

ANNOUNCEMENT

Central Bank amendment on Regulation related to FX Transaction against Rupiah

Dear Valued Customer,

Please be informed that Bank Indonesia has issued BI regulation No. 17/15/PBI/2015 regarding Third Amendment of BI Regulation No. 16/16/PBI/2014 regarding Foreign Transactions against Rupiah with Domestic Customer and BI regulation No. 17/16/PBI/2015 regarding Third Amendment of BI Regulation No. 16/17/PBI/2014 regarding Foreign Transactions against Rupiah with Foreign Party. Both regulations are effectively applied starting 7 October 2015.

Major amendments cover amongst others:

1. Threshold for forward sell of FCY against Rupiah which previously was USD 1,000,000 or equivalent is to become USD 5,000,000 (five millions USD) or equivalent per transaction per Domestic customers or per transaction or per outstanding position.
2. Specifically for:
 - (i) Transaction Forward Sell FCY against Rupiah by Domestic customers or Foreign Party; and
 - (ii) Transfer in Rupiah to account owned by Foreign Party.

Underlying transaction shall also cover foreign currency fund ownership in domestic and foreign countries including saving account, current account, time deposit, and Negotiable Certificate of Deposit (NCD).

3. Alignment with BI Regulation No. 17/13/PBI/2015 regarding Obligation to use Rupiah in Indonesia. Therefore, for purchase of foreign exchange against Rupiah above the threshold, invoice in foreign currency from a transaction which is mandated to be done in Rupiah as per BI Regulation No. 17/13/PBI/2015 mentioned above, cannot be accepted as underlying document.

For further information regarding the regulation, you may visit Bank Indonesia website www.bi.go.id or for matters related to your banking transactions, you may contact your Relationship Manager or nearest branch

Thank you for your kind attention.

Warm regards,

Standard Chartered Bank Indonesia