

LEGAL BRIEF

Rules and Regulations



Legal Brief

Rules and Regulations

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PART I

Derivatives Trading

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CHAPTER I

Definition and General Terms

Definitions for the key terminologies under the subject ICH Rules and Regulations (“ICH Rules”) is provided in this Chapter. Some of the definition provided in Part I – Derivatives Trading is applicable for other part of ICH Rules.

The general terms explains on interpretation in ICH Rules, the Clearing’s authority, limitation of liabilities, immunity rights, ICH Rules as the binding agreement between the Clearing House and Clearing member also between the Clearing Member and other Clearing Member, amendment to ICH Rules, confidentiality, language and severability.

One of the provision that should be highlighted is ICH Rules are interpreted in accordance to the law of Republic of Indonesia. Dispute between the Clearing House and Clearing Member will be resolved using dispute settlement forum provided by Coftra.

CHAPTER II

Membership

ICH classified its members into: (a) Futures Broker; and (b) Futures Trader.

This chapter also regulates on provisions of application to become a Clearing Member, among others: requirements to become a Clearing Member, procedures to apply as Clearing Member, acceptance of Clearing Member, assessment of the membership application and the decision of the Clearing House.

The administrative requirements to be fulfilled by Clearing membership applicant includes among others (i) no record of conviction for criminal offence in financial sector, (ii) never been blacklisted by bank and (iii) other special administrative requirement for each classification as decided by the Clearing House. Additional financial requirement may also be requested from time to time by the Clearing House by considering its volume, risk exposure and concentration as well as business type.

The Clearing House also has full authority in accepting or rejecting the membership application of member candidate in which such decision is final and uncontestable.

Several rights of the Clearing Member are laid out in this Chapter, among others: transfer of membership, request for membership suspension and resignation.

CHAPTER III

Management

Selection and appointment, composition, duties and authorities of the Directors and Board of Commissioners are laid out in this Chapter 3 – Management.

A separate body named Clearing Committee is also established by the Directors for the purpose of advising, giving consideration and recommendation to Directors to support the performance of duty of the Clearing House.

Moreover, this chapter also stipulates prohibition for its Clearing employee and their limit of liability whereby employee in performing their duty for the Clearing House is released from any financial responsibility arising from legal claim filed by Member, unless a court decision has been issued.

Confidentiality obligation not only binds the Clearing House managements and employees but also the affiliated party of the Clearing House.

CHAPTER IV

Margin and Guarantee

The Clearing Members are obliged to provide Guarantee to Clearing House’s segregated account for securing the any due and payable financial obligation of the relevant Clearing Member to Clearing House pursuant to the Clearing Rules.

The Guarantee has to fulfill Guarantee Requirements and amount that are set out by the Clearing House for the Clearing Members to at least satisfy their: (a) Margin requirements, (b) Security Deposit and (c) Transaction Guarantee.

In general, the Guarantee provided should subject to the following requirement, which are (i) Clearing Member should be the sole rightful owner of such Guarantee, and (ii) the Guarantee should be free from any lien and encumbrances, which enables Clearing House (iii) to execute such Guarantee without further approval from any third party. Furthermore, in terms of managing the Guarantee, Clearing Member which has placed said Guarantee in the Clearing House shall release and indemnify the Clearing House from any Loss (loss, cost, expenses, damages) arising, among others, from, managing, liquidating, and selecting the type of Guarantee. Moreover, the Guarantee may be withdrawn upon request to Clearing Member for the following reasons; (i) if said Guarantee exceed the amount required, (ii) replacement of Guarantee where the existing Guarantee is no longer comply with the applicable requirements, and (iii) the resignation of Clearing Member, although the withdrawal of said Guarantee may be set off against any surviving financial obligation.

Another important point is concerning Margin that consisting of Initial Margin, Variation Margin and Margin Call. Margin that is applicable to Clearing Member is determined by Clearing House from time to time.

CHAPTER V

Clearing Fund

In addition to Margin, the Clearing House may request for Clearing Fund, which comprising of (a) Security Deposit; (b) Clearing House Fund and (c) Assessment Fund, from Clearing Member, that are intended to manage risk and to ensure the completion of contract transaction.

Security Deposit is part of Guarantee provided by the Clearing Member which is formulated as the second layer of defense should the Margin is exhausted due to event of default. The Clearing Member shall at all-time deposit and maintain a level of Security Deposit that meet the amount, type of Guarantee, form of Guarantee and further assessment criteria as determined by the Clearing House. Moreover, the Clearing Member will be deemed to have committed a default if after a second notice Clearing Member is unable to provide additional Permitted Guarantee or replenishment of Security Deposit.

Clearing House contributes parts of its transaction income from each Contract Class as Clearing House Fund. The losses in each Contract Class in which the default has occurred will be met with part of the Clearing House Fund that is apportioned to that Contract Class.

The Clearing House reserves the right to request additional Funds or Permitted Guarantee from a non-Defaulted Clearing Member in addition to the securing of the obligations of Defaulted Clearing Member with respect to an Open Contract or reimbursement to the Clearing House due to the Defaults. Such right of the Clearing House is known as Power of Assessment. Failure to provide Assessment Fund portion is a serious violation to the Clearing Rules and will subject to sanction by the Clearing House, both monetary and administrative sanction.

Any amount of Clearing Fund that has been used to satisfy any financial obligation of the Defaulted Clearing Member is considered as debt and the Clearing House retain the right to set off such debt against any asset of the Defaulted Clearing Member, either available to the Clearing House or available through legal proceeding.

The management of Clearing Fund by Clearing House are consist of formation and collection of Clearing Fund, Clearing Fund investment and deposit of Clearing Fund in the Depository Banks.

CHAPTER VI

Trading Mechanism

Clearing House will provide it's clearing and guaranteeing services only if the transaction is submitted through Clearing House system and has already met the requirements of the Prevailing Laws, Clearing Rules and Clearing House Decree.

In exercising the settlement of any Derivatives Trading transaction, Clearing House will act as a counterparty to either party, seller or buyer ("Novation") and such Novation will not release seller or buyer from any obligation arising from the Contract.

The Exchange Member (Futures Broker) may entrust to clear and settle its transaction to Clearing Member, with prior agreement entered by both parties.

This Chapter also address provisions on transaction acceptance criteria, acceptance or rejection of a transaction, formation of a contract, representation and warranties of the parties in the contract formation. Once the positions are matched then there will be contract allocation. Any Open Position will be marked to market using the Daily Settlement Price. Due to such process, Clearing House may initiate a call Margin and Clearing Member is obliged to fulfill any Margin deficiency.

Another important point is Clearing Member has the right to assign its Open Position to other Clearing Member upon approval by the Clearing House.

CHAPTER VII

Rights and Obligations

This Chapter addresses the Clearing Member's right and obligation. Rights of the Clearing Member are, including but not limited to: (i) use clearing, guarantee, and settlement of transaction services (ii) receive training and socialization on Clearing Rules and Clearing House Decree, and (iii) receive any updates concerning amendment of the Clearing Rules and Clearing House Decree.

As for its obligation, Clearing Member are obliged, among others, (i) to conduct with integrity and competence, (ii) to comply with the applicable law and the Clearing Rules and policy as well as (ii) to be financially responsible, for instance, by paying membership fee, clearing fees and other all financial obligation set by the Clearing House, (iv) to notify the Clearing House when Clearing Member's financial situation is under 120% of required total risk or its debt exceeds 600% of the total value of financial source, and (v) Clearing Member shall duly satisfy any Margin and Clearing Fund requirements.

CHAPTER VIII

Settlement of Transaction

Subject to the provisions of its Product, transaction can be settled by cash settlement, physical settlement or alternative delivery. If the Parties opt to use alternative delivery for settlement therefore Clearing House shall be released and hold harmless from any consequences arise from the execution of alternative delivery provisions.

If the Clearing Member unable to perform its delivery obligation, Clearing House has the right (but not obligation) to buy or borrow from other Clearing Member (Buy In) and invoice the Defaulted Clearing Member (Invoice Back) for any fees and expenses arise in relation to the Buy In. Such financial obligation has to be paid by the relevant Defaulted Clearing Member in cash on the date as prescribed by the Clearing House.

CHAPTER IX

Default and Regulatory Enforcement

Events of default are, including but not limited to:

- Non-payment, non-delivery;
- Non-performance of financial obligation obligation or non-fulfillment of Margin and Guarantee requirement; and
- Insolvency of Clearing Member.

As consequence of default, the Clearing House may exercise its powers, among others, (i) refuse or accept to register or to novate the transaction, (ii) cancel or reverse every Open Position which has not been settled, (iii) transfer the Open Position including its Margin, (iv) close the Open Position and (v) application of Clearing Fund.

The application of Clearing Fund shall observe which Contract Class is affected by Event of Default. The category of Contract Class are Derivatives Contract, SPA Contract, PALN Contract and Physical Contract. Clearing House is authorized to cover the liability and accountability of the Defaulted Clearing Member using the following sources of guarantee:

- First, any Security Deposit of the Defaulted Clearing Member;
- Second, contribution of Clearing House Fund to the affected Contract Class;
- Third, Security Deposit of the Non-Defaulted Clearing Member (prorate) of the affected Contract Class;
- Fourth, further contribution of Clearing House Fund;
- Fifth, Security Deposit of the Non-Defaulted Clearing Member (prorate) of the entire Contract Class;
- Sixth, Assessment Fund of the Non- Defaulted Clearing Member; and
- Seventh, other Clearing Fund contributions.

CHAPTER X

Complaint Handling Management

Clearing House has the power to enforce its rules regulations. The procedures prior to exercising its regulatory enforcement power are: (a) complaint handling, (b) verification and (c) recommendation of the Clearing Committee. Any expenses arise in connection with the process of regulatory enforcement shall be borne by the Clearing Member.

The management for complain handling in the Clearing House follows the complaint handling management applicable to the Exchange.

CHAPTER XI

Violation and Sanction

Violation is categorized as minor and major violation. Minor violation includes dishonorable conduct and indecent behavior of Clearing Member which may prejudice the reputation of the Clearing House, while major violation may include but not limited to violation of applicable law, violation of contract, falsifying document and giving misleading information.

In enforcing its rules, the Clearing may impose sanction, either in sequence or simultaneously, consisting of, reprimand letter, suspension of activities, financial penalty that may include financial loss being incurred and membership revocation.

CHAPTER XII

Dispute Settlement

Any dispute between Customer and Clearing Member shall be resolved through the following sequence (i) complaint settlement between Customer and Clearing Member, (ii) in case of failure to reach settlement, mediation facilitated by the Exchange via request to Clearing House, and finally, (iii) if no agreement is reached, either party may utilize the dispute settlement mechanism as agreed in the customer agreement.

If dispute between Clearing Member arising from a contract, the sequence of stages must be taken by the parties to the dispute, starts from (i) amicable settlement by the said parties, (ii) in case of failure to reach amicable settlement, parties may request for mediation facilitated by the Clearing House, and finally, (iii) if no agreement is reached, either party may utilize the dispute settlement mechanism as agreed in the contract, or, in the absence of such mechanism, then the disputes should be settled via BAKTI.

Clearing House may request for guarantee from the Clearing Members based on relevant conditions affecting the dispute settlement in order to guarantee the payment of fees and expenses arise from the dispute settlement and the performance of obligation.

CHAPTER XIII

Emergency and Force Majeure

This chapter provides the provisions in respect of the occurrence of circumstances that cause disruptions, interruptions, and restraints in the activities of the Clearing House or Clearing Member, which divided into Emergency and Force Majeure events.

The party affected by the events shall inform the Clearing House, and based on such information, the Clearing House shall enforce its power in order to mitigate the events. Any actions taken by the Clearing House shall be duly notified to Coftra and other relevant parties.



PART II PALN

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CHAPTER I

Definition and General Terms

One of the highlight from this Chapter is PALN Guarantee Fund, which should be placed by the Clearing Member upon meeting all of the PALN membership requirements to secure PALN transaction. The amount of PALN Guarantee Fund is IDR 500,000,000 or any other amount determined by the applicable.

While the General Terms in this Chapter provides, among others, the following:

- Clearing shall manage guarantee fund and the Margin of Futures Broker registered in the Clearing House
- In the event of default, Clearing House liability is limited to the PALN Guarantee Fund.

CHAPTER II

Membership

The administrative requirements to be fulfilled by Clearing Member which conducts PALN includes among others (i) securing approval from Coftra to conduct PALN, (ii) the Clearing Member has cooperation agreement with the foreign futures broker that is registered as a member in overseas clearing house; (iii) deposit an additional guarantee fund of IDR 500,000,000 (five hundred million Rupiah) to the Clearing.

CHAPTER III

Management

The management who supervise and operate the Clearing are the management as set out in the Chapter III Part I Clearing Rules.

CHAPTER IV

Contract and List of Exchange

The implementation and execution of PALN transaction may only be conducted to the closed selection of overseas futures exchanges and contracts as set out in the Prevailing Laws.

CHAPTER V

Trading Mechanism

This chapter provides guidelines for PALN system and the mechanism for the distribution of the Customer's Order to the overseas future clearing.

The Margin requirement of PALN which must be complied by Future Broker, which among others, are as follows:

- To place initial margin in a Clearing House segregated account in a bank determined by overseas future broker to open position which will be used to secure the performance of PALN transaction
- Future broker of Clearing Member shall pay any margin shortfall to overseas Clearing Member within 1 hour at the latest or other duration set by the Clearing House.
- If Future Broker fails to comply with the above shortfall obligation, the Clearing House may enforce but not limited to the following (i) to refuse any Order, except to close position, and (ii) to liquidate all or part of the opening position existed in the account of Future Broker.

CHAPTER VI

Rights and Obligations

This chapter provides the rights and obligation of the Clearing Member with respect to PALN activities, which, firstly, consisting the obligation of the Clearing Member to enter a cooperation agreement with future broker of overseas clearing house. Such cooperation agreement shall at least contains the following terms and conditions:

- The rights and obligations of the Parties;
- Mechanism for distributing and management of Customer Order;
- System for information and reporting, monitoring and protection;
- Dispute settlement via arbitration; and
- Payment terms and margin distribution via domestic clearing house.

Secondly, Clearing Member is responsible to ensure that Customer of PALN must have the knowledge on (a) placement of Customer's order into PALN system, (b) requirements of PALN under the Prevailing Laws and Exchange Rules, (c) Derivatives Trading Applicable Laws and (d) risk in Derivatives Trading.

CHAPTER VII

Settlement of Transaction

The transaction completion shall comply with the Chapter VIII part I – Clearing and the decision of the Clearing House. In addition, if physical delivery is to occur, then it shall be the responsibility of the overseas clearing to deliver.

CHAPTER VIII

Default and Regulatory Enforcement

The Clearing House to cooperate with the Exchange or with any institution located where the contract is traded to enforce the regulation. The provisions related to default and regulatory enforcement for PALN transaction is subject to the provisions as set out in Chapter IX Part I Clearing Rules.

CHAPTER IX

Complaint Handling Management

The Clearing House to cooperate with the Exchange or with any institution located where the contract is traded to conduct complain handling. The provisions related to complaint handling management for PALN transaction is subject to the provisions as set out in Chapter X Part I Clearing Rules.

CHAPTER X

Violation and Sanction

The Clearing House to cooperate with the Exchange or with any institution located where the contract is traded to impose sanction. Powers of the Exchange to impose sanctions or to take other actions in relation to any default or violation by the Clearing Member are laid out in Chapter XI Part I Clearing Rules.

CHAPTER XI

Dispute Settlement

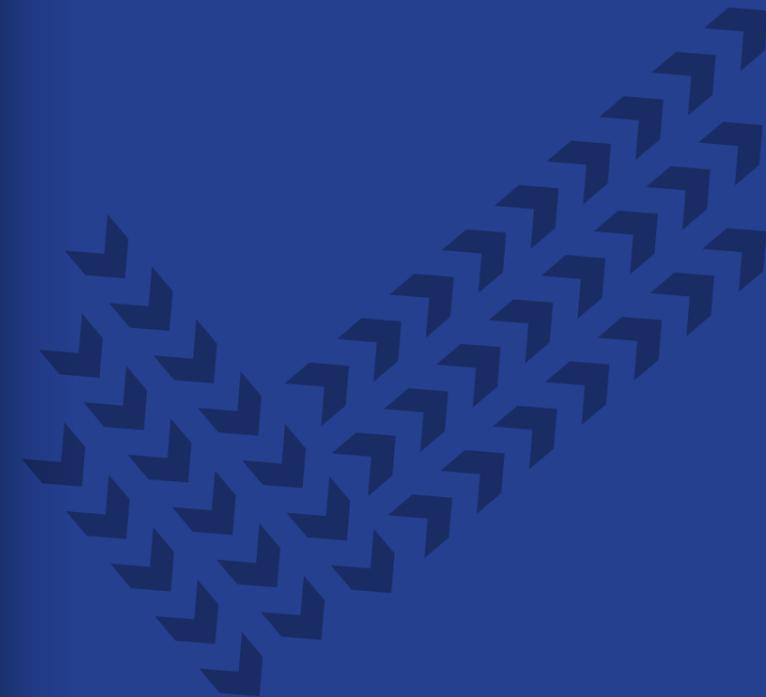
Any dispute shall be settled in accordance to Chapter XII Part I Clearing Rules.

However for any dispute between the Clearing Member and overseas futures broker in regards to order routing to overseas clearing shall be settled in accordance to the provisions set out by the relevant rules of overseas exchange.

CHAPTER XII

Emergency and Force Majeure

The provisions related to emergency and force majeure for PALN transaction is subject to the provisions as set out in Chapter XIII Part I Clearing Rules.



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CHAPTER I

Definition and General Terms

One of the key terms defined under this Chapter is SPA (Alternative Trading System) which means derivative contract sales and purchase other than future contract and sharia derivative contract, conducted in or outside the Exchange with margin registered in the Clearing House. Other definitions use in SPA are referring to the definition provided in Chapter I Part I Clearing Rules.

Pursuant to this Chapter, the Clearing House has the duty to supervise SPA Trader and SPA Broker, including the system used by SPA Trader. Furthermore, other general terms under Chapter I Part I Clearing Rules also applicable to this Chapter.

CHAPTER II

Membership

This chapter provides classification of SPA member that consist of SPA Trader and SPA Broker. The minimum paid up capital for SPA Trader is IDR 50 billion and SPA broker is IDR 25 billion.

In addition, subject to Coftra's approval, there should be cooperation agreement between SPA Trader and SPA Broker which at least contains the following terms:

- The rights and obligation of the parties
- Equal treatment to all SPA Broker in terms of access, incentive and spread
- Expiration of the agreement
- Dispute settlement

CHAPTER III

Management

The management who supervise and operate the Clearing House are the management as set out in the Chapter III Part I Clearing Rules.

CHAPTER IV

Trading Mechanism and System

This Chapter provides the registration of SPA transaction, which requires SPA contract to at least contain the following:

- The code and the name of the SPA contract
- Quantity
- Price
- The time of the transaction
- The identity of the SPA broker and trader

The Clearing House will only accept the SPA transaction which has already satisfied the following:

- The SPA trader and broker have already been approved by Coftra
- The SPA transaction is already reported to the Exchange

- The transaction price is within the price range that is available in the market
- If it's not within the price range, clarification needs to be provided along with other requirements as requested by the Clearing House before accepting the registration.

Another important point to note is concerning Margin, where Margin should be paid upfront subject to the following conditions:

- Minimum margin to be paid by SPA broker before transaction registration is IDR 8 billion
- SPA trader to place margin at least 70% from the total Margin managed as transaction security in the Clearing House;
- If the Margin depleted, Clearing Member is required to replenish up to the minimum Margin requirement set out by the Clearing House.

CHAPTER V

Rights and Obligations

This chapter provides the rights and obligation of SPA Trader and SPA Broker. The rights and obligation of SPA Trader are as follows:

- SPA Trader is not permitted to refuse SPA Broker as long as SPA Broker fulfills all of the requirements;
- To report for any amendment to the cooperation agreement;
- To register online the SPA transactions to the Clearing House;
- To meet all financial obligation arising from the SPA transactions;
- SPA Trader is not permitted to manipulate/engineer SPA transaction;
- To provide system to conduct SPA trading;

The rights and obligation of SPA Broker are as follows:

- To report the SPA transaction to the Exchange and register to the Clearing House;
- To report to the Clearing House for any amendment to the cooperation agreement;
- To meet all financial obligation arising from the SPA transactions;
- SPA broker is not permitted to use the system other than the one approved by Coftra;
- SPA Broker is not permitted to act as an opposite party against its Customer, directly or indirectly.

CHAPTER VI

Settlement of Transaction

This Chapter provides the requirement for transaction completion of SPA Contract which are as follows:

- The Clearing House uses Daily Settlement Price in the SPA Contract to calculate the rights and obligation of the daily financial situation for each open position;
- SPA transaction shall be settled in cash;
- In general, the Clearing House may direct or order for the transfer of open position between SPA trader/broker if, among others, the following situation arises: (i) emergency situation, (ii) force majeure, (iii) default, (iv) suspension request, (v) resignation and (vi) violation.

CHAPTER VII

Default and Enforcement

The provisions related to default and regulatory enforcement for SPA is subject to the provisions as set out in Chapter IX Part I Clearing Rules.

CHAPTER VIII

Complaint Handling Management

The provisions related to complaint handling management for SPA transaction is subject to the provisions as set out in Chapter X Part I Clearing Rules.

CHAPTER IX

Violation and Sanction

This chapter provides sanction to the violation of SPA in which the Clearing House will (i) send reprimand letter, (ii) impose fine, and (iii) suspending or revoking membership status.

In addition, powers of the Clearing House to impose sanctions or to take other actions in relation to any default or violation by the Clearing Member are laid out in Chapter XI Part I Clearing Rules.

CHAPTER X

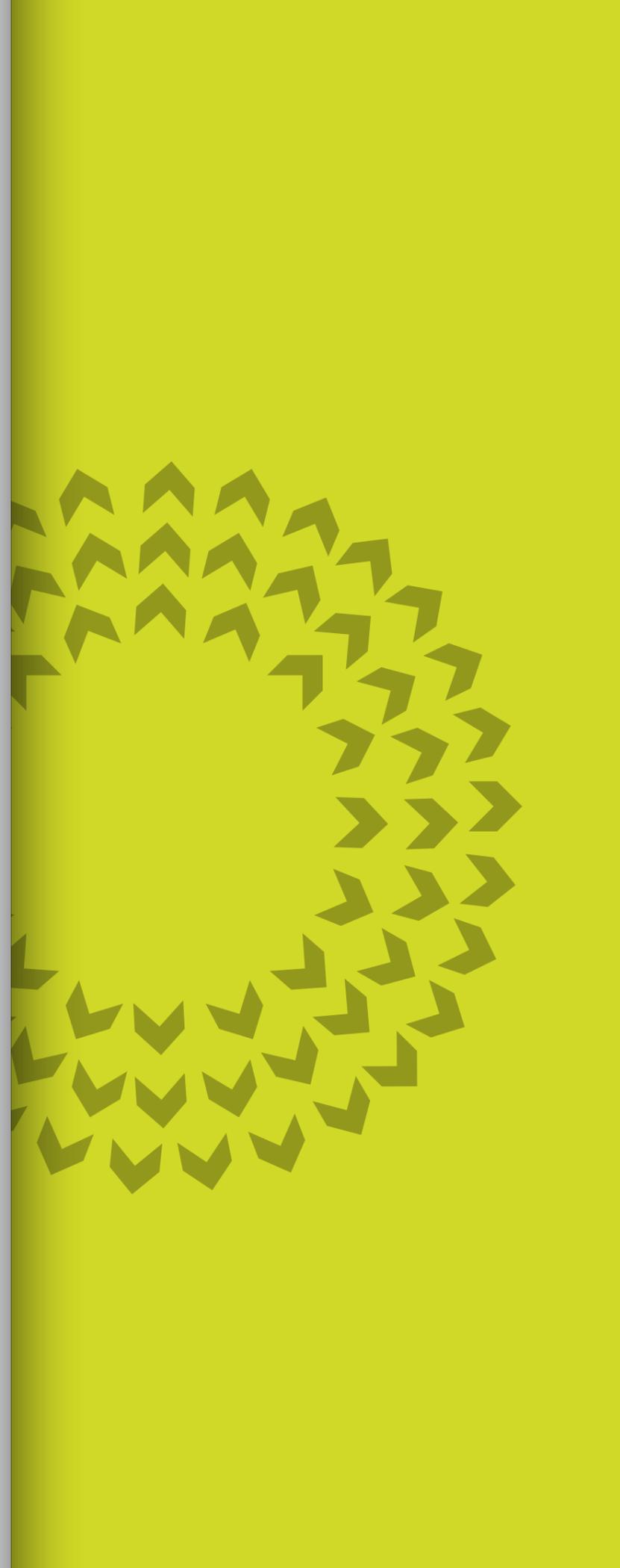
Dispute Settlement

In the event of Dispute between Customer and Clearing Member in regards to SPA transaction, such dispute shall be settled in accordance to the Prevailing Laws and Chapter XII Part I Clearing Rules.

CHAPTER XI

Emergency and Force Majeure

The provisions related to emergency and force majeure for SPA transaction is subject to the provisions as set out in Chapter XIII Part I Clearing Rules.



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CHAPTER I

Definition and General Terms

One of the key terms defined under this Chapter is Physical Market which means trading mechanism via electronic system facilitated by the Exchange.

Another important terms is the Clearing Participants, whereas parties that are listed in the Clearing participation are entitled only to conduct clearing activities and settlement of a certain contract in the Clearing House.

CHAPTER II

Membership

Clearing Member that is permitted to conduct physical transaction is Future Trader. Further provision on membership requirements for the Future Trader are set out in Chapter II Part I Clearing Rules.

Clearing Participant is classified as Indonesian citizen, foreign citizen, corporation established in Indonesia and foreign corporation. Moreover, the application procedure requires the fulfillment of the administrative requirement of private citizen or corporation and to meet all financial obligation provided under this chapter.

CHAPTER III

Management

The management who supervise and operate the Clearing House are the management as set out in the Chapter III Part I Clearing Rules.

CHAPTER IV

Requirement of Commodity

Any type and requirements of Commodity transacted in Physical Market should be approved by Coftra. Such Commodity should also free from any encumbrances and legal claims as well as the status of ownership is able to be verified. Further provisions on the type, criteria and requirements of the Commodity is stipulated in the Contract Specification.

CHAPTER V

Trading Mechanism

This chapter provides the mechanism, system of trading, settlement of transaction and transaction guarantee. Guarantee for Physical Market are consists of transaction guarantee and risk guarantee. Transaction guarantee is a guarantee that will enable the Clearing Member or Clearing Participant to transact in Physical Market, whilst the Risk Guarantee is provided by the Clearing Member or Clearing Participant to guarantee the settlement of transaction in Physical Market.

CHAPTER VI

Rights and Obligations

This chapter provides the rights and obligation of the Clearing Member and Clearing Participant. Such rights include but not limited to: (i) using facilities provided and assurance for completion of transaction, (ii) to use Clearing House trademark for promotion and education and (iii) to receive any updates concerning amendment of the Clearing Rules and Clearing House Decree.

The obligation of the Clearing Member and Clearing Participants, among others, are as follows: (i) to comply with the Clearing Rules and other Prevailing Laws, (ii) to testify in a dispute if requested by Clearing House, (iv) to be liable for any negligence and misconduct committed by its managers and employees, and (iii) to meet all financial obligation.

CHAPTER VII

Settlement of Transaction

The provisions of settlement of transaction in Physical Market shall also have to adhere with the relevant provisions of Chapter VIII Part I Clearing Rules. Furthermore, Seller who deliver the commodity shall submit all documents arising from the contract to Clearing House, while Buyer who receive such delivery shall disburse fund to the Clearing House in timely manners. The Seller obligation shall be deemed discharged if Seller has already delivered the commodity to Clearing House and has already received the money from Clearing House, whereas the Buyer obligation shall be deemed discharged if Buyer has already paid to Clearing House and has already received the commodity from Clearing House.

The Clearing Member and Clearing Participants also have the right to opt for physical delivery alternative insofar the relevant parties have satisfied the alternative delivery provisions as set out further in Chapter VIII Part I Clearing Rules.

CHAPTER VIII

Default and Regulatory Enforcement

The provisions related to default and regulatory enforcement for Physical Market is subject to the provisions as set out in Chapter IX Part I Clearing Rules.

In addition, the following will be considered as default:

- Non-payment of any financial obligation (including contractual obligation, membership, and guarantee), no-delivery of commodity,
- Legal claim or Court verdict concerning liquidation, bankruptcy, consolidation, criminal offences and/or financial offences

CHAPTER IX

Complaint Handling Management

The provisions related to complaint handling management for Physical transaction is subject to the provisions as set out in Chapter X Part I Clearing Rules.

CHAPTER X

Violation and Sanction

As consequence of violation to Clearing Rules by the Clearing Participant, the Clearing House, or via recommendation from Clearing Member who act as seller, may impose revocation or any other type of enforcement pursuant to the Clearing Rules.

In addition, powers of the Clearing House to impose sanctions or to take other actions in relation to any default or violation by the Clearing Member or Clearing Participant are laid out in Chapter IX Part I Clearing Rules.

CHAPTER XI

Dispute Settlement

The Clearing House to cooperate with the Exchange or with any institution located where the contract is traded to settle any dispute arise in connection with the Physical Market. The provisions related to dispute settlement for Physical Market is subject to the provisions as set out in Chapter XII Part I Clearing Rules.

CHAPTER XII

Emergency and Force Majeure

The provisions related to emergency and force majeure for Physical Market is subject to the provisions as set out in Chapter XIII Part I Clearing Rules.

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