



REGULATION OF FINANCIAL SERVICES AUTHORITY
THE REPUBLIC OF INDONESIA
NUMBER 33 OF 2024
CONCERNING
DEVELOPMENT AND STRENGTHENING OF INVESTMENT MANAGEMENT
IN THE CAPITAL MARKET

BY THE GRACE OF GOD ALMIGHTY

BOARD OF COMMISSIONERS OF FINANCIAL SERVICES AUTHORITY,

- Considering :
- a. that in order to contribute positively and support inclusive and sustainable economic growth, it is necessary to develop and strengthen the capital market sector, particularly in relation to investment management in the capital market;
 - b. that Regulation of Financial Services Authority Number 23/POJK.04/2016 concerning Investment Funds in the Form of Collective Investment Contracts, Regulation of Financial Services Authority Number 2/POJK.04/2020 concerning the Amendment to Regulation of Financial Services Authority Number 23/POJK.04/2016 concerning Investment Funds in the Form of Collective Investment Contracts, Regulation of Financial Services Authority Number 4 of 2023 concerning the Second Amendment to Regulation of Financial Services Authority Number 23/POJK.04/2016 concerning Investment Funds in the Form of Collective Investment Contracts, Regulation of Financial Services Authority Number 32/POJK.04/2017 concerning Guidelines on Investment Fund Contracts in the Form of Limited Liability Company, Regulation of Financial Services Authority Number 33/POJK.04/2017 concerning Guidelines on the Management of Investment Funds in the Form of Limited Liability Company, and Regulation of Financial Services Authority Number 34/POJK.04/2017 concerning Target-Date Funds, need to be adjusted to the provisions of Law Number 4 of 2023 concerning Development and Strengthening of the Financial Sector as well as the development of the investment management industry in Indonesia, and therefore require refinement;
 - c. that to implement the provisions of Article 24 paragraph (1), paragraph (2), and paragraph (3) of Law Number 4 of 2023 concerning Development and Strengthening of the Financial Sector, it is necessary to further regulate in a Regulation of the Financial Services Authority; dan

- d. that based on the considerations referred to in letter a, letter b, and letter c, it is necessary to stipulate a Regulation of the Financial Services Authority concerning Development and Strengthening of Investment Management in the Capital Market;

In View of : 1. Law Number 8 of 1995 concerning Capital Market (State Gazette of the Republic of Indonesia of 1995 Number 64, Supplement to the State Gazette of the Republic of Indonesia Number 3608), as amended by Law Number 4 of 2023 concerning Development and Strengthening of the Financial Sector (State Gazette of the Republic of Indonesia of 2023 Number 4, Supplement to the State Gazette of the Republic of Indonesia Number 6845);

2. Law Number 21 of 2011 concerning Financial Services Authority (State Gazette of the Republic of Indonesia of 2011 Number 111, Supplement to the State Gazette of the Republic of Indonesia Number 5253), as amended by Law Number 4 of 2023 concerning Development and Strengthening of the Financial Sector (State Gazette of the Republic of Indonesia of 2023 Number 4, Supplement to the State Gazette of the Republic of Indonesia Number 6845);

HAS DECIDED:

To Enact : REGULATION OF FINANCIAL SERVICES AUTHORITY CONCERNING DEVELOPMENT AND STRENGTHENING OF INVESTMENT MANAGEMENT IN THE CAPITAL MARKET.

CHAPTER I GENERAL PROVISIONS

Article 1

In this Regulation of Financial Services Authority, the following terms means:

- 1. Securities are financial instruments or investment contracts, in conventional or digital form or other forms in line with technological developments, which confer rights upon their holders to obtain, directly or indirectly, economic benefits from the issuer or from certain parties under an agreement, and any derivatives of Securities, which may be transferred and/or traded in the capital market.
- 2. Mutual Fund is a vehicle used to pool funds from the public investors to be subsequently invested in a Securities portfolio, collective investment portfolio, and/or other financial instruments by an Investment Manager.
- 3. Mutual Fund in the Form of Limited Liability Company is an Issuer whose business activity is to pool funds through the sale of shares, and the proceeds from such share sales are then invested in various types of Securities traded in the capital market and money market.

4. Foreign Mutual Fund is a Mutual Fund or other similar form that is managed by an investment manager from another country.
5. Target-Date Fund is a Mutual Fund with a specific maturity date and an investment policy adjusted to such maturity date.
6. Sharia Mutual Fund based on Foreign Sharia Securities means a sharia mutual fund that invests at least 51% (fifty-one percent) of its net assets value in foreign sharia Securities.
7. Collective Investment Contract is a contract between an investment manager and a custodian bank that collectively binds investors, whereby the investment manager is authorized to manage the collective investment portfolio and the custodian bank is authorized to carry out collective custody.
8. Foreign Sharia Securities are sharia Securities offered through a public offering abroad and/or traded on foreign securities exchanges, and meet the requirements set forth in this Regulation of the Financial Services Authority.
9. Securities Portfolio means a collection of Securities owned by a Party.
10. Investment Portfolio is a collection of Securities and/or other investment instruments besides Securities.
11. Investment Manager is a Party engaged in the business of managing Securities Portfolios, collective Investment Portfolios, and/or other Investment Portfolios for a group of clients or individual clients, excluding insurance companies, sharia insurance companies, pension funds, and banks that carry out their own business activities pursuant to laws and regulations.
12. Capital Market is part of the financial system related to the following activities:
 - a. public offerings and Securities transactions;
 - b. investment management;
 - c. issuers and public companies in relation to Securities issued by them; and
 - d. institutions and professions related to Securities.
13. Party means a natural person, legal entity, company, partnership, association, or organized group.
14. Affiliate means:
 - a. family relationship due to marriage up to the second degree, either horizontally or vertically, being the relationship of a person with:
 1. husband or wife;
 2. parents of husband or wife and husband or wife of a child;
 3. grandparents of husband or wife and husband or wife of a grandchild;
 4. siblings of husband or wife, and the spouses of such siblings; or
 5. husband or wife of a person's sibling;
 - b. family relationship due to descent up to the second degree, either horizontally or vertically, being the relationship of a person with:

1. parents and children;
 2. grandparents and grandchildren; or
 3. siblings;
 - c. relationship between a Party and employees, directors, or commissioners of such Party;
 - d. relationship between 2 (two) or more companies where there are one or more members of the board of directors, management, board of commissioners, or supervisors in common;
 - e. relationship between a company and a Party, either directly or indirectly, in any manner, controlling or being controlled by such company or Party in determining the management and/or policy of the company or Party concerned;
 - f. relationship between 2 (two) or more companies controlled, either directly or indirectly, in any manner, in determining the management and/or policy of the companies by the same Party; or
 - g. relationship between a company and a Major Shareholder, being a Party that directly or indirectly owns at least 20% (twenty percent) of the voting shares of such company.
15. Participating Unit is a unit of measure representing each Party's interest in the collective Investment Portfolio.
16. Clearing and Guarantee Institution is a Party providing clearing and/or settlement guarantee services for Securities transactions conducted through market organizers in the Capital Market as well as other services that may be applied to support inter-market activities.
17. Accounting Provisions in the Capital Market sector, hereinafter referred to as Accounting Provisions, are provisions concerning accounting treatment in the Capital Market in line with financial accounting standards, aiming at disclosure and protection of public investors.
18. Financial Services Institution, hereinafter abbreviated as LJK, is an institution conducting activities in the sectors of banking, Capital Market, insurance, pension funds, financing institutions, and other financial services institutions pursuant to laws and regulations in the financial services sector.
19. Securities Financing Institution, hereinafter abbreviated as LPE, is a Party engaging in the business activity of financing Securities transactions.

CHAPTER II

MUTUAL FUNDS RECEIVING AND/OR PROVIDING LOANS

Section One

General

Article 2

Mutual Funds under this Financial Services Authority Regulation are obligated to comply with:

- a. Regulation of Financial Services Authority concerning

Mutual Funds in the Form of Collective Investment Contracts;

- b. Regulation of Financial Services Authority concerning Mutual Funds in the Form of Limited Liability Company; and
- c. provisions of laws and regulations in the Capital Market sector stipulating other related Mutual Funds, unless otherwise specifically regulated in this Financial Services Authority Regulation.

Article 3

A Mutual Fund may receive and/or provide loans.

Article 4

- (1) In the event that the Investment Manager determines that a Mutual Fund receives a loan, such loan is obligated to be in the form of funds from an LJK and/or an LPE.
- (2) The loans as referred to in paragraph (1) are obligated to comply with the following provisions:
 - a. being used for the purpose of fulfilling repurchase transactions and/or redemption of shares of Mutual Funds in the Form of Limited Liability Company or Participating Units of Mutual Funds in the Form of Collective Investment Contracts;
 - b. being short-term loans with a term of no more than 20 (twenty) exchange days; and
 - c. total loans not exceeding 10% (ten percent) of the net assets value of the Mutual Fund at the time the loan occurs.
- (3) For the purpose of fulfilling repurchase transactions and/or redemption as referred to in paragraph (2) letter a, the Investment Manager is obligated to ensure that the Mutual Fund is in a condition of:
 - a. having features to accelerate the fulfillment of repurchase and/or redemption transactions; and/or
 - b. failure to fulfill repurchase and/or redemption transactions due to liquidity pressure in the Investment Portfolio.
- (4) The Custodian Bank is obligated to monitor the total loans as referred to in paragraph (2) letter c.
- (5) In the event that the Investment Manager determines that the Mutual Fund receives a loan as referred to in paragraph (1) from:
 - a. an LJK that is an Investment Manager; and/or
 - b. an LJK that has an Affiliate relationship with the Investment Manager,the Investment Manager is obligated to ensure that such loan complies with the following provisions:
 - 1. being undertaken to resolve liquidity constraints as part of fulfilling repurchase and/or redemption transactions of shares of Mutual Funds in the Form of Limited Liability Company or Participating Units of Mutual Funds in the Form of Collective Investment Contracts;

2. being conducted on a fair and independent basis; and
3. not being subject to fees higher than those charged by other LJKs.

Article 5

- (1) In the event that a Mutual Fund receives loan funds from an LJK and/or an LPE, the Investment Manager is obligated to disclose such information in:
 - a. the investment management contract of the Mutual Fund in the Form of Limited Liability Company or the Collective Investment Contract of the Mutual Fund in the Form of Collective Investment Contract; and
 - b. the prospectus.
- (2) The information as referred to in paragraph (1) is obligated to contain at least:
 - a. the purpose of receiving the loan;
 - b. conflicts of interest and their mitigation, if any; and
 - c. inherent risks of receiving the loan.

Section Three Mutual Funds Providing Loans

Article 6

- (1) In the event that the Investment Manager determines that a Mutual Fund provides a loan, such loan is obligated to be in the form of Securities to the Clearing and Guarantee Institution.
- (2) The loan provisions as referred to in paragraph (1) are obligated to comply with the following provisions:
 - a. the amount of Securities loaned does not exceed 30% (thirty percent) of the net assets value at any time;
 - b. the Securities loaned are Securities listed on the Securities Exchange in Indonesia and/or other Securities in accordance with the provisions stipulated by the Clearing and Guarantee Institution;
 - c. the Securities loaned may be recalled by the Mutual Fund; and
 - d. the Securities loaned are not bound by any legal encumbrance with another Party.
- (3) In the event that the Investment Manager determines that a Mutual Fund provides a loan, the Investment Manager is obligated to take into account:
 - a. the liquidity risk of the Mutual Fund before carrying out the loan provision transaction; and
 - b. efficient portfolio management used in managing the Mutual Fund.

Article 7

- (1) In the event that a Mutual Fund provides a loan of Securities to the Clearing and Guarantee Institution, the Investment Manager is obligated to disclose such information in:

- a. the investment management contract of the Mutual Fund in the Form of Limited Liability Company or the Collective Investment Contract of the Mutual Fund in the Form of Collective Investment Contract; and
 - b. the prospectus.
- (2) The information as referred to in paragraph (1) is obligated to contain at least:
- a. the purpose of the loan provision;
 - b. conflicts of interest and their mitigation, if any; and
 - c. inherent risks of the loan provision

Article 8

The form, type, value of collateral, and risk management of guarantees for loan provision transactions by Mutual Funds are carried out in accordance with the provisions of the CGI concerning Securities borrowing and lending.

Article 9

Every loan provision transaction by a Mutual Fund is obligated to result in a transfer of ownership of the Securities loaned.

Article 10

- (1) Rights related to the ownership of the Securities loaned are obligated to remain with the Mutual Fund.
- (2) Accounting treatment of the Securities loaned is obligated to refer to the Accounting Provisions.

Section Four Contracts and Reporting

Pasal 11

- (1) Every loan transaction by a Mutual Fund is obligated to be based on a contract.
- (2) In carrying out a loan reception transaction, the Investment Manager is obligated to prepare a contract as referred to in paragraph (1) that contains at least:
 - a. names and positions of the Parties;
 - b. amount of the loan;
 - c. loan period;
 - d. loan fees;
 - e. events of default;
 - f. dispute resolution mechanism; and
 - g. term, amendment, and termination of the contract.
- (3) In carrying out a loan provision transaction, the Investment Manager is obligated to prepare a contract as referred to in paragraph (1) that contains at least:
 - a. names and positions of the Parties;
 - b. amount and type of Securities loaned;
 - c. loan period;
 - d. collateral;
 - e. rights related to ownership of Securities loaned, including voting rights, pre-emptive rights, dividends, and interest;
 - f. tax obligations;

- g. loan fees;
- h. events of default;
- i. dispute resolution mechanism; and
- j. term, amendment, and termination of the contract.

Article 12

- (1) In the event that a Mutual Fund carries out a loan reception and/or loan provision, the Investment Manager is obligated to submit a monthly report to the Financial Services Authority no later than the 15th (fifteenth) day of the following month.
- (2) The monthly report as referred to in paragraph (1) is submitted electronically through the reporting system of the Financial Services Authority.
- (3) In the event that the reporting system of the Financial Services Authority cannot be used to submit the monthly report electronically as referred to in paragraph (1), the Investment Manager submits the monthly report manually to the Financial Services Authority.
- (4) In the event that the deadline for submission of the monthly report as referred to in paragraph (1) falls on a holiday, the Investment Manager is obligated to submit the monthly report on the following working day.
- (5) Further provisions regarding the format, guidelines for completion, and application for submission of the monthly report as referred to in paragraph (1) are stipulated by the Financial Services Authority.

Article 13

- (1) In the event that the Financial Services Authority experiences technical disruptions and/or system development at the deadline for submission of the monthly report, so that the Investment Manager cannot submit the monthly report, the Financial Services Authority notifies the Investment Manager in writing, and it is to be delivered:
 - a. directly to the Investment Manager;
 - b. through the reporting system of the Financial Services Authority;
 - c. through the e-mail address of the Financial Services Authority; and/or
 - d. through the website of the Financial Services Authority.
- (2) The Financial Services Authority notifies the Investment Manager that the technical disruption and/or system development at the Financial Services Authority as referred to in paragraph (1) has been resolved, through:
 - a. the reporting system of the Financial Services Authority; and/or
 - b. the e-mail address of the Financial Services Authority.
- (3) The Investment Manager is obligated to submit the monthly report no later than 2 (two) working days after the Financial Services Authority notifies that the technical disruption and/or system development referred to in paragraph (1) has been resolved.

- (4) In the event that the Investment Manager experiences force majeure so that it cannot submit the monthly report by the reporting deadline, the Investment Manager is obligated to submit a written notification letter to the Financial Services Authority to obtain a postponement of the deadline for submission of the monthly report no later than 1 (one) working day after the occurrence of such force majeure.
- (5) The Investment Manager is obligated to submit the written notification regarding the force majeure as referred to in paragraph (4) to the relevant capital market supervisory department at the Financial Services Authority:
 - a. through the e-mail address of the Financial Services Authority; and/or
 - b. manually.

Pasal 14

- (1) In the event that the monthly report is damaged due to technical disruptions or other disruptions in the reporting system of the Financial Services Authority, the Financial Services Authority may request the Investment Manager to resubmit the monthly report.
- (2) The Investment Manager resubmits the monthly report at the request of the Financial Services Authority as referred to in paragraph (1).

Pasal 15

In making investment decisions in the form of loan reception and/or loan provision of Mutual Funds, the Investment Manager is obligated to comply with the Regulation of the Financial Services Authority concerning the code of conduct of Investment Managers.

Section Five Administrative Sanctions

Article 16

- (1) Any Party that violates the provisions as referred to in Article 2, Article 4, Article 5, Article 6, Article 7, Article 9, Article 10, Article 11, Article 12 paragraphs (1) and (4), Article 13 paragraphs (3), (4), and (5), and Article 15, is subject to administrative sanctions.
- (2) Administrative sanctions as referred to in paragraph (1) are also imposed on any Party that causes a violation as referred to in paragraph (1).
- (3) Administrative sanctions as referred to in paragraphs (1) and (2) are imposed by the Financial Services Authority.
- (4) Administrative sanctions as referred to in paragraph (1) shall be in the form of:
 - a. written admonition;
 - b. fines, namely an obligation to pay a certain sum of money;
 - c. restriction of business activities;
 - d. suspension of business activities;
 - e. revocation of business license; and/or

- f. cancellation of approval.
- (5) Administrative sanctions as referred to in paragraph (4) letter b, letter c, letter d, letter e, or letter f may be imposed with or without being preceded by the imposition of administrative sanctions in the form of a written admonition as referred to in paragraph (4) letter a.
- (6) Administrative sanctions in the form of fines as referred to in paragraph (4) letter b may be imposed independently or jointly with the imposition of administrative sanctions as referred to in paragraph (4) letter c, letter d, letter e, or letter f.
- (7) Procedures for the imposition of sanctions as referred to in paragraph (3) shall be carried out in accordance with the provisions of laws and regulations in the Capital Market sector.

CHAPTER III
MUTUAL FUNDS PURCHASING SHARES OF MUTUAL
FUNDS IN THE FORM OF LIMITED LIABILITY COMPANY
AND/OR PARTICIPATING UNITS OF MUTUAL FUNDS IN
THE FORM OF OTHER COLLECTIVE INVESTMENT
CONTRACTS

Section One
General

Article 17

A Mutual Fund may purchase shares of a Mutual Fund in the form of Limited Liability Company and/or Participating Units of another Mutual Fund in the form of a Collective Investment Contract.

Section Two
Reksa Dana

Article 18

Mutual Funds under this Regulation of the Financial Services Authority are obligated to comply with:

- a. Regulation of the Financial Services Authority concerning Mutual Funds in the Form of Collective Investment Contracts;
 - b. Regulation of the Financial Services Authority concerning Mutual Funds in the Form of Limited Liability Company;
 - c. Regulation of the Financial Services Authority concerning the Issuance and Requirements of Sharia Mutual Funds; and
 - d. provisions of laws and regulations in the Capital Market sector stipulating other related Mutual Funds,
- unless otherwise specifically regulated in this Regulation of the Financial Services Authority.

Pasal 19

- (1) In the event that the Investment Manager determines that a Mutual Fund invests in Securities of Foreign

Mutual Funds, the Investment Manager is obligated to determine the composition of the Mutual Fund's Securities Portfolio as follows:

- a. at least 85% (eighty-five percent) of the Mutual Fund's net assets value is invested in:
 1. Securities issued, offered, and/or traded in Indonesia pursuant to the provisions of laws and regulations in Indonesia;
 2. Securities traded abroad but issued by:
 - a) the Government of the Republic of Indonesia;
 - b) an Indonesian legal entity that is an issuer and/or a public company;
 - c) a foreign legal entity, the majority or all of whose shares, directly or indirectly, are owned by the issuer or public company as referred to in letter b), and which foreign legal entity is specifically established to raise funds from abroad for the benefit of such issuer or public company; and/or
 - d) a foreign legal entity, the majority or all of whose shares, directly or indirectly, are owned by a State-Owned Enterprise; and/or
 3. domestic money market instruments; and
 - b. at most 15% (fifteen percent) of the Mutual Fund's net assets value is invested in:
 1. Securities traded on a foreign security exchange whose information can be accessed from Indonesia through mass media or websites; and/or
 2. Securities of Foreign Mutual Funds, provided that the investment placement in each Security traded on a foreign securities exchange or each Security of a Foreign Mutual Fund is no more than 10% (ten percent) of the Net Assets Value.
- (2) The Investment Manager is obligated to determine the composition of the Securities Portfolio of a Sharia Mutual Fund Based on Foreign Sharia Securities as follows:
- a. at least 51% (fifty-one percent) of the Net Assets Value is invested in:
 1. Foreign Sharia Securities; and/or
 2. Securities of foreign sharia Mutual Funds; and
 - b. at most 49% (forty-nine percent) of the Net Assets Value is invested in domestic Sharia Securities, provided that the investment placement in each Foreign Sharia Security, Security of a foreign sharia Mutual Fund, or domestic Sharia Security is no more than 20% (twenty percent) of the Net Assets Value.
- (3) In the event that a Sharia Mutual Fund Based on Foreign Sharia Securities invests in Securities of foreign sharia mutual funds as referred to in paragraph (2) letter a number 2, the investment in such Securities of foreign sharia mutual funds is obligated to meet the

requirement of at most 30% (thirty percent) of the Net Assets Value.

- (4) The Investment Manager is obligated to ensure that the Foreign Mutual Funds referred to in paragraph (1) letter b number 2 and the foreign sharia mutual funds referred to in paragraph (2) letter a number 2 meet the following requirements:
- a. offered through a Public Offering and/or traded on a foreign securities exchange;
 - b. their information can be accessed from Indonesia through mass media or websites;
 - c. managed by an Investment Manager with a good reputation and supervised by its home-country regulator;
 - d. have similar types and investment policies;
 - e. are not Mutual Funds that invest in Securities of other Mutual Funds;
 - f. are not under sanctions at the time the transaction is conducted; and
 - g. calculate their Net Assets Value on a daily basis.

Article 20

In the event that a Mutual Fund invests in Securities of Foreign Mutual Funds and Securities of foreign sharia mutual funds, the Mutual Fund is obligated to invest in Securities of Foreign Mutual Funds and Securities of foreign sharia mutual funds whose country has become a member of the International Organization of Securities Commissions and has fully signed the Multilateral Memorandum of Understanding Concerning Consultation and Cooperation and the Exchange of Information.

Article 21

In the event that the Investment Manager determines that a Mutual Fund holds Securities of Foreign Mutual Funds and Securities of foreign sharia Mutual Funds that are managed by a Party having an Affiliate relationship with the Investment Manager, the Investment Manager is obligated to ensure that transactions in the Securities of Foreign Mutual Funds and the Securities of foreign sharia Mutual Funds are conducted on a fair and independent basis.

Section Three

Target-Date Funds

Article 22

Target-Date Funds under this Regulation of Financial Services Authority are obligated to comply with:

- a. the Regulation of Financial Services Authority on mutual funds in the form of collective investment contracts;
- b. the Regulation of Financial Services Authority on mutual funds in the form of limited liability company;
- c. the Regulation of Financial Services Authority on target-date funds; and
- d. provisions of laws and regulations in the Capital Market

sector stipulating other related mutual funds, unless otherwise specifically regulated in this Regulation of Financial Services Authority.

Article 23

- (1) The name of a Target-Date Fund is obligated to include:
 - a. the name of the Investment Manager;
 - b. a name that reflects the type of the Mutual Fund;
 - c. the denomination of any foreign currency used, if other than Rupiah;
 - d. the words fund on fund; and
 - e. the numerals of the year designated as the target date.
- (2) The name of a Target-Date Fund is prohibited from:
 - a. being the same as the name of another Mutual Fund;
 - b. containing expressions that the Mutual Fund provides certain benefits that may not be true;
 - c. containing expressions that the Investment Manager has certain advantages that may not be true; and/or
 - d. being inconsistent with the investment policy of the Mutual Fund.

Article 24

- (1) The Investment Manager is obligated to determine the composition of the Securities Portfolio of a Target-Date Fund that specifically invests in other Mutual Funds by fulfilling the following provisions:
 - a. at least 85% (eighty-five percent) of the Mutual Fund's net assets value is invested in Securities of other Mutual Funds, with the placement of investment in each Security of other Mutual Fund at most 30% (thirty percent) of the net assets value; and
 - b. at most 15% (fifteen percent) of the Mutual Fund's net assets value is invested in:
 1. Securities issued, offered, and/or traded in Indonesia pursuant to Indonesian laws and regulations;
 2. Securities traded abroad but issued by
 - a) the Government of the Republic of Indonesia;
 - b) an Indonesian legal entity that is an issuer and/or a public company;
 - c) a foreign legal entity, the majority or all of whose shares, directly or indirectly, are owned by the issuer or public company as referred to in letter b), and the foreign legal entity is specifically established to raise funds from abroad for the benefit of such issuer or public company; and/or
 - d) a foreign legal entity, the majority or all of whose shares, directly or indirectly, are owned by a State-Owned Enterprise;

3. derivative securities:
 - a) transacted off-exchange with one LJK, with exposure at most 10% (ten percent) of the Mutual Fund's net assets value at any time; and
 - b) with net global exposure at most 15% (fifteen percent) of the Mutual Fund's net assets value at any time;
 4. asset-backed securities offered through a Public Offering at most 15% (fifteen percent) of the Mutual Fund's net assets value at any time, provided that each series of asset-backed Securities is at most 10% (ten percent) of the Mutual Fund's net assets value at any time;
 5. debt Securities, fixed-income sharia Securities, asset-backed Securities, and/or Participation Unit of real-estate investment funds that are not offered through a public offering, issued by one Party at most 5% (five percent) of the Mutual Fund's net assets value at any time or, in aggregate, at most 15% (fifteen percent) of the Mutual Fund's net assets value at any time;
 6. Participation Unit of real-estate investment funds in the form of a Collective Investment Contract, offered through a Public Offering at most 15% (fifteen percent) of the Mutual Fund's net assets value at any time, provided that each such real-estate investment fund in the form of a Collective Investment Contract is at most 10% (ten percent) of the Mutual Fund's net assets value at any time; and
 7. domestic money market instruments.
- (2) In the event that a Target-Date Fund that specifically invests in other Mutual Funds invests in Securities of Foreign Mutual Funds as referred to in paragraph (1) letter a, the investment in Securities of Foreign Mutual Funds is obligated to be at most 15% (fifteen percent) of the net assets value, with the placement in each Security of a Foreign Mutual Fund at most 10% (ten percent) of the net assets value.
- (3) The Investment Manager is obligated to ensure that the other Mutual Funds as referred to in paragraph (1) meet the following provisions:
- a. offered through a Public Offering and/or traded on a Securities Exchange;
 - b. is not Mutual Funds that invest in Securities of other Mutual Funds; and
 - c. is not under sanction at the time the transaction is conducted.
- (4) In the event that the other Mutual Funds as referred to in paragraph (1) are managed by the same Investment Manager as the Investment Manager of the Target-Date Fund that specifically invests in other Mutual Funds, the allocation of the management fees charged by the

Investment Manager is obligated to be set proportionally between:

- a. the Target-Date Fund that specifically invests in other Mutual Funds; and
 - b. the other Mutual Funds that are the Securities Portfolio of the Target-Date Fund that specifically invests in other Mutual Funds.
- (5) The Investment Manager is obligated to disclose information on the management fees of the Target-Date Fund that specifically invests in other Mutual Funds, charged by the Investment Manager as referred to in paragraph (4), in:
- a. the management contract for a Mutual Fund in the Form of Limited Liability Company or the Collective Investment Contract (CIC) for a Mutual Fund in the Form of CIC; and
 - b. the prospectus.

Article 25

- (1) The calculation of the net assets value of a Target-Date Fund that specifically invests in other Mutual Funds is obligated to:
 - a. be submitted to the Financial Services Authority no later than 16:00 Western Indonesia Time on the next exchange day; and
 - b. be announced to the public through the website of the Investment Manager or the Custodian Bank on the next exchange day.
- (2) The time limit for the obligation of submission of the Mutual Fund net assets value calculation by the custodian bank of an open-end Mutual Fund—no later than 10:00 Western Indonesia Time on the next exchange day to the Financial Services Authority and announcement to the public through a nationally circulated daily newspaper—as stipulated in the Regulation of the Financial Services Authority concerning guidelines for daily announcements of the net assets value of open-end Mutual Funds, does not apply to Target-Date Funds that specifically invest in other Mutual Funds.

Article 26

- (3) The custodian bank is obligated to submit reports showing the financial position of each Target-Date Fund that specifically invests in other Mutual Funds to the Financial Services Authority, namely:
 - a. the report of assets and liabilities of the Mutual Fund as set out in Appendix I;
 - b. the report of operations of the Mutual Fund as set out in Appendix II;
 - c. the report of changes in Net Assets of the Mutual Fund as set out in Appendix III; and
 - d. the portfolio report of the Mutual Fund as set out in Appendix IV,which are appendices to the Regulation of the Financial Services Authority on reporting and accounting

guidelines of Mutual Funds, each day no later than 16:00 Western Indonesia Time on the following working day.

- (4) The time limit for the obligation of submission of Mutual Fund reports by the custodian bank of an open-end Mutual Fund on each exchange day to the Financial Services Authority—as stipulated in the Regulation of the Financial Services Authority on reporting and accounting guidelines of Mutual Funds—does not apply to the submission of reports of Target-Date Funds that specifically invest in other Mutual Funds.

Article 27

- (1) Any Party that violates the provisions as referred to in Article 18, Article 19, Article 20, Article 21, Article 22, Article 23, Article 24, Article 25 paragraphs (1), and Article 26 paragraphs (1), is subject to administrative sanctions.
- (2) Administrative sanctions as referred to in paragraph (1) are also imposed on any Party that causes a violation as referred to in paragraph (1).
- (3) Administrative sanctions as referred to in paragraphs (1) and (2) are imposed by the Financial Services Authority.
- (4) Administrative sanctions as referred to in paragraph (1) shall be in the form of:
 - a. written admonition;
 - b. fines, namely an obligation to pay a certain sum of money;
 - c. restriction of business activities;
 - d. suspension of business activities;
 - e. revocation of business license; and/or
 - f. cancellation of approval.
- (5) Administrative sanctions as referred to in paragraph (4) letter b, letter c, letter d, letter e, or letter f may be imposed with or without being preceded by the imposition of administrative sanctions in the form of a written admonition as referred to in paragraph (4) letter a.
- (6) Administrative sanctions in the form of fines as referred to in paragraph (4) letter b may be imposed independently or jointly with the imposition of administrative sanctions as referred to in paragraph (4) letter c, letter d, letter e, or letter f.
- (1) Procedures for the imposition of sanctions as referred to in paragraph (3) shall be carried out in accordance with the provisions of laws and regulations in the Capital Market sector.

CHAPTER IV TRANSITION PROVISIONS

Article 28

- (1) Mutual Funds that have obtained an effective statement before the entry into force of this Regulation of the Financial Services Authority may conduct transactions of acceptance of loans, provision of loans, and/or invest

in Securities of Foreign Mutual Funds and/or Securities of foreign sharia mutual funds without first making changes to:

- a. the Collective Investment Contract for a Mutual Fund in the form of a Collective Investment Contract, or the management contract for a Mutual Fund in the form of a Limited Liability Company; and
 - b. the prospectus, in accordance with this Regulation of the Financial Services Authority.
- (2) Mutual Funds that carry out the transactions of acceptance of loans, provision of loans, and/or invest in Securities of Foreign Mutual Funds and/or Securities of foreign sharia mutual funds as referred to in paragraph (1) must make adjustments to:
- a. the Collective Investment Contract for a Mutual Fund in the form of a Collective Investment Contract or the management contract for a Mutual Fund in the form of a Limited Liability Company; and
 - b. the prospectus, no later than 12 (twelve) months as of the promulgation of this Regulation of the Financial Services Authority.

CHAPTER V OTHER PROVISIONS

Article 29

In addition to administrative sanctions as referred to in this Regulation of the Financial Services Authority, the Financial Services Authority may undertake certain actions against any Party that violates the provisions of this Regulation of the Financial Services Authority.

Article 30

The Financial Services Authority may announce to the public the imposition of administrative sanctions as referred to in this Regulation of the Financial Services Authority and the certain actions as referred to in Article 29.

Article 31

The consumer protection principles as referred to in the Regulation of the Financial Services Authority on consumer protection in the financial services sector apply to any Party involved in transactions:

- a. acceptance and/or provision of loans by a Mutual Fund; and/or
- b. purchases made by a Mutual Fund of shares of a Mutual Fund in the form of a Limited Liability Company and/or Participating Units of a Mutual Fund in the form of a Collective Investment Contract.

CHAPTER VI CLOSING PROVISIONS

Article 32

At the time this Regulation of the Financial Services Authority comes into force:

- a. Article 6 paragraph (1) letters p and q of Regulation of the Financial Services Authority Number 23/POJK.04/2016 concerning Mutual Funds in the Form of Collective Investment Contracts (State Gazette of the Republic of Indonesia of 2016 Number 109, Supplement to the State Gazette of the Republic of Indonesia Number 5886);
- b. Article 3 letter m of Regulation of the Financial Services Authority Number 32/POJK.04/2017 concerning Guidelines on Mutual Fund Management Contracts in the Form of Limited Liability Company (State Gazette of the Republic of Indonesia of 2017 Number 132, Supplement to the State Gazette of the Republic of Indonesia Number 6079); and
- c. Article 15 letter m of Regulation of the Financial Services Authority Number 33/POJK.04/2017 concerning Guidelines on the Management of Mutual Funds in the Form of Limited Liability Company (State Gazette of the Republic of Indonesia of 2017 Number 133, Supplement to the State Gazette of the Republic of Indonesia Number 6080),

are revoked and declared invalid.

Article 33

This Regulation of the Financial Services Authority shall come into force on the date of its promulgation.

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

Enacted in Jakarta
On 20 September 2024

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

signed

MAHENDRA SIREGAR

Promulgated in Jakarta
On 20 September 2024

MINISTER OF LAW OF THE REPUBLIC OF INDONESIA,

signed

SUPRATMAN ANDI AGTAS

STATE GAZETTE OF THE REPUBLIC OF INDONESIA OF 2024 NUMBER
45/OJK



EXPLANATORY NOTES
TO
REGULATION OF THE FINANCIAL SERVICES AUTHORITY
REPUBLIK INDONESIA
NUMBER 33 OF 2024
CONCERNING
DEVELOPMENT AND STRENGTHENING OF INVESTMENT MANAGEMENT
IN THE CAPITAL MARKET

I. GENERAL EXPLANATION

The enactment of Law Number 4 of 2023 concerning Development and Strengthening of the Financial Sector is expected to provide a positive contribution and support inclusive and sustainable economic growth towards a prosperous, advanced, dignified, and trustworthy Indonesia, as well as to respond to and provide regulatory solutions at the statutory level to implementation constraints, where Law Number 8 of 1995 concerning Capital Market is considered no longer fully able to meet the needs of legal developments and the needs of stakeholders in the Capital Market industry, thus less supportive of the realization of an Indonesian Capital Market that is efficient and globally competitive.

This Regulation of the Financial Services Authority constitutes implementing regulation of Law Number 4 of 2023 concerning Development and Strengthening of the Financial Sector, particularly with respect to Investment Management in the Capital Market, which is necessary to address and resolve the following issues:

1. The existence of prevailing regulations affected by the provisions stipulated in Law Number 4 of 2023 concerning Development and Strengthening of the Financial Sector, which therefore require harmonization of their provisions in order to provide legal certainty; and
2. The need to issue implementing provisions of the articles granting authority in Law Number 4 of 2023 concerning Development and Strengthening of the Financial Sector, which generally mandate the Financial Services Authority to regulate further by means of a Regulation of the Financial Services Authority.

In order to implement the provisions of Article 24 paragraph (1), paragraph (2), and paragraph (3) of Law Number 4 of 2023 concerning Development and Strengthening of the Financial Sector, it is necessary to provide further regulation in this Regulation of the Financial Services Authority.

II. ARTICLE BY ARTICLE

Article 1

Self-explanatory.

Article 2

Self-explanatory.

Article 3

What is meant by “loan” include financing or transaction in line with sharia principles.

Article 4

Paragraph (1)

Self-explanatory.

Paragraph (2)

Letter a

Self-explanatory.

Letter b

Self-explanatory.

Letter c

What is meant by “net assets value” is the amount of net assets in the previous day.

Paragraph (3)

Self-explanatory.

Paragraph (4)

Self-explanatory.

Paragraph (5)

What is meant by “Investment Manager” is the Investment Manager that manages Mutual Funds receiving loans.

Letter a

Self-explanatory.

Letter b

Self-explanatory.

Number 1

Self-explanatory.

Number 2

A fair and independent basis is commonly known as arm’s length principle.

Number 3

“Fees” means, among others, commission and/or interest on loans.

Article 5

Self-explanatory.

Article 6

Paragraph (1)

Self-explanatory.

Paragraph (2)

Self-explanatory.

Paragraph (3)

Letter a

Self-explanatory.

Letter b

The efficient portfolio management is fulfilled if the transaction of Securities loan provision conducted by Mutual Funds, among others, for the purpose of:

- a. risk alleviation;
- b. fee reduction; and/or

- c. capital creation or additional income for Mutual Funds without increasing the risk or with keeping the risk consistent with the Mutual Fund's risk profiles or with risk diversification that has been determined.

Article 7

Self-explanatory.

Article 8

Self-explanatory.

Article 9

Self-explanatory.

Article 10

Paragraph (1)

What is meant by "rights related to the ownership of Securities" includes voting rights, pre-emptive rights, dividends, and interest.

In the event of a corporate action related to the Securities loaned, the Mutual Fund recalls the Securities loaned in order to exercise the rights inherent to the Securities, namely voting rights, pre-emptive rights, warrants, and/or tender offers in accordance with the regulations of the Clearing and Guarantee Institution.

In the event of dividends, interest, and/or bonuses on the Securities loaned, the Mutual Fund receives such dividends, interest, and/or bonuses in accordance with the regulations of the Clearing and Guarantee Institution.

Based on the Accounting Provisions, the Securities loaned continue to be recognized as assets of the Mutual Fund.

Paragraph (2)

Accounting Provisions for Mutual Funds refer to the Regulation of the Financial Services Authority concerning the preparation of financial statements of investment products in the form of Collective Investment Contracts and its implementing provisions.

Article 11

Paragraph (1)

The contract may be made once for several loan transactions within a certain agreed period.

Paragraph (2)

Letter a

Self-explanatory.

Letter b

Self-explanatory.

Letter c

Self-explanatory.

Letter d

The loan fee in the contract may also be set at zero (nil).

Letter e

Self-explanatory.

Letter f

Self-explanatory.

- Letter g
Self-explanatory.
- Paragraph (3)
 - Letter a
Self-explanatory.
 - Letter b
Self-explanatory.
 - Letter c
Self-explanatory.
 - Letter d
Self-explanatory.
 - Letter e
Self-explanatory.
 - Letter f
Self-explanatory.
 - Letter g
See the explanatory note for Article 11 paragraph (2) letter d.
 - Letter h
Self-explanatory.
 - Letter i
Self-explanatory.
 - Letter j
Self-explanatory.

Article 12

- Paragraph (1)
Example of submission of a monthly report by the Investment Manager to the Financial Services Authority in the context of loan reception and/or loan provision:
The monthly report for April 2025 is submitted no later than 15 May 2025.
- Paragraph (2)
Self-explanatory.
- Paragraph (3)
Self-explanatory.
- Paragraph (4)
Self-explanatory.
- Paragraph (5)
Self-explanatory.

Article 13

- Paragraph (1)
Self-explanatory.
- Paragraph (2)
Self-explanatory.
- Paragraph (3)
Example of submission of a monthly report after a notification stating that the Financial Services Authority has resolved a technical disruption:
The reporting system of the Financial Services Authority experienced a technical disruption on 15 May 2025, which was the deadline for submission of the monthly report for April 2025. Subsequently, the Financial Services Authority announced that the system had resumed normal operation on 19 May 2025. The Investment Manager submits the monthly

report for April 2025 no later than 2 (two) working days thereafter, namely on 21 May 2025.

Paragraph (4)

What is meant by “force majeure” consists of natural disasters, non-natural disasters, and/or social disasters that disrupt the operational activities of a Party, as validated by an authorized official of the relevant local authority.

Paragraph (5)

Self-explanatory.

Article 14

Self-explanatory.

Article 15

Self-explanatory.

Article 16

Self-explanatory.

Article 17

Self-explanatory.

Article 18

Self-explanatory.

Article 19

Paragraph (1)

Foreign Mutual Funds may take the form of:

1. Mutual Fund;
2. Collective Investment Scheme (CIS);
3. Unit Trust;
4. Variable Capital Company (VCC); and
5. Undertaking for Collective Investment in Transferable Securities (UCITS).

What is meant by “Mutual Fund” includes Target-Date Funds.

Paragraph (2)

Self-explanatory.

Paragraph (3)

Self-explanatory.

Paragraph (4)

Letter a

Self-explanatory.

Letter b

Self-explanatory.

Letter c

What is meant by “good reputation” is an Investment Manager that:

1. has a rating of at least investment grade, if there is a rating for the Investment Manager; or
2. is not under sanction or supervisory action by its home-country regulator that has been announced to the public.

Letter d

An example of similar types and investment policies is that an equity Mutual Fund may only invest in Securities of equity Mutual Funds abroad.

Letter e
Self-explanatory.
Letter f
Self-explanatory.
Letter g
Self-explanatory.

Article 20
Self-explanatory.

Article 21
See the explanatory note for Article 4 paragraph (5) number 2.

Article 22
Self-explanatory.

Article 23
Paragraph (1)
An example of the name of a Target-Date Fund managed by Investment Manager XYZ may be, among others “Target-Date Fund XYZ Asset Management Fund on Fund 10 Years,” “Target-Date Fund XYZ Investment Fund on Fund 2055,” or “Target-Date Fund XYZ Fund on Fund Sharia Global 2045.”
Paragraph (2)
Letter a
Self-explanatory.
Letter b
An example of the name of a Target-Date Fund that contains expressions suggesting the Mutual Fund provides benefits that may not necessarily be true includes “Target-Date Fund Fund on Fund Guaranteed Profit” or “Target-Date Fund Fund on Fund No Loss.”
Letter c
An example of the name of a Target-Date Fund that contains expressions suggesting the Investment Manager has certain advantages that may not necessarily be true includes “Target-Date Fund Fund on Fund ABC (name of the Investment Manager) Best.”
Letter d
Self-explanatory.

Article 24
Paragraph (1)
A Target-Date Fund that specifically invests in other Mutual Funds is commonly referred to as a Fund on Fund.
Paragraph (2)
Self-explanatory.
Paragraph (3)
Self-explanatory.

Paragraph (4)
Self-explanatory.
Paragraph (5)
Self-explanatory.

Article 25
Self-explanatory.

Article 26
Self-explanatory.

Article 27
Self-explanatory.

Article 28
Self-explanatory.

Article 29
Certain actions include instructing the Custodian Bank to make corrections to the bookkeeping of a Mutual Fund related to loan provision.

Article 30
Self-explanatory.

Article 31
Self-explanatory.

Article 32
Self-explanatory.

Article 33
Self-explanatory.

SUPPLEMENT TO THE STATE GAZETTE OF THE REPUBLIC OF INDONESIA
NUMBER 113/OJK