the Board of Directors.
- (6) Further provisions for the report submission deadline and procedures are specified in a Circular Letter of Bank Indonesia.

Article 32

Bank Indonesia may request financial statements audited by a public accountant to a Money Changer.

CHAPTER VI
SUPERVISION OF MONEY CHANGERS

Article 33

- (1) Bank Indonesia may supervise Money Changers.
- (2) The supervision by Bank Indonesia set forth in paragraph (1) includes:
 - a. direct supervision; and
 - b. indirect supervision.
- (3) In conducting the supervision of Money Changers set forth in paragraph (1), Bank Indonesia may deliver improvement letter and impose sanctions.
- (4) Money Changers must follow up improvement letters and impose sanctions set forth in paragraph (3).

Article 34

- (1) In conducting the direct supervision of Money Changers set forth in Article 33 paragraph (2) letter a, Bank Indonesia may assign another party for and on its behalf to examine Money Changers.
- (2) Another party assigned by Bank Indonesia to examine Money Changers set forth in Paragraph (1) must:
 - a. maintain the confidentiality of data and information obtained from the examination result; and
 - b. submit reports on the examination results to Bank Indonesia.

CHAPTER VII
REQUEST FOR INFORMATION

Article 35

To ensure fulfillment of provisions in this Regulation, Bank Indonesia may request information to the relevant authority or institution.

CHAPTER VIII
SELLING AND BUYING OF FOREIGN BANKNOTES BY
PARTIES OTHER THAN MONEY CHANGERS

Article 36

- (1) In certain areas, Money Changers may cooperate with any parties other than Money Changers to conduct selling and buying foreign banknotes with the approval of Bank Indonesia.
- (2) The parties other than Money Changers set forth in paragraph (1) must carry on business activities as hotels or companies conducting activities similar to hotels.
- (3) To obtain the approval set forth in paragraph (1), a Money Changer must submit a written application to Bank Indonesia containing the purpose and reasons for the planned cooperation, accompanied by at least the following data and information:
 - a. profile of the prospective partners;
 - b. geographical condition of cooperation area;
 - c. existence of Money Changers around the cooperation area; and
 - d. other deemed important data and information.
- (4) Further provisions for implementation of cooperation between Money Changers and parties other than Money Changers are specified in a Circular Letter of Bank Indonesia.

Article 37

- (1) Parties other than Money Changers, which sell and buy foreign banknotes in Indonesia border areas must obtain the approval of Bank Indonesia.
- (2) The parties other than Money Changers set forth in paragraph (1) must be in the form of companies.
- (3) To obtain the approval set forth in paragraph (1), parties other than Money Changers must submit a written application to Bank Indonesia containing the purpose and reasons for application, accompanied at least by the following data and information:
 - a. applicant's profile;
 - b. geographical condition of the border areas to become the applicant's business premises;
 - c. existence of Banks and/or Money Changers around the applicant's business premises;
 - d. operational readiness, including human resources to manage the selling and buying of foreign banknotes; and
 - e. other deemed important data and information.
- (4) Further provisions for the implementation of selling and buying foreign banknotes in Indonesian border areas by parties other than Money Changers are specified in a Circular Letter of Bank Indonesia.

CHAPTER IX
OTHER PROVISIONS

Article 38

- (1) Any parties, which have been conducting business activities of foreign exchange without any license from Bank Indonesia, must obtain a Money Changer's license.
- (2) To obtain the license set forth in paragraph (1), any parties, which have been conducting business activities of foreign exchange without any license from Bank Indonesia, must submit an application within 6 (six)

months at the maximum as of the promulgation of this Regulation.

- (3) If after the period of 6 (six) months set forth in paragraph (2) has passed, Bank Indonesia is aware of parties, which do not obtain the license set forth in paragraph (1), Bank Indonesia may:
- a. deliver a written warning; and/or
 - b. recommend to the competent authority to:
 1. terminate the business activities; and/or
 2. revoke the business license granted by the competent authority.

CHAPTER X SANCTIONS

Article 39

- (1) Any breach of the provisions set forth in Article 2 paragraph (3) letter a, Article 2 paragraph (3) letter c, Article 2 paragraph (7), Article 2 paragraph (8), Article 4 paragraph (1), Article 5 paragraph (1), Article 5 paragraph (2), Article 5 paragraph (3), Article 5 paragraph (4), Article 6, Article 9 paragraph (1), Article 9 paragraph (2), Article 10 paragraph (1), Article 10 paragraph (3), Article 11 paragraph (1), Article 11 paragraph (2), Article 17, Article 18 paragraph (1), Article 18 paragraph (2), Article 22 paragraph (1), Article 22 paragraph (3), Article 23, Article 24 paragraph (1), Article 24 paragraph (2), Article 25 paragraph (1), Article 25 paragraph (3), Article 26 paragraph (1), Article 27 paragraph (1), Article 28 paragraph (1), Article 29 paragraph (1), Article 30 paragraph (2), Article 31 paragraph (1), Article 31 paragraph (5), Article 33 paragraph (4), Article 34 paragraph (2), and or Article 37 paragraph (1), the following administrative sanctions will be imposed:
- a. written warning;
 - b. mandatory payment;
 - c. termination of business activities; and/or
 - d. license revocation.

- (2) The mandatory payment set forth in paragraph (1) letter b against the breach of provisions set forth in Article 2 paragraph (3) letter c, Article 4 paragraph (1), Article 5 paragraph (1), Article 5 paragraph (2), and Article 5 paragraph (3) is determined to amount to 1% (one percent) of the nominal amount of the breached transaction for each breach, in the minimum amount of Rp10,000,000.00 (ten million rupiah) and in the maximum amount of Rp1,000,000,000.00 (one billion rupiah).
- (3) The nominal amount of the breached transaction set forth in paragraph (2) is calculated based on the difference between the total purchase of foreign banknotes and the threshold of the mandatory Underlying Transaction set forth in Article 2 paragraph (3) letter c.
- (4) The amount of mandatory payment set forth in paragraph (2) is calculated by using the Jakarta Interbank Spot Dollar Rate (JISDOR) on the breach date.
- (5) Further provisions for the procedures for the sanction imposition are specified in a Circular Letter of Bank Indonesia.

Article 40

- (1) Any Money Changers in breach of the provisions set forth in Article 7 paragraph (1) will be imposed with a sanction in the form of license revocation.
- (2) The Board of Directors, Board of Commissioners, and/or Shareholders of a Money Changer breaching the provisions set forth in Article 7 paragraph (2) and Article 8 will be imposed with a sanction in the form of prohibition from becoming the Board of Directors, Board of Commissioners, and/or Shareholders of any Money Changer.
- (3) Further provisions for the procedures for the sanction imposition are specified in a Circular Letter of Bank Indonesia.

CHAPTER XI
TRANSITIONAL PROVISIONS

Article 41

Licenses as Money Changers granted prior to the enforcement of this Regulation shall remain valid for 5 (five) years at the maximum as of the promulgation date of this Regulation.

CHAPTER XII
CLOSING PROVISIONS

Article 42

Upon enforcement of this Regulation:

- a. Regulation of Bank Indonesia Number 16/15/PBI/2014 on Non-Bank Foreign Exchange Business Activities (State Gazette of the Republic of Indonesia of 2014 Number 206, Supplement to State Gazette of the Republic of Indonesia Number 5577) is repealed and declared null and void.
- b. All implementing regulations of Regulation of Bank Indonesia Number 16/15/PBI/2014 on Non-Bank Foreign Exchange Business Activities (State Gazette of the Republic of Indonesia of 2014 Number 206, Supplement to State Gazette of the Republic of Indonesia Number 5577) are declared to remain valid provided that they are not in contravention of this Regulation.

Article 43

The provisions set forth in Article 12, Article 13, Article 19, and Article 21 of this Regulation shall start to take effect within 6 (six) months as of the promulgation date of this Regulation.

Article 44

This Regulation of Bank Indonesia shall start to take effect from its promulgation date.

For public recognition, it is hereby ordered that this Regulation of Bank Indonesia be promulgated in the State Gazette of the Republic of Indonesia.

Issued in Jakarta
on 3 October 2016

GOVERNOR OF BANK INDONESIA,

AGUS D.W. MARTOWARDOJO

Promulgated in Jakarta
on 7 October 2016

MINISTER OF LAW AND HUMAN RIGHTS
REPUBLIC OF INDONESIA,

YASONNA H. LAOLY

ELUCIDATION
OF
REGULATION OF BANK INDONESIA
NUMBER 18/20/PBI/2016
ON
NON-BANK FOREIGN EXCHANGE BUSINESS ACTIVITIES

I. GENERAL

In order to reach and maintain the stability of Rupiah and maintain national economic sustainability, the support of sound financial market, especially domestic foreign exchange market, is required. To achieve the purpose, Bank Indonesia issues policies on transactions of foreign currencies against Rupiah between banks and domestic parties and policies on transactions of foreign currencies against Rupiah between banks and foreign parties, primarily the mandatory Underlying Transaction for purchase of foreign currencies against Rupiah by customers to the bank amounting to above USD25,000.00 (twenty-five thousand US dollar) or its equivalent per month per customer.

The Regulation of Bank Indonesia on transactions of foreign currencies against Rupiah stipulates transactions between banks and Money Changers as the bank's customers. However, the Regulation of Bank Indonesia has not specifically stipulated transactions between Customers and Money Changers and the obligation of Customers to submit Underlying Transactions to Money Changers. Therefore, the applicable provisions for Money Changers must be aligned with the provisions for transactions of foreign currencies against Rupiah for banks, primarily pertaining to the Customer's obligation to have Underlying Transactions.

In addition, to improve good governance so that Money Changer industry can develop in a sound manner and support national economic sustainability, improvements of the following are needed:

- a. scope of business activities which may be conducted by Money Changers;
- b. requirements for license as a Money Changer;
- c. the authority of Bank Indonesia to restrict the grant and evaluation of license as a Money Changer;
- d. the authority of Bank Indonesia to supervise the determination of the selling and buying rates of foreign banknotes by Money Changers;
- e. requirements for the prospective management and shareholders of Money Changers;
- f. application of customer protection in the implementation of Non-Bank Money Exchange;
- g. other parties, which may purchase foreign banknotes or sell and buy foreign banknotes in border areas; and
- h. Money Changer's obligation to have their bank account under their name.

Based on the foregoing, it is necessary to issue Regulation of Bank Indonesia on Non-Bank Foreign Exchange Business Activities.

II. ARTICLE BY ARTICLE

Article 1

Self-explanatory

Article 2

Paragraph (1)

Self-explanatory

Paragraph (2)

Self-explanatory

Paragraph (3)

Letter a

Self-explanatory

Letter b

Self-explanatory

Letter c

The current threshold of purchase of foreign banknotes by Money Changer's Customers, for which Underlying Transactions are mandatory, is above USD25,000.00 (twenty-five thousand US dollar) or its equivalent as specified in the Customer's foreign currency purchase from a bank through spot transactions.

In the event of change of the threshold in the provisions of Bank Indonesia, the threshold in this Regulation will refer to the threshold as specified in the amended provisions of Bank Indonesia.

Monthly calculation is based on calendar months, namely from the beginning of a calendar month until the end of the corresponding calendar month.

Calculation of nominal transactions is based on the transaction date and accumulated transactions within 1 (one) calendar month made by individual Customer.

Letter d

Self-explanatory

Paragraph (4)

Self-explanatory

Paragraph (5)

Self-explanatory

Paragraph (6)

"Provisions for anti-money laundering and prevention of terrorism funding" among others are Regulation of Bank Indonesia on application of anti-money laundering and prevention of terrorism funding to non-bank foreign currency traders and other laws and regulations on anti-money laundering and prevention of terrorism funding.

Paragraph (7)

The accounting standard used by Money Changers means the generally accepted accounting standard for Limited Liability Companies.

Paragraph (8)

Self-explanatory

Paragraph (9)

Self-explanatory

Article 3

Paragraph (1)

Letter a

“Trade of goods within and outside the country” among others is trade of physical goods in the form of consumption goods, capital goods, and half-finished products.

“Trade of services within and outside the country” among others is hotel, education, and travel services.

Letter b

“Onshore and offshore investment” among others is investments to buy offshore securities and property.

Paragraph (2)

Self-explanatory

Paragraph (3)

“Fund placement with a bank” among others are savings, giro, deposits, and Negotiable Certificates of Deposits (NCD).

If a fund transfer company purchases foreign currencies to meet the transfer needs of their customers, such customer’s order may not be made as an Underlying Transaction.

Article 4

Paragraph (1)

Self-explanatory

Paragraph (2)

The current nominal amount foreign banknote purchase is the multiple of USD5,000.00 (five thousand US dollar) or its equivalent as specified in the regulation on the nominal amount multiples of Underlying Transactions in the provisions of Bank Indonesia on transactions of foreign currencies against Rupiah between banks and domestic parties and transactions of foreign currencies against Rupiah between banks and foreign parties.

In the event of any change of the certain multiples of foreign banknote purchase in the provisions of Bank Indonesia, the certain multiples of foreign banknote purchase in this Regulation will refer to such amended nominal multiples.

Paragraph (3)

Self-explanatory

Article 5

Paragraph (1)

Letter a

Item 1

Bills or documents incurring payment obligations among others are invoices or commercial invoices, debit notes, sales contracts, lists of invoices, billing notices or billing/payment schedules, or tax invoices.

Contracts or agreements among others are consultant services contracts, employment agreements, credit agreements, royalty agreements, cash management agreements, sales and purchase agreement, or lease agreements.

Item 2

Cost estimate documents among others are overseas tuition fee and living cost estimate, medication and accommodation expense estimate, travel and accommodation expense estimate, cash flow forecast, goods import notice, export goods notice, purchase order

confirmation, purchase documents, proforma invoices, or sales/import projection.

Letter b

Item 1

Self-explanatory

Item 2

Self-explanatory

Item 3

“Party which may represent a Customer” means an official representing a company under the company’s articles of association or any appointed officials.

Item 4

Self-explanatory

Paragraph (2)

Self-explanatory

Paragraph (3)

Self-explanatory

Paragraph (4)

Self-explanatory

Paragraph (5)

Self-explanatory

Article 6

Letter a

Self-explanatory

Letter b

“Margin trading” means selling and buying currencies without any fund movement but margin of exchange rate difference.

“Spot” means a cash transaction between 2 (two) currencies where the fund is transferred within 2 (two) working days after the transaction date.

“Forward” means termed transaction between 2 (two) currencies where the fund is transferred within 2 (two) working days after the transaction date.

“Swap” means exchange between 2 (two) currencies through cash (spot) purchase or forward sale or purchase at the same time.

“Derivative transaction” means a transaction based on a payment contractor agreement whose value is derivative of the underlying instrument value, such as interest rate, commodity, equity, and index with or without fund or instrument movement.

Letter c

Self-explanatory

Letter d

Self-explanatory

Letter e

Other business activities among others are sale and purchase of gold.

Article 7

Self-explanatory

Article 8

Restrictions to conduct business activities include business activities by the Board of Directors, Board of Commissioners, and/or Shareholders of a Money Changer, directly or indirectly.

Article 9

Paragraph (1)

“Determine selling and buying rates of foreign banknotes and purchase rate of Traveler’s Check based on the market mechanism” means determine the reasonable price as indicated among others by:

- a. determination based on transactions with common conditions and conducted voluntarily by the parties;

- b. application according to the market condition on the transaction date or time; and/or
- c. determination by using the price information in the market from reliable sources, such as Bank Indonesia, Bloomberg, or Reuters, and accessible through the mass media or available internet facility.

Paragraph (2)

Self-explanatory

Paragraph (3)

Self-explanatory

Article 10

Paragraph (1)

Customer protection principle includes fairness and reliability, transparency, protection of customer's data and/or information, and effective handling and settlements of customer's complaints.

Paragraph (2)

Self-explanatory

Paragraph (3)

"Fee" means any fees charged to Customers other than the exchange rate determined by a Money Changer.

Paragraph (4)

Self-explanatory

Article 11

Self-explanatory

Article 12

Paragraph (1)

Letter a

Self-explanatory

Letter b

Self-explanatory

Letter c

“Examination of business premises of prospective Money Changer” among others is checking the readiness of facilities and infrastructures as well as the mechanism and procedure for conducting business activities.

Letter d

Dissemination of provisions aims to:

1. inform the provisions for implementation of non-bank business activities and other relevant applicable laws and regulations; and
2. increase the understanding of prospective businesses in applying the provisions and conducting their business activities.

Paragraph (2)

Confirmation or interview is conducted to ensure fulfillment of requirements for companies, members of Board of Directors, members of Board of Commissioners, and/or shareholders, and examination of business premises.

Paragraph (3)

Self-explanatory

Article 13

Self-explanatory

Article 14

Self-explanatory

Article 15

Paragraph (1)

Self-explanatory

Paragraph (2)

Evaluation is conducted by considering among others:

- a. optimization and development of business activities;
- b. compliance with the applicable provisions; and/or
- c. application of customer protection principle.

Paragraph (3)

Letter a

Self-explanatory

Letter b

Self-explanatory

Letter c

Restrictions of non-bank foreign exchange among others are restrictions of types of business activities, implementation areas, and office network.

Letter d

Self-explanatory

Article 16

Paragraph (1)

“Maintain national efficiency” means efficient implementation of non-bank foreign exchange in terms of reasonable transaction fee and exchange rate and it also means not to impede national policies.

“Maintain public interest” means to ensure the existence of non-bank foreign exchange industry meets the needs of the wider community with easy access and/or quality services.

“Maintain industrial growth” means non-bank foreign exchange industry grows in a fair manner.

“Maintain fair business competition” means non-bank foreign exchange is conducted in a fair manner, not in contravention of the law, and/or creates fair business competition.

Paragraph (2)

Self-explanatory

Article 17

Self-explanatory

Article 18

Self-explanatory

Article 19

Paragraph (1)

Letter a

Self-explanatory

Letter b

Self-explanatory

Letter c

Self-explanatory

Letter d

Self-explanatory

Letter e

“Non-performing loan” means sub-standard, doubtful, or bad debts.

Letter f

Self-explanatory

Letter g

“Certain crime” means money laundering, terrorism funding, and predicate crimes set forth in the Law on Prevention and Eradication of Money Laundering, namely corruption, bribe, narcotics, psychotropic, labor trafficking, migrant trafficking, banking crime, capital market crime, insurance crime, customs and excise crime, human trafficking, illegal weapon trade, terrorism, kidnapping, theft, embezzlement, fraud, money counterfeiting, gambling, prostitution, taxation crime, forestry crime, environmental crime, marine and fishery crime, or any other crimes charged with imprisonment for 4 (four) years or more.

If members of Money Changer’s Board of Directors or Board of Commissioners have never been in trials for any crimes, they must submit a statement letter.

If members of Money Changer’s Board of Directors or Board of Commissioners have been in trials for any crimes, the

requirement “have never been charged guilty of committing a certain crime” must be under a final and binding court decision.

Letter h

Self-explanatory

Letter i

If members of Money Changer’s Board of Directors or Board of Commissioners have never been in trials for insolvency cases, they must submit a statement letter.

If members of Money Changer’s Board of Directors or Board of Commissioners have been in trials for insolvency cases, the requirement “have never been declared insolvent or have never become the shareholders, members of Board of Directors, or members of Board of Commissioners charged guilty of making a company insolvent” must be under a final and binding court decision.

Letter j

Self-explanatory

Letter k

Self-explanatory

Paragraph (2)

Self-explanatory

Paragraph (3)

Self-explanatory

Article 20

Paragraph (1)

Training and/or certification may be conducted by Bank Indonesia, association, and/or parties conducting training and/or certification.

Training and/or certification supportive of non-bank foreign exchange implementation among others are on general management, risk management, and application of anti-money

laundering and prevention of terrorism funding.

Paragraph (2)

Self-explanatory

Paragraph (3)

Self-explanatory

Article 21

Paragraph (1)

Letter a

Self-explanatory

Letter b

Self-explanatory

Letter c

“Non-performing loan” means sub-standard, doubtful, or bad debts.

Letter d

Self-explanatory

Letter e

“Certain crime” means money laundering, terrorism funding, and predicate crimes set forth in the Law on Prevention and Eradication of Money Laundering, namely corruption, bribe, narcotics, psychotropic, labor trafficking, migrant trafficking, banking crime, capital market crime, insurance crime, customs and excise crime, human trafficking, illegal weapon trade, terrorism, kidnapping, theft, embezzlement, fraud, money counterfeiting, gambling, prostitution, taxation crime, forestry crime, environmental crime, marine and fishery crime, or any other crimes charged with imprisonment for 4 (four) years or more.

If members of Money Changer’s Board of Directors or Board of Commissioners have never been in trials for any crimes, they must submit a statement letter.

If members of Money Changer's Board of Directors or Board of Commissioners have been in trials for any crimes, the requirement "have never been charged guilty of committing a certain crime" must be under a final and binding court decision.

Letter f

If a shareholder is a legal entity, the requirement "has never been imposed with administrative sanctions in the form of license revocation by Bank Indonesia" is applicable only in their position as a shareholder.

Letter g

If a shareholder is a legal entity, the requirement "has never been declared insolvent" is applicable only in their position as a shareholder.

If a shareholder of Money Changer has never been in trials for insolvency cases, the shareholder must submit a statement letter.

If a shareholder of Money Changer has been in trials for insolvency cases, the requirement "has never been declared insolvent or has never become the shareholder, member of Board of Directors, or member of Board of Commissioners charged guilty of making a company insolvent" must be under a final and binding court decision.

Letter h

Self-explanatory

Paragraph (2)

Self-explanatory

Paragraph (3)

Self-explanatory

Paragraph (4)

Self-explanatory

Article 22

Self-explanatory

Article 23

“Certain crime” means money laundering, terrorism funding, and predicate crimes set forth in the Law on Prevention and Eradication of Money Laundering, namely corruption, bribe, narcotics, psychotropic, labor trafficking, migrant trafficking, banking crime, capital market crime, insurance crime, customs and excise crime, human trafficking, illegal weapon trade, terrorism, kidnapping, theft, embezzlement, fraud, money counterfeiting, gambling, prostitution, taxation crime, forestry crime, environmental crime, marine and fishery crime, or any other crimes charged with imprisonment for 4 (four) years or more.

Article 24

Self-explanatory

Article 25

Self-explanatory

Article 26

Self-explanatory

Article 27

Self-explanatory

Article 28

Paragraph (1)

Change of office address of a Money Changer includes change of address of headquarters and/or branch office.

Paragraph (2)

Self-explanatory

Paragraph (3)

Self-explanatory

Article 29

Self-explanatory

Article 30

Paragraph (1)

Branch office closing shall not influence the activities of a Money Changer's headquarters. Branch office closing will also automatically terminate all activities of the relevant Money Changer's branch office.

Paragraph (2)

Self-explanatory

Paragraph (3)

Self-explanatory

Paragraph (4)

Self-explanatory

Article 31

Paragraph (1)

Letter a

Periodic reports among others include monthly reports of Non-Bank Foreign Exchange implementation.

Letter b

Incidental reports among others are report of change of Board of Directors, Board of Commissioners, and/or shareholders, report of office address change, and other reports which may be requested at any time by Bank Indonesia, such as report on foreign exchange rate and certain financial transactions.

Paragraph (2)

Self-explanatory

Paragraph (3)

Self-explanatory

Paragraph (4)

Self-explanatory

Paragraph (5)

Self-explanatory

Paragraph (6)

Self-explanatory

Article 32

“Financial statement audited by a public accountant” means audited statements according to the Generally Accepted Accounting Principle conducted by an accountant licensed to provide audit services, the license of which is issued by the Minister of Finance.

Article 33

Paragraph (1)

Self-explanatory

Paragraph (2)

Letter a

Direct examination among others is conducted through general and/or specific examination of Money Changers.

Letter b

Indirect examination among others is through analysis of reports, statements, and explanation submitted by Money Changers and/or other sources or parties.

Paragraph (3)

Self-explanatory

Paragraph (4)

Self-explanatory

Article 34

Paragraph (1)

Other parties among others are public accountant offices.

Paragraph (2)

Self-explanatory

Article 35

Self-explanatory

Article 36

Paragraph (1)

“Certain areas” among others are:

- a. areas which are geographically considered difficult to open Money Changer's offices;
- b. areas where there is no bank or there is limited number of banks and/or Money Changers; or
- c. areas with limited transportation and telecommunication access.

Paragraph (2)

Self-explanatory

Paragraph (3)

Self-explanatory

Paragraph (4)

Self-explanatory

Article 37

Paragraph (1)

"Party other than Money Changers selling and buying foreign banknotes in Indonesian border areas" means a company carrying on business activities in Indonesian border areas.

Approvals granted by Bank Indonesia to parties other than Money Changers selling and buying foreign banknotes in Indonesian border areas are granted to support the use of Rupiah in transactions within the Republic of Indonesia, primarily for Indonesian border areas where there is no bank and/or Money Changer but some economic activities require the selling and buying of foreign banknotes.

Paragraph (2)

Self-explanatory

Paragraph (3)

Self-explanatory

Paragraph (4)

Self-explanatory

Article 38

Self-explanatory

Article 39

Paragraph (1)

Sanction of mandatory payment is imposed in the following manner:

- a. debiting a Money Changer's account with Bank Indonesia if the Money Changer has an account with Bank Indonesia; or
- b. remitting payment to the designated account with Bank Indonesia if the Money Changer does not have any account with Bank Indonesia.

Paragraph (2)

Example:

On 5 September 2016, a Customer buy foreign banknotes of USD60,000.00 (sixty thousand US dollar). For such purchase, a Money Changer do not request the Customer to submit Underlying Transactions, and therefore, there is a breach of threshold of USD35,000.00 (thirty-five thousand US dollar). For such breach, the Money Changer will be sanctioned with a written warning and mandatory payment calculated from the nominal amount of USD35,000.00 x 1%, namely USD350.00 (three hundred fifty US dollar). If Jakarta Interbank Spot Dollar Rate (JISDOR) on 5 September 2016 is Rp10,000.00 (ten thousand rupiah), the equivalent sanction imposition will be Rp3,500,000.00 (three million five hundred thousand rupiah), but the payable minimum sanction is Rp10,000,000.00 (ten million rupiah).

Paragraph (3)

Self-explanatory

Paragraph (4)

“Jakarta Interbank Spot Dollar Rate (JISDOR) on the breach date” means the latest Jakarta Interbank Spot Dollar Rate (JISDOR) available during the transaction.

Paragraph (5)
Self-explanatory

Article 40
Self-explanatory

Article 41
Self-explanatory

Article 42
Self-explanatory

Article 43
Self-explanatory

Article 44
Self-explanatory

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NUMBER 5932