

COMMODITY FUTURE TRADING

**CHAPTER I
DEFINITION AND GENERAL TERMS**

100. DEFINITIONS

Unless the context requires otherwise, the capitalized terms in these Exchange Rules shall have the following meanings:

Public Accountant	is an accountant who has obtained license to provide public accountant services in Indonesia in accordance with applicable Prevailing Laws.
Order	is the bid price and the selling offer price from the Customer submitted to the Exchange Member.
Articles of Association	is the articles of association of the Exchange as stipulated in the deed of incorporation of the Exchange and each amendment thereof according to Prevailing Laws.
Exchange Member	is a Party registered and incorporated in an Exchange membership having the right to use the Exchange system and/or means and the right to conduct transactions in Contracts in accordance with the Exchange Rules.
Clearing Member	is an Exchange Member registered with and incorporated into Clearing House's membership, which has the right to use the Clearing House's system and/or facilities and to obtain right from the Clearing House to conduct clearing and to receive guarantees in order to settle a transaction in a Contract.
Automated Trading System	hereinafter referred to as the ATS is an electronic computerized system provided by the Exchange to facilitate Derivatives Trading, access the Contracts traded in the Exchange for Exchange Members, distribution of information relating to the conduct of trading, transaction volume and other notices as determined by the Exchange.
Depository Bank	is a public foreign exchange bank approved by CoFTRA and has cooperation with the Clearing House to retain the Customer's Funds, Compensation Funds, Margin, Security Deposit and Clearing Funds.
Commodity Futures Trading Arbitration Agency (BAKTI)	is a special arbitration institution for civil disputes in the field of derivatives trading referred to in the Prevailing Laws.
Commodity Futures Trading Regulatory Agency	or abbreviated into CoFTRA is a government agency whose main duties are to consult, regulate, develop and supervise Derivatives Trading.
Daily Price Limit	refers to the maximum price advanced or declined from the previous Trading Day's settlement price permitted during any trading session(s), as

	provided under the relevant Contract Specifications. In the event, the course of any Trading Day, the price for any Contract reaches any of its Price Limits, the Exchange may temporarily suspend the trading of the concerned Contract.
Position Limits	is the maximum number of net open sale or purchase of Contracts permitted to be controlled by any Party either directly or indirectly for 1 (one) Contract Month or for all Contract Months.
Current Month	is the contract month on a Contract that falls on the ongoing calendar month.
Contract Month	is the month in the calendar year determined by the Exchange as the due date with settlement in cash, Physical Delivery or other means specified in the Contract Specification
Delivery Month	is the month of delivery stipulated in each Contract
Spot Month	is the closest delivery month in which physical delivery may occur.
Exchange	is PT Bursa Komoditi & Derivatif Indonesia, otherwise known as Indonesia Commodity & Derivatives Exchange (ICDX).
Default/ Event of Default	is any failure or negligence to fulfil the obligation of execution of the Contract or agreement with the Exchange, among others, but not limited to payment obligations, fulfilment of transaction requirements and submission as regulated in Chapter VII Section I on Exchange Rules.
Customer's Funds	means any money, securities or other property received by the Futures Broker or by the Clearing House of the Customer or on behalf of the Customer for the purpose of fulfilling the Margin, security or collateral provisions of the Contract, and all the money arising and becoming the Customer's right as a result of any transaction under such Contract.
Compensation Funds	are the funds used to pay compensation to a non-Exchange Member Customer due to default and/or negligence made by an Exchange Member in its position as a Futures Broker as referred in Chapter IV Section I of these Exchange Rules.
Clarification	is a meeting held to acquire information or opinion of a Party and/or Exchange Member at the request of the Exchange.
Board of Commissioners	is an organ of the Exchange which has duty to undertake supervision in general and/or in particular according to its Article of Association also providing advice to the Board of Directors.
Directors	is an organ of the Exchange which has authority and liable upon the management of the Exchange for the interest of the Exchange, according to vision and mission of the Exchange, representing the Exchange whether inside and outside the court according to its Article of Association.
President Director	is the member of Board of Directors who is appointed to be president director.

Risk Disclosure Statement Document	is a document as mentioned in the Prevailing Laws, which contains the explanation that potential loss or gain in Derivatives Trading or in the ATS can reach a very large amount, so that the Customer can be careful in deciding to make transactions.
Title Document	in respect of the bills of lading, the title certificate, the proof of storage on the endorsed Warehouse/Depository Receipt or any other equivalent documentation in proving the right or ownership of the Commodity, transferable in nature and other documents required for settlement of a Contract, as mentioned in the relevant Contract specifications.
Non-Delivery	is a default to deliver in respect of or as defined in the Contract specifications
Non-Payment	is default in payment in respect of or as defined in the Contract specification
Closing Price	refers to the closing price of the last transaction at the end of Trading Day on the market/trade of a Contract to be used as the opening price of the next Trading Day Contract.
Final Settlement Price	is the price that is determined at the maturity of the Contract stipulated by the Exchange and/or Clearing House on the basis of certain formula specified in the Contract Specifications.
Daily Settlement Price	is the closing price of the last transaction at the end of Trading Day on the market/ trading of the Contracts as used as and the basis for calculating the settlement of Open Position value.
Business Day	is a business day in which the Exchange conducts its business activities.
Trading Day	is the day specified by the Exchange as the day to execute the trade in a Contract.
Last Trading Day	is the day on the due date of a Contract in accordance with Contract specifications.
Confidential Information	are any matters pertaining to information not contained in the public domain and are confidential, inter alia, including but not limited to, information about Open Position, financial condition, Derivatives Trading activity and Exchange Member trading activities.
Futures Broker Business License	is a license granted by CoFTRA to a Futures Broker to carry out Commodity Derivatives Trading activities.
Trading Hours	is the time determined by the Exchange as trading time.
Emergency Condition	Emergency Condition are any events which the Exchange deems require emergency action, such as overly large Open Positions, unwarranted speculation in Derivatives Trading, state of emergency declared by the government, the enforcement or alteration of government controls affecting transactions or the execution of the Contract, the failure or

	damage of the ATS or any communication device/media, device, equipment or trading facility provided by the Exchange or any other adverse event that materially affects the integrity of the Derivatives Trading or investor rights.
Force Majeure	is any circumstance beyond the parties' unforeseen and unpredictable control of the parties which makes the enforcing party impossible to proceed or delay in carrying out its obligations. Such events include but not limited to: <ul style="list-style-type: none"> a. natural disasters, lightning strikes, earthquakes, floods, storms, hurricanes and other natural disasters; b. accidents, interference, fire, explosion, power outage resulting in malfunctioning of machines, computers and peripheral equipment related to telecommunications networks and online systems provided by service providers, system or software failures; c. epidemic or quarantine enforcement; d. war, crime, terrorism, rebellion, commotion, civil war, riots, embargoes, acts of civil or military authority, sabotage and revolution; e. interruption, suspension or insolvency or bankruptcy of the Bank and the Financial Institution; f. the closing of Derivatives Trading including those operated by the Exchange; g. restrictions stipulated by the government or amendments to the Prevailing Laws; and h. causes or other emergencies beyond the control of the Exchange.
Exchange Decree	is a decision of the Board of Directors of the Exchange, including decisions as outlined in Circular, Joint Circular, Joint Decree, Notice, implementing instructions and other types of Exchange Decree.
Material Loss	is the factual loss suffered by the Complainant of Commodity Derivatives Trading transactions claimed by the Complainant or his attorneys as a direct result of mistakes, omissions, negligence, violations committed by the Exchange Members.
Exchange Committee	is a group of individuals appointed and established by the Exchange to assist the Board of Directors of the Exchange in providing consideration and/or advice on the implementation and enforcement of specific duties.
Commodity	is all goods, services, rights and other interests, and any derivatives of Commodity, which may be traded and subject to the Futures Contract, Sharia Derivative Contract and/or other Derivative Contract.
Contract	is a trading instrument, contract or transaction to buy or sell a Commodity approved by CoFTRA that includes futures contract, option contract.
Quotation	is the bid price and the selling offer price distributed electronically by an Exchange Member during trading hours.
Examination	is the end result of the evaluation process on the truth, compliance,

Report	accuracy, credibility, and reliability of data/information on compliance with Commodity and Derivatives Trading rules based on the audit standard of the Exchange.
Clearing House	is PT Indonesia Clearing House, a business entity that cooperates with the Exchange in organizing and providing systems and/or facilities for the implementation of clearing and guaranteeing the settlement of Derivatives Trading transactions.
Margin	is a sum of money or securities to be placed by the Customer with a Futures Broker, Futures Broker with a Clearing Member, or Clearing Member with the Clearing House to ensure the execution of the Contract.
Initial Margin	is the Margin required by the Exchange and the Clearing House for any Open Positions, to be paid prior to opening a position.
Special Margin	is a Margin specified under certain conditions by the Exchange and Clearing House other than Initial Margin, Variation Margin and Spot Margin.
Spot/Delivery Margin	is the Margin required by the Exchange and the Clearing House for every Open Position of a Contract in the Spot Month.
Variation Margin	is the Margin of the difference between the Open Position price of either sale or purchase with Daily Settlement Price, which shall be the right or obligation of an Exchange Member.
Adjusted Net Capital (“MBD”)	is the net capital held by the Futures Broker after deducting the adjustments to net capital.
Customer	is a Party that performs transactions under the Contract through an account managed by a Futures Broker.
Offset	is the closing of the Open Position by taking the opposite position in the same amount and Contract.
Futures Trader	is an Exchange Member only entitled to conduct transactions under the Futures Contract, Sharia Derivative Contract and/or other Derivative Contract for itself and/or its business group.
Remote Futures Trader	is an Exchange Member as a Futures Trader domiciled outside Indonesia, who may only conduct transactions in the Exchange.
Exchange Employee	is any employee of the Exchange or any party that is under the responsibility of the Exchange.
Designated Port	refers to any Port designated by the Exchange for loading and unloading purposes as contained in the Contract specifications.

Violation	is any failure, negligence in fulfilling obligations and/or any violation and/or non-compliance with the provisions of Exchange Rules, Exchange Decree, Prevailing Laws and other relevant regulations.
Buyer	is the Party that buys the Contract.
Applicant	is a Party which is applying for Exchange membership or Exchange participation
Complainant	is a Customer or Exchange Member suffering from Material Loss due to Commodity and Derivatives Trading transactions at the Exchange and/or Clearing House.
Complaint	is a notification submitted by the Complainant to the Exchange Member and/or the Exchange for any alleged violation or unlawful conduct by the Exchange Member resulting in Material Loss for the Complainant.
Market Maker	is an Exchange Member appointed by the Exchange to make a buy orders and sales orders continuously during part of the Trading Hours.
Seller	is the Party selling a Contract.
Index Provider	are the Providers of indexes in cooperation with the Exchange for the manufacturing or compilation of an index benchmark or Index-based contract.
Physical Delivery	is the mechanism of settlement of the Open Position by means of physical delivery of Commodity in accordance with the terms and conditions set out in the Contract specifications.
Exchange Rules	are these rules and regulations of the Exchange and any amendment hereof or addition hereto which may be enforced from time to time subject to the approval of CoFTRA.
Clearing Rules	are the rules and regulations of the Clearing House and any amendment thereof or addition thereto which have been enforced from time to time subject to the approval of CoFTRA.
Prevailing Laws	are the laws on Derivatives Trading in Indonesia, its implementing regulations and other relevant Prevailing Laws, together with any amendment thereof.
Derivatives Trading	is anything to do with the sale and purchase of Commodity with the withdrawal of Margin and by future settlement under the Futures Contract, Sharia Derivative Contract and/or other Derivative Contract.
Futures Broker	is an Exchange Member conducting Commodity trading activities in accordance with Futures Contract, Sharia Derivative Contract and/or other Derivative Contract of Contract on the Customer's behalf by withdrawing certain amount of money and/or securities as a Margin to guarantee such transactions.

Party	means individual, corporation, cooperative, enterprise, joint enterprise, association, or group of natural persons, and/or an organized companies.
Affiliate	is a Party that has: <ul style="list-style-type: none"> a. family relationships due to marriage and descent up to the second degree, both horizontally and vertically; b. a relationship with another party in terms of employees, directors or commissioners; c. relationship between two companies having one or more identical members of the board of directors or board of commissioners; d. a relationship between the enterprise and the Party, whether directly or indirectly, controlling or being controlled by the such enterprise; e. the relationship between two companies that are controlled, directly or indirectly, by the same Party; f. the relationship between the company and its major shareholders.
Open Position	is the position of a Contract that has not been liquidated with Offset, Physical Delivery, cash settlement, or any other means specified in the Contract Specifications.
General Meeting of Shareholders	hereinafter referred to as GMS is the organ of the company in the form of general meeting of shareholders from the Exchange.
Segregated Account	is a separate account referred to in the Prevailing Laws.
Settlement Loss/Profit	is the difference between today's Open Position value and the value of Open Position on the previous day calculated by Clearing House based on Daily Settlement Price for each Contract..
Contract Unit	is a certain unit of quantity, weight or volume, of the specific Commodity that is the subject of the Contract.
Supervisory Unit	is a unit established to perform the task of supervising and examining the activities of the Exchange and the Exchange Member and ensuring that the Exchange and the Exchange Member activities are in compliance with the Prevailing Laws.
Registration Certificate	is a license granted by COFTRA to Futures Trader to conduct Derivatives Trading activities.
Exchange Member Approval Letter	is an approval letter and certificate issued by the Exchange as evidence of an Exchange Member.
Quality Certificate	is a certificate issued by a certification body approved and listed by the Exchange, which describes the quality or grade of the commodity.

Weight Certificate	is a certificate issued by a certification body or depository approved and listed by the Exchange, which specifies the weight and volume of the commodity.
Contract Specifications	are Contracts that meet standard requirements including but not limited to, quality, Contract Unit, Contract Month, trading hours, Contract basis, delivery or completion classification, minimum price fluctuations, Last Trading Day and/or settlement basis as specified by the Exchange. The Exchange may change (if required) any Contract Specifications at any time in accordance with the Prevailing Laws.
Warrant	is a letter/document issued by the Place of Delivery as a proof of ownership of Commodity held by a party and eligible delivery
Circular Letter	is a binding written notice to all Exchange Members regarding the policy as determined by the Exchange which is an integral part of the Exchange Rules.
Joint Circular	is a binding written notice to all Exchange Members and Clearing Members on the policies established by the Exchange and Clearing House which is an integral part of the Exchange Rules.
Joint Decree	is a legal product issued by the Exchange and Clearing House in accordance with joint authority and contains a legally binding policy.
Notice	is a binding written notice to the Exchange Member regarding certain matters.
Place of Delivery	means any company in the form of a bank, storage, landfill, mills, warehouse, factory or means of transport designated (registered) by the Exchange and approved by the Clearing House as the place for the completion of the Contract by Physical Delivery.
Compensation Fund Management Unit	is a special unit established by and accountable to the Exchange and has the duty to collect and manage the Compensation Funds.
Customer Complaint Handling Unit	is a unit established by the Exchange and supervised by the Supervisory Unit and has the duty to provide Complaint handling services, mediation over the Complaint, a Complaint review and dispute settlement filed by the Exchange Member, the Customer and/or its attorney and reporting and administering the Complaint to Coftra and the Customer or Exchange Member.
Volume Weighted Average Price	means intra-day calculation for average price that takes into account the cumulative volume that is traded at each price.

101. INTERETATION

1. The title or subtitle of the Exchange Rules shall be made solely for the purpose of facilitating the presentation and shall not affect the interpretation of the contents and meanings contained in these Exchange Rules.
2. In interpreting the terms of these Exchange Rules, the decisions issued by the Exchange shall be final and binding.
3. These Exchange Rules are subject to and governed in accordance with the applicable law in the territory of the Republic of Indonesia.
4. In these Exchange Rules, the intended Exchange Member shall be included as well as all its members, officers (Broker Representative), employees, representatives or branches, or parties who are under the responsibility of such Exchange Member.
5. Meanings relating to written shall be construed as including reference to printed forms, lithography, photography and other means of representing or reproducing words or data in a visible form.
6. Any single word representing a single matter shall, if the context permits, be used with including plural and vice versa.
7. Any mention of the Exchange website in these Exchange Rules refers to www.icdx.co.id.
8. In interpreting these Exchange Rules, an interpretation that maintains the objectives or objects contained in certain rules (whether or not its objectives or objects are directly stated in the Exchange Rules) shall prevail.
9. References in these Exchange Rules to legal provisions shall be construed as a reference to provisions which have been modified or reenacted from time to time and to the following rules established under such rules and shall include a reference to the revocation rule of law which has been re-enacted (either with or without modification).
10. The heading(s) contained in these Exchange Rules shall be for convenience only and shall have no effect on the construction of these Exchange Rules.

102. THE EXCHANGE

1. The purpose of the Exchange is to organize Contract transactions and regulate trade

transactions that are regular, fair, efficient, effective and transparent, based on the Prevailing Laws.

2. Trade/market consists of trades done on the Exchange and other trades as mentioned in Exchange Rules and Exchange Decree from time to time.
3. Any contract registered and traded on the Exchange shall be the Contract as contained in these Exchange Rules.
4. In accordance with the authorities and responsibilities set forth in the Prevailing Laws, the Exchange has the following duties:
 - a. to provide sufficient facilities to enable transactions based on a regular, reasonable, efficient, effective and transparent Contract;
 - b. to conduct market control over any Contract transactions of the Exchange Members;
 - c. to conduct both detailed and general supervision and enforcement measures to ensure compliance with Prevailing Laws and general investment interests;
 - d. to issue Exchange Rules; and
 - e. to issue an Exchange Decree governing and binding on Exchange Members and Exchange Participants to complete or explain the interpretation and application of these Exchange Rules.
5. The Exchange may take any action or make necessary arrangements or matters further in relation to its regulatory responsibility under the Prevailing Laws with any party including but not limited to, CoFTRA, other exchanges, other market, clearing house, or any party which, in the opinion of the Exchange, exercises its legal and regulatory functions under applicable Prevailing Laws.

103. EXCHANGE'S GENERAL POWERS

1. In general, the Exchange of authority and responsibility as follows:
 - a. to evaluate and test the Applicant qualifications and accept or reject the Applicant as an Exchange Member;
 - b. to arrange and set a settlement pricing system;
 - c. to establish the minimum financial requirements and reporting for Exchange Members;
 - d. to conduct monitoring of activities and audit on the Exchange Members' books and records on periodical basis and at any time required;
 - e. to establish membership fees and other fees;
 - f. to take any action that is deemed necessary to secure the transaction of a Contract, including the prevention of possible price manipulation;
 - g. to establish the mechanism for complaint and dispute settlement mechanisms in connection with Contract's transaction;
 - h. to take steps to ensure the implementation of a contract mechanism well and report it to CoFTRA;
 - i. to obtain necessary information from Clearing House relating to transactions conducted by Clearing Member;
 - j. to enforce the Exchange Rules, discipline in the Exchange, and sanction violations

- committed by Exchange Members;
- k. to take any action deemed necessary in the event of any violation committed by an Exchange Member and/or a Clearing Member that jeopardizes the financial integrity and reputation of the Exchange and/or Clearing House;
 - l. to amend, add or modify the Exchange Rules or part of the Exchange Rules with the approval of Coftra;
 - m. to take certain actions deemed necessary in connection with the failure of the Exchange Member to fulfil its financial obligations, or temporarily suspend or revoke all rights as an Exchange Member after coordinating with the Clearing House and CoFTRA and
 - n. to issue Exchange Decree to explain these Exchange Rules or to provide guidance on the interpretation or application of these Exchange Rules.
2. The Exchange in its authority may take any action or enter into an agreement or agreement with each Party to support the Exchange function as a Derivatives Trading regulator.

104. LIMITATION OF LIABILITY

1. Except as expressly provided in these Exchange Rules, the Exchange shall not be liable for any loss (consequential or otherwise, including, without limitation, loss of profits), damages, injury or delay, whether direct or indirect, arising from:
 - a. any action taken by the Exchange in connection with the execution of the Exchange's responsibilities, under these Exchange Rules, as well as the Prevailing Laws, including but not limited to the suspension of Exchange membership, revocation of membership and/or membership of the Exchange, penalty, fines, disruption or closure or termination of Exchange activities; or
 - b. failure, interruption and/or damage to the ATS, equipment, software or other devices operated, supplied or used by the Exchange in Contract trading.
2. All warranties and conditions, whether directly or indirectly related to the circumstances, features, quality, performance, resilience or fitness for the purposes or otherwise of any Exchange system or its components are exempt except where required by the Prevailing Laws. The Exchange does not warrant or promise that the Exchange system, any component contained therein or any other services performed in relation will meet the requirements of any user, or operation of the Exchange system shall proceed uninterrupted or error free, or that any done in relation to the Exchange system will be uninterrupted or error free.
3. Exchange, Index Provider and any other party that is related or involved in the manufacture or compilation of any index does not guarantee the authenticity, accuracy or completeness of the index or any data entered therein. The contract of any index ("Contract Index") is not endorsed, guaranteed or authorized by the Provider of the Index or any other party concerned or involved in the manufacture or compilation of any such index. Neither the Provider of the Index nor any other party relating to or engaged in the manufacture or compilation of any index may make a statement regarding the feasibility of investing in the Index Contract.
4. Neither the Index Provider nor any other party relating to or engaged in the manufacture or compilation of any index may make any warranties, directly or indirectly, for the results to be

obtained by any person or entity from the use of such indices or data contained therein. Neither Index Provider nor related or involved in the manufacture or compilation of any index makes no express or implied warranties, and refuses all warranties for merchantability and fitness for a particular use or purpose in connection with any index or data contained therein. Without limiting the foregoing, in any case the Index Provider or any other party related or involved in the manufacture or compilation of any index shall have no liability for any indemnification either directly, specifically, under an indirect or continuous law (including loss profit), even if informed of the possibility of such damages. In addition, neither the Exchange, the Index Provider nor any other party concerned or involved in the manufacture or compilation of any index shall have no liability for any indemnification, claim, loss or expense relating to any Contract which may be caused by errors or delays in calculating or distributing index.

5. Any Exchange Member shall indemnify and waive the Exchange, all shareholders of the Exchange, management, Exchange's Directors, Commissioners, employees, staffs and their agents, consultants, attorneys or representatives authorized by the Exchange ("Indemnified Party"), of any claim, suit, payment obligation, compensation, legal and financial liability or other risks proposed by any party against the Indemnified Party as a result of a Violation, tort, acts of carelessness or negligence committed by the relevant Exchange Member or as a result of a failure of the Exchange to find, prevent or take action against such Violation.
6. Any claim, arbitration or other legal proceeding against the Indemnified Party as a result referred to in number 5 above, an Exchange Member or an Exchange Participant shall indemnify the Exchange loss for:
 - a. all expenses and legal costs incurred for the Exchange in connection with the legal process;
 - b. any payment made by the Exchange as a result of any order, decision or determination made in relation to legal proceedings.
7. Exchange Members shall cooperate with the Exchange insofar as reasonably requested by the Exchange regarding such proceedings including but not limited to the provision of documents or records.
8. The Exchange may require the Exchange Member to pay the expenses incurred by the Exchange in relation to the supply of documents or records relating to the activities of the Exchange Members requested by court order, examination, audit or other enforcement proceedings.
9. Futures Broker is responsible for ensuring the Customer knows and agrees to the limits of the Exchange's responsibility either by posting it in a trust or other documentation agreement.

105. IMMUNITY RIGHT

Exchange or any other party authorized to act on the behalf of Exchange including the Exchange's

Board of Directors, Board of Commissioners, the Committees and employees shall be exempted from any criminal or civil liability for any action taken (including any statements made) or not taken as long as it is done in good faith, prudence and proper in relation to the implementation of obligations under the Prevailing Laws or the Exchange Rules.

106. BINDING PROVISIONS

1. These Exchange Rules and the Exchange Decree shall be binding agreements referred to in the Prevailing Laws, between:
 - a. The Exchange and any Exchange Member; and
 - b. Between each Exchange Member and other Exchange Members.
2. Each Exchange Member shall be deemed to have agreed to observe and execute any applicable Exchange Rules and Exchange Decree.
3. The Exchange shall be entitled to provide a waiver of all or any of the provisions of these Exchange Rules or to provide a waiver of certain terms and conditions, as deemed appropriate by the Exchange, to the Exchange Member. Any waiver shall be notified in writing to the Exchange Member through the Exchange Decree.
4. Any Exchange Rules or Exchange Decree will be notified by fax, email or other communication media to the address notified by the Exchange Member and announced through the Exchange website. Exchange Members are deemed to know every Exchange Rules or Exchange Decree deemed to have known every Exchange Rules or Exchange Decree at the time the rules is announced by the Exchange.

107. AMENDMENT TO THE EXCHANGE RULES

1. These Exchange Rules are made in order to regulate the interest of the Exchange in accordance with the objectives of the Exchange. The Exchange reserves the right, from time to time to make changes, additions, and revocations if it is deemed necessary to refine the Exchange Rules.
2. Any amendment of Exchange Rules shall be conducted in accordance with the provisions of the Prevailing Laws by first coordinating with the Clearing House.
3. Without prejudice to any of the foregoing, the Exchange may amend the rules in a manner as determined by Coftra or in accordance with the Prevailing Laws.
4. Exchange Rules amendments are effective upon approval of Coftra on the date announced by the Exchange through an Exchange Decree.
5. Revocation of Exchange Rules that previously did not impede, alter or discontinue the status, operation or effect of any acts or omissions contained therein under the Rules.

6. In the event of any divergence of interpretation, non-conformity, or conflict between the provisions of the Exchange Rules and the Exchange Decree, the Exchange Rules shall be applied.

108. APPLICABLE LAW AND CHOICE OF JURISDICTION FORUM

1. These Exchange Rules are interpreted in accordance with and are subject to the Prevailing Laws in the Republic of Indonesia and as contained in these Exchange Rules;
2. Disputes between the Exchange and the Exchange Members shall be settled through consensus deliberations but in the event the dispute can not be settled, the settlement provided by Coftra is being used.

109. TRANSITIONAL ARRANGEMENT

The Exchange will issue transitional arrangements in relation to these Exchange Rules if required in an Exchange Decree.

110. CONFIDENTIAL INFORMATION AND INFORMATION DISCLOSURE UNDER PARTICULAR CIRCUMSTANCES

1. The Exchange shall not use, distribute, provide or procure, sell or approve Confidential Information for or for the benefit of any third party, including any third parties who are directors, officers or representatives of the Exchange who at any time have a trading interest on the Exchange.
2. Any Confidential Information concerning Exchange Members obtained or obtained from Exchange officials:
 - a. As a result of inspections of financial and accounting reporting, statements or reports of financial condition or daily monitoring or stress test results;
 - b. In accordance with or in connection with disciplinary action, investigation, supervision or enforcement action conducted by the Exchange.Collectively referred to as "Exchange Member Affairs" is confidential to the Exchange official. For the avoidance of doubt, nothing in these Exchange Rules prevents disclosure by the Exchange of the results of disciplinary action or the basis of the decision of the Regulatory Enforcement Committee.
3. The Exchange may disclose information, including Confidential Information, concerning or relating to the Exchange Members, including but not limited to information relating to aspects of trading transactions at the Exchange, in relation to the obligation of the Exchange legally in accordance with the Prevailing Laws apply in relation to or when required by applicable Prevailing Laws to do so. The Exchange shall use its best efforts to notify the parties of such disclosure prior to such disclosure, to the extent practicable.
4. Notwithstanding the provisions of item 3 above and if the Exchange considers that it is necessary or required to use or distribute any Confidential Information, then if it is reasonably practicable the Exchange will seek prior approval to distribute such information, and shall

provide the following to Exchange Members:

- a. sufficient details to identify the character of the information;
- b. the name and address of each party to be transmitted;
- c. a description of the means to be carried out and the proposed objectives for the distribution of such information; and
- d. an overview of the circumstances under which and where the proposed use or distribution of the information will be made.

111. LANGUAGE

1. Any Exchange Rules, Exchange Decree and other documents issued by the Exchange in connection with the operation and implementation of the Exchange function shall be made in Bahasa Indonesia and/or English.
2. In case of any a dispute due to differences in understanding and construction between Bahasa Indonesia and English versions, the Bahasa Indonesia construction prevails.

112. SEVERABILITY

If any provision of these Exchange Rules is inconsistent, or is unenforceable due to amendment to Prevailing Laws, court decisions or regulatory authorities, such provision shall not apply without affecting the validity of the other provisions of these Exchange Rules.

113. NOTICE

1. All correspondence (hereinafter referred to as "Notice") sent by one Party to another Party pursuant to the Exchange Rules shall be in writing in Bahasa Indonesia and/or English. The notice shall be deemed received (i) upon receipt, if sent by courier, (ii) if sent by registered postal service 7 (seven) Business Days after the date of delivery for national delivery or 15 (fifteen) Business Days after the date of delivery for overseas shipments; (iii) if sent by facsimile, upon receipt by the recipient as evidenced by evidence of faxing transmitted by the facsimile machine, indicating that the Notice has been transmitted to the intended number in its entirety; or (iv) if sent by email, once sent to the recipient in the absence of undeliverable email reports and returned to the sender. If sent by facsimile or email then the original will be sent by regular mail, if required.
2. Notice sent by facsimile or email on non-Business Day or after 17:00 WIB on Business Day shall be deemed received by the recipient at 09:00 Western Indonesia Time on the first Business Day after the day on which the notification is sent.
3. All Notice is sent to the correspondence address of the Exchange Member or Exchange Participant who has been notified to the Exchange.
4. This provision shall also apply to Notice by the Exchange.

114. CLEARING MEMBER

As long as the Clearing Member is also registered as an Exchange Member, the Clearing Member shall comply with the Exchange Rules, the Clearing Rules and any terms and conditions issued by the Exchange or Clearing House from time to time.

CHAPTER II

MEMBERSHIP

200. GENERAL PROVISIONS

1. Party eligible to be an Exchange Member is any Party which fulfills membership requirements, financial requirements, and other requirements as stipulated by the Exchange.
2. Each Exchange Member shall have the right to undertake transactions in the Exchange in accordance with the provisions set forth in the Prevailing Laws, the Exchange Rules, and the Exchange Decree.
3. Each Exchange Member shall be bound by and comply with the Exchange Rules and Exchange Decree, and as such it shall be deemed to have received, read and understood the contents and terms of the Exchange Rules and the Exchange Decrees.

201. EXCHANGE MEMBERSHIP CLASSIFICATION

1. Exchange Membership classification consists of:
 - a. Futures Broker is a corporate Exchange Member conducting Contract transactions based on Customer's order.
 - b. Futures Trader is an Exchange Member entitled only to conduct Contract transactions on the Exchange for itself or its business group;
 - c. Remote Futures Trader is an Exchange Member which is a foreign corporate entity conducting Contract transactions for itself or its business group.
2. Exchange Member who is a Clearing Member in completing the transaction shall comply with the Exchange Rules, Clearing Rules and its implementing rules as determined by the Exchange and Clearing House from time to time. Exchange Member who is not a Clearing Member shall comply with the provisions stipulated in Clause 200 Chapter 2 Part I Exchange Rules.
3. Exchange Member who is also member of other exchanges or other clearing houses shall, other than the obligations as referred to in number 2 above, also comply with the rules of such exchange and/or clearing house in which it is a member.

202. EXCHANGE MEMBERSHIP REQUIREMENTS

202.1 GENERAL ADMINISTRATIVE REQUIREMENTS

1. To be an Exchange Member (all Exchange Member classifications) the applicant must satisfy the following requirements:
 - a. fulfill the financial and/or capital requirements as determined by the Exchange from time to time in the Exchange Rules, Exchange Decree and as determined in the Prevailing Laws;
 - b. never been convicted for a criminal offense in economic and financial sectors;

- c. never been listed in the Blacklist of Banks issued by Bank of Indonesia and/or the Financial Services Authority and/or other authorized institutions;
 - d. never declare or been declared bankrupt or file or been filed a petition for a postponement of repayment of its loans or be declared in insolvency by the competent court within the last five (5) years;
 - e. not being subject to suspension or revocation of its rights in the membership of an exchange and/or clearing house, saved for determined otherwise by the Exchange;
 - f. not being subject to suspension or revocation of its license by CoFTRA or other authorized authority;
 - g. has a cooperation with Clearing Member (for non-Clearing Member);
 - h. other requirements as stipulated in the Prevailing Laws and Exchange Decree.
2. The following provisions shall apply to any Exchange Member which is also a member in other exchanges:
 - a. the Exchange may accept membership application from a member of other exchanges, provided that the applicant complies with the provisions of the Exchange Rules and the Prevailing Laws;
 - b. such other exchange member shall notify the Exchange of its type of membership in other exchanges at the time submitting its application for membership of the Exchange. The Exchange is authorized to impose additional provisions on such other exchange member.

202.2 SPECIAL ADMINISTRATIVE REQUIREMENTS

1. An Applicant who will become an Exchange Member shall meet the special administrative requirements in respect of the Exchange membership application.
2. There are different special administrative requirements for each classification of the Exchange Member in accordance with the elected type of membership by the Applicant.
3. The provisions regarding administrative requirements of the Exchange membership shall be further regulated in the Exchange Decree having the same legal power as the Exchange Rules.

202.3 FINANCIAL REQUIREMENTS

The Exchange or Clearing House may impose financial requirement from time to time to each Exchange Member or Exchange Member category. Without limiting the foregoing provisions, the Exchange may determine the financial requirement and other requirements beyond those specified in the Prevailing Laws applicable for a certain Exchange Member with due regard to the volume, exposure risk of the positions handled, risk concentration, margin policy, business activity type that is or to be performed, its membership in any other exchanges and other matters according to the Exchange policy.

203. APPLICATION PROCEDURES AND EXCHANGE MEMBERSHIP ACCEPTANCE

203.1 APPLICATION PROCEDURES

1. Any Applicant who will become an Exchange Member shall fill out the membership application form and furnish it with administrative requirements documents.
2. The arrangement of membership application forms and documents of administrative requirements shall be regulated in an Exchange Decree having the same legal power as the Exchange Rules.

203.2 EXCHANGE MEMBERSHIP ACCEPTANCE PROCEDURES

1. Having received the completed application form furnished with the required documents and payment slip of the applicable financial obligations from the Applicant, the Exchange shall initiate the application for Exchange membership.
2. In case of incomplete membership application documents and/or non-payment of required fees by the Applicant, the Exchange will request the Applicant to complete such documents and/or make such payment within a period to be determined by the Exchange.
3. If the Applicant fails to comply with the requirements specified and/or fails to pay the required fees until the deadline stipulated by the Exchange, the Applicant's application shall be deemed void, and the Applicant shall file a new application. In the event that the Applicant fails to pay in full the required fees until the deadline stipulated by the Exchange, any amount of money paid or deposited to the Exchange shall not be refunded, except for the Compensation Fund (for the Futures Broker applicant).

204. EXCHANGE MEMBERSHIP APPLICATION ASSESSMENT

1. In order to verify the statements and documents given by the Applicant prior to being accepted as an Exchange Member, the Membership Committee shall be entitled to call and interview the Applicant and to request and inspect copies of the books, records or documents. Pursuant to such verification result, the Membership Committee shall then submit the recommendation to the Board of Directors of the Exchange.
2. The Applicant must indicate a sufficient evidence of its fulfilment of conditions to the Exchange that it has hired and appointed persons with appropriate competence as:
 - a. Directors of the Exchange;
 - b. Strategic positions parties with sufficient qualifications and experience in implementing, supervising and maintaining internal procedures and risk management control as specified in the Exchange Rules and Prevailing Laws;
 - c. its authorized proxy.

205. EXCHANGE MEMBERSHIP APPLICATION APPROVAL OR REJECTION

1. The Exchange has full authority to accept or reject any Exchange membership application. The decision of the Exchange is final and incontestable.
2. In respect of the acceptance or rejection of membership application, the Exchange shall notify its decision in writing to the Applicant. The Exchange shall not be obliged to provide any reason for its decision.
3. In the event the membership application is rejected, the registration fee paid by the Applicant will not be refunded, except for the Compensation Fund (for Futures Broker applicant).
4. In the event the membership application is accepted by the Exchange, the Exchange shall issue an Exchange Membership Approval Letter (SPKB) in the form of a decree of the Board of Directors of the Exchange and the Exchange membership certificate, as a proof of validity of the Applicant as an Exchange Member.
5. Exchange Member which has obtained SPKB and Exchange membership certificate, but does not have business license (for Futures Broker), or registration certificate (for Futures Trader and Remote Futures Trader) shall immediately apply for business license (for Futures Broker), or certificate registration (for Futures Trader and Remote Futures Trader) to CoFTRA.
6. Exchange Member holding SPKB and Exchange membership certificate which is still in the process of applying for business license (for Futures Broker) or registration certificate (for Futures Trader and Remote Futures Trader), shall within 6 (six) months as of the date of application to CoFTRA or other period specified by the Exchange, report to the Exchange:
 - a. by showing the progress report of the process of the business license (for Futures Broker), or registration certificate (for Futures Trader and Remote Futures Trader) issued by CoFTRA and giving the copy thereof to the Exchange; or
 - b. by stating in writing the causes contributing the pending issuance of business license (for Futures Broker), or registration certificate (for Futures Trader and Remote Futures Trader) by CoFTRA.
7. In the event that the application for business license (for Futures Broker) or registration certificate (for Futures Trader and Remote Futures Trader) is rejected by CoFTRA, the registration fee paid by the Exchange Member applicant to the Exchange will not be refunded, except the Compensation Fund (for Futures Broker applicant).

8. An Exchange Member holding SPKB and Exchange membership certificate which has not obtained the business license (for Futures Broker) or registration certificate (for Futures Trader and Remote Futures Trader) issued by Coftra, shall not be entitled to take benefits from its Exchange membership rights and is prohibited from engaging in any activities and promotions in respect of Derivatives Trading.

206. EXCHANGE MEMBERSHIP TRANSFER

1. Exchange Member shall be entitled to transfer its membership to any prospective Exchange Member which meets the membership requirements as stipulated by the Exchange.
2. Exchange Member shall notify the Exchange of its intention to transfer its membership by using a form provided by and may be downloaded in the Exchange's website.
3. The Exchange may stipulate the requirements to be fulfilled in the context of the transfer of such Exchange membership.
4. Upon receipt of the notification of transfer of membership from the Exchange Member, the Exchange has the authority to prohibit such Exchange Member to make the transfer of membership for a period of thirty (30) calendar days or other period as deemed appropriate by the Exchange.
5. The transfer of the membership of the Exchange shall only be conducted subject to the following terms and conditions:
 - a. the transfer ban period has passed;
 - b. Exchange Member who will make the transfer has met all their financial obligations as determined by the Exchange;
 - c. Exchange Member (Futures Broker) who will make the transfer shall be required to close all Open Positions in accordance with its Customer's order or to transfer all such Open Positions to other Exchange Members with the prior consent of the Customer;
 - d. Exchange Member who will make the transfer (the transferor) shall be obligated to return the Margin balance for its Customers which do not approve the transfer to the transferee, after coordinating with Exchange and Clearing House;
 - e. Exchange Member which will make the transfer shall comply with all transfer requirements set by the Exchange from time to time;
 - f. The Party which accepts the transfer (transferee) shall meet the membership requirements in accordance with the membership classification as regulated in this Exchange Rules.
 - g. The transferee shall be required to settle any transfer fees and other fees set by the Exchange from time to time;
 - h. The transferee shall make a statement that any obligation arising after the date of the transfer will be the sole responsibility of the transferee;

- i. The transferee which will accept the transfer shall have a business license (for Futures Broker) or registration certificate (for Futures Traders and Remote Futures Traders) issued by CoFTRA which must be obtained after or before the transfer of membership.
6. The Exchange is authorized to conduct an in-depth assessment of the transfer application and, at its sole discretion, has an inviolable absolute right to accept or reject the transfer application.
7. The Exchange's rejection decision shall be final and binding.
8. The transfer of the Exchange membership to the transferee shall only be effective upon the fulfilment of the following conditions:
 - a. the Exchange has received the original SPKB and membership certificate of the transferring Exchange Member and the Exchange Member has completed all obligations to the Exchange and related to transaction;
 - b. the Exchange has received the copy of transfer agreement which is made by the transferor and transferee;
 - c. the transferee is declared by the Exchange having met all requirements of the Exchange membership and has paid all fees set by the Exchange;
 - d. the Exchange has issued SPKB and membership certificate in the name of the transferee stating that such SPKB and membership certificate granted to the transferring Exchange Member has been revoked and declared invalid;
 - e. the transferee has signed a binding agreement or otherwise made a statement containing a commitment to comply with and be bound by any rules and regulations applicable to the Exchange Member; and
 - f. the transferee has obtained a business license (for Futures Broker) or registration certificate (for Futures Trader) issued by CoFTRA however if such transferee has not obtained such credentials as mentioned in this provision, then such transferee must obtain such credential after obtaining membership certificate from the Exchange.

207. MARKET MAKER

1. Market Maker is a party who puts the buy Quotation and/or sell Quotation continuously during the trading hours.
2. The Exchange may appoint an Exchange Member as Market Maker in Derivatives Trading.
3. Futures Broker may be appointed as Market Maker pursuant to CoFTRA's decision.
4. To be appointed as a Market Maker, Exchange Member shall meet the following conditions:
 - a. has adequate financial resources and/or has fulfilled minimum capital in accordance with the provisions stipulated by the Exchange based on trading volume and market conditions.

- b. determined by joint decision of the Directors of the Exchange and the Directors of the Clearing House.
 - c. the joint decision shall be subject to prior approval of the Head of CoFTRA.
5. Rights and obligations of Market Maker including minimum transaction volume requirements shall be stipulated by the Exchange with the prior approval of CoFTRA with due regard to the applicable Prevailing Laws on Derivatives Trading.

208. VOLUNTARY SUSPENSION UPON REQUEST OF EXCHANGE MEMBER

1. Exchange Member may request the Exchange to temporarily suspend its Membership. Such Exchange Member shall provide reasons for its request for voluntary suspension.
2. The Exchange may grant to the requesting Member a temporary suspension of up to twenty-four (24) months, upon such terms and conditions as the Exchange deems fit.
3. The Exchange shall inform such suspension to CoFTRA and other exchanges where the Exchange Member is registered as a member. The determination of duration of the voluntary suspension shall be conducted in coordination with CoFTRA.
4. Provisions on the voluntary suspension procedures and its re-activation procedures of Exchange membership shall be further stipulated in the Exchange Decree.

209. EXCHANGE MEMBERSHIP RESIGNATION

1. Exchange Member may resign from its Exchange membership by giving written notice to the Exchange at least three (3) months before the effective date of the resignation unless the Exchange stipulates otherwise.
2. Resignation shall be made after the Exchange Member fulfills all its obligations, including but not limited to those obligations to the Exchange and/or Clearing House and/or other Exchange Members and/or its Customers.
3. Without prejudice to the rights of the Exchange Member to resign from its membership under these Exchange Rules, the Exchange may refuse to approve the resignation of the Exchange Member, and/or may establish a period of effective date of resignation with the following considerations:
 - a. to maintain the financial integrity, reputation or interest of the Exchange or the Clearing House;
 - b. to protect the interests of the Customer; or
 - c. to maintain sustainability of routine, fair, effective and efficient Derivatives Trading.
4. The Exchange may impose the terms and/or restrictions deemed necessary on the Exchange Member, both before and after the effective date of the resignation.

5. In the event the resignation of an Exchange Member is approved by the Exchange, the resignation will only be effective after:
 - a. the lapse of a certain period, if the Exchange has set a period of effectiveness of the resignation in the Exchange membership revocation decree which has been issued;
 - b. Exchange Member has fulfilled all its financial obligations to the Exchange and/or Clearing House and/or other Exchange Members and/or its Customers;
 - c. especially for Futures Broker:
 - i. it must have closed all Open Positions held in the name of its Customer in accordance with the instructions of the Customer, or have transferred all of its Open Positions to other Exchange Members upon approval of the Customer;
 - ii. it must have refunded to its Customer all of the Customer's funds, guarantee funds, or any other assets it has received from its Customer which does not approve the transfer to the Exchange Member which receive the transfer;
 - d. The relevant Exchange Member has fulfilled the terms and/or conditions imposed by the Exchange.

210. CONSEQUENCES OF RESIGNATION FROM EXCHANGE MEMBERSHIP

1. Exchange Member who has resigned shall be liable to the Exchange for all pending or unfinished obligations that arise prior to the effective date of the resignation.
2. Exchange Member who resigns shall cooperate with and assist the Exchange in all matters arising from the membership resignation exclusively to the Exchange Member, including but not limited to transfer of its Open Position to other Exchange Members or liquidation of its Open Position and must settle all Contract transactions being made or closed.
3. Exchange Member who resigns shall be announced by the Exchange and notified to CoFTRA, other Exchange Members and the public at large through the mass media or Exchange website.
4. Upon such announcement, the Exchange shall not be liable to and released from any risks, liabilities, obligations and any legal and financial consequences that may arise.
5. Upon the resignation of the Exchange membership, the Exchange shall notify the Clearing House as soon as practicable upon the same becomes effective.
6. Exchange Member who has resigned, shall remain subject to these Exchange Rules and Exchange jurisdiction in respect of its actions and omissions and in respect of investigations or disciplinary proceedings relating to it (including the imposition of sanctions) as if it is an active Exchange Member.

211. LIST OF EXCHANGE MEMBERS

1. The Exchange shall establish and maintain a list of all Exchange Members which may be viewed or known at any time and may be accessed by the public either through the Exchange's official website or other electronic media as determined by the Exchange.
2. The Exchange shall keep a list of Futures Broker and authorized powers of attorney the Exchange Member.

CHAPTER II

MANAGEMENT

300. GENERAL PROVISIONS

Except as otherwise provided in this Exchange Rules, the structure, composition and organizational structure of the Exchange shall be as those provided in the Articles of Association.

301. THE DIRECTORS OF THE EXCHANGE

301.1 ELECTION AND APPOINTMENT OF THE DIRECTORS OF THE EXCHANGE

1. Directors of the Exchange shall be an authorized organ of the Exchange and fully responsible for managing the operations of the Exchange for the interests of the Exchange in accordance with the purposes and objectives of the Exchange and representing the Exchange either inside or outside the court in accordance with the provisions stipulated in the Articles of Association, this Exchange Rules and Prevailing Laws.
2. Directors of the Exchange shall be appointed for a certain service term and terminated by the GMS as determined by the Exchange.
3. Board of Directors of the Exchange may be re-appointed as determined by the Exchange.

301.2 COMPOSITION OF THE DIRECTORS OF THE EXCHANGE

1. The composition, duty and authority of the Directors of the Exchange are as set out in the Articles of Association, Exchange Rules and Prevailing Laws.
2. The maximum members of Board of Directors of the Exchange shall consist of seven (7) persons, one of them shall be appointed as President Director in charge of its capacity in accordance with the Articles of Association, Exchange Rules and Prevailing Laws.

301.3 DUTY AND AUTHORITY OF THE DIRECTORS OF THE EXCHANGE

1. In addition to those set forth in the Articles of Association, the Directors of the Exchange has the duty and authority to carry out the managerial affairs of the Exchange, among others:
 - a. provide adequate facilities for the implementation of regular, fair, effective, efficient and transparent operations of the Exchange;
 - b. establish annual budget plan and earning use plan of the Exchange;
 - c. establish and revise the Exchange Rules;
 - d. issue the Exchange's Decree;
 - e. establish and impose the Exchange membership fees and other expenses;
 - f. set the type of goods/products of Commodity which can be traded in the Exchange;
 - g. enforce the Exchange Rules, including make and give sanction of actions conducted by the Exchange Members;
 - h. stipulate the terms and conditions applied in the Contract;
 - i. conduct market supervision over any Contract transactions of the Exchange Member;
 - j. make decisions and/or policies and/or necessary actions in the event of an emergency and/or in order to protect the integrity of the Exchange and/or

Clearing House, as well as maintain the trading liquidity of Contracts, among others:

- i. suspend trading partially or entirely;
- ii. instruct liquidation of Open Positions, in part or in whole, of the Exchange Members;
- iii. instruct liquidation of positions whose owner is unable or unwilling to accept or perform delivery;
- iv. establish price fluctuation limit;
- v. establish trading days and hours;
- vi. establish delivery requirements;
- vii. together with the Clearing House determine formula of Daily Settlement Price and Final Settlement Price;
- viii. together with the Clearing House stipulate additional Margin requirements to be deposited to the Clearing House.
- k. establish the Exchange Committee;
- l. establish the Supervisory Unit;
- m. establish the Compensation Fund;
- n. be responsible for the implementation of Standard Operating Procedures (“SOP”) on the Complaints Handling;
- o. carry out other duties, responsibilities and authorities in accordance with the Articles of Association, Exchange Rules and other relevant Prevailing Laws.

302. BOARD OF COMMISSIONERS OF THE EXCHANGE

302.1 ELECTION AND APPOINTMENT OF THE BOARD OF COMMISSIONERS OF THE EXCHANGE

1. The Board of Commissioners shall be an organ of the Exchange which is in charge of general and/or special controls and provide advises to the Directors of the Exchange in accordance with the Exchange’s Articles of Association, Exchange Rules and Prevailing Laws.
2. Members of the Board of Commissioners shall be appointed for a certain service term as determined by the Exchange.
3. The Board of Commissioners may be re-appointed as determined by the Exchange.

302.2 COMPOSITION OF THE BOARD OF COMMISSIONERS OF THE EXCHANGE

1. The composition, duties and authority of the Board of Commissioners shall be as stipulated the Exchange’s Articles of Association, Prevailing Laws and the Exchange Rules.
2. The maximum members of Board of Commissioners of the Exchange shall consist of no more than seven (7) persons, one of them shall be appointed as the President Commissioner to serve on the basis of his/her capacity in accordance with the Exchange’s Articles of Association, Exchange Rules and the Prevailing Laws.

302.3 DUTY AND AUTHORITY OF THE BOARD OF COMMISSIONERS OF THE EXCHANGE

1. The Board of Commissioners shall have the authority and responsibility to carry out its duties, including but not limited to, the control over the Directors' performance of managerial affairs of the Exchange and provide advises to the Directors of the Exchange.
2. The Board of Commissioners may propose an extraordinary General Meeting of Shareholders.
3. The Board of Commissioners shall be entitled to submit a proposal to temporarily suspend one or more members of the Directors of the Exchange if the member acts in contrary to the Exchange's Articles of Association, Exchange Rules, and Prevailing Laws.

303. SUPERVISORY UNIT

303.1 SUPERVISORY UNIT FORMATION

1. The Board of Directors of the Exchange shall establish a Supervisory Unit.
2. The Supervisory Unit shall be treated as a separate work unit and included in the Exchange organizational structure.

303.2 COMPOSITION OF SUPERVISORY UNIT

The Supervisory Unit shall consist of a coordinator and members from the Compliance, Audit and Transaction Monitoring Division, Legal Division, Operation Division and/or other officials of the Exchange appointed by the Directors of the Exchange.

303.3 DUTY AND AUTHORITY OF THE SUPERVISORY UNIT

1. The Supervisory Unit has duty to oversee and audit the activities of the Exchange and the Exchange Members to ensure that the Exchange and the Exchange Members perform their activities in accordance with the provisions of the Exchange Rules and the Prevailing Laws.
2. In particular, and with the support of a Complaint Management Unit, the Supervisory Unit has the following duties:
 - a. conduct examination of Complaint in the event no agreement is reached in Mediation;
 - b. review the Customer Complaint Report, clarification results of Futures Broker and Resume of Clarification Result;
 - c. maintain the confidentiality of information and/or documents declared as confidential;
 - d. secure and maintain evidences related to the examination and which are in its control;
 - e. prepare Complaint Examination Result Report.
3. The Supervisory Unit is authorized to do the following:
 - a. request information, confirmation and/or evidence required for audit purposes;
 - b. check records, bookkeeping and/or other supporting documents;
 - c. borrow or make copy(ies) of records, bookkeeping and/or other documents as necessary.
4. The Coordinator of the Supervisory Unit shall report directly to the Directors of the Exchange, the Board of Commissioners of the Exchange, and CoFTRA on any material matters found which may affect the Exchange and/or the Exchange Members in respect of the controls exercised.

5. The examination shall be conducted as per the SOP which is further stipulated by Exchange Decree.
6. In examining a complaint, the Supervisory Unit shall be guided by a certain Supervisory Unit Code of Ethics, further stipulated in the Exchange Decree.

304. EXCHANGE COMMITTEE

1. Directors of the Exchange shall establish Exchange Committee which will assist Directors in providing consideration and/or advice on the implementation and enforcement of the Directors of the Exchange' policies. The Exchange Committee consists of:
 - a. Product Committees;
 - b. Membership Committees;
 - c. Regulatory Enforcement Committee;
 - d. Business Conduct Committee; and
 - e. other Committees required by the Exchange as stipulated by the Directors of the Exchange.
2. The members of the Exchange Committee shall be from among the Exchange Members and/or other parties which have competence relevant to the duties and functions of the Exchange Committee.
3. The general duties, authorities and responsibilities of the Exchange Committee include:
 - a. request the Exchange and/or Clearing House to provide any documents and informations required to perform its duties and authorities (among other things: data on transactions, clearing, guarantee or settlement of transactions and others);
 - b. in the event of disclosure or confidential information of Exchange Member, Clearing Member or the Exchange Member, each member of the Exchange Committee shall keep the confidentiality of such information and be prohibited from disseminating, forwarding, disclosing it to other parties which are not member of the Exchange Committee, using such information for purposes other than those of exercising the duties and authority of the Exchange Committee member concerned;
 - c. appoint consultant or expert as it deems necessary at the expense of the Exchange with the prior written approval of the Board of Directors of the Exchange;
 - d. carry out any duties, authorities and other responsibilities as required by legislation or as authorized by the Directors of the Exchange or Board of Commissioners of the Exchange.
4. Other provision regarding Exchange Committee shall be regulated further in the Exchange Decree.

305. PROHIBITION FOR EXCHANGE EMPLOYEE

1. Any Exchange Employee is prohibited from:
 - a. conducting Contract transactions, either directly or indirectly;
 - b. accepting bribes and/or gratuities with respect to services rendered to Exchange Members, Exchange Participants or parties using the Exchange facility either directly or indirectly;
 - c. supplying, using, disseminating, selling, providing or otherwise dealing with any Confidential Information for his own interests or interests of any third party having an interest in trading in the Exchange, which is contrary to his duties, powers and authority in capacity as Directors of the Exchange, Board of

Commissioners of the Exchange or Employee of the Exchange, both during and after his employment with the Exchange.

- d. concurrently serving as an employee and/or consultant of a company engaged in Derivatives Trading;
 - e. utilizing the Exchange for personal, family and/or other interests related to financial matters or otherwise, which may reduce the profit of the Exchange;
 - f. granting power of attorney to other parties resulting in transfer of all basic duties and functions of the Exchange Employee;
 - g. influencing other party to enter into Contracts by inducing or giving expectations of unfair profits;
 - h. taking actions which are or should be prohibited to be taken by an Exchange Employee under this Exchange Rules and applicable Prevailing Laws.
2. The Exchange Employee violating the prohibition as set out in number 1 above may be terminated by the Exchange and/or subjected to actions as set out in Prevailing Laws.

306. LIMITATIONS OF LIABILITIES OF THE EXCHANGE EMPLOYEE

1. The Exchange releases the Directors of the Exchange, Board of Commissioners of the Exchange and employees from the financial responsibilities, losses and expenses incurred as a result of a claim arising from consequence of their job position at the Exchange, or from actions taken or ordered to them in their job capacity in accordance to the Prevailing Laws and Exchange Rules.
2. The aforesaid release of liability shall not apply in the event the claim has been acknowledged by the Exchange attributable to a negligence, fraudulent or willful misconduct by the member of Board of Directors or employee concerned or otherwise such member of Board of Directors or employee is ultimately found guilty by the court for gross negligence, fraud or willful misconduct in the execution of their tasks.

307. CONFIDENTIALITY OBLIGATION TO AFFILIATES

1. All Affiliates of the Exchange shall maintain the confidentiality of all information directly or indirectly related to the Derivatives Trading activities they are aware of.
2. Violations of these provisions shall be liable to sanctions in accordance with applicable Prevailing Laws.

CHAPTER IV COMPENSATION FUNDS

400. COMPENSATION FUNDS

Compensation Funds are the funds used to pay compensation to a non-Exchange Member Customer due to default and/or mistake made by an Exchange Member in its position as a Futures Broker.

401. COMPENSATION FUNDS SOURCES

1. The source of Compensation Funds may come from:
 - a. contribution of the Compensation Funds derived from mandatory deposit of Futures Broker as set forth in point 402 below;
 - b. part of the service fee related to the Contract trading activity of a maximum 2% (two percent), taken from the Futures Broker's commission per lot;
 - c. part of the Exchange's profits set aside for the Compensation Funds and/or management proceeds derived from such Compensation Funds; and
 - d. other lawful sources as approved by CoFTRA.
2. The aforesaid sources of Compensation Funds shall be placed by the Exchange into a segregated account which is specifically designed to deposit the Customer's Compensation Funds with the Depository Bank and managed by the Compensation Funds Management Unit in the Exchange.
3. The mandatory contribution of Compensation Funds shall be paid by Futures Broker upon the submission of application to be an Exchange Member and/or at another time in accordance with the procedures and provisions set out in the Prevailing Laws, this Exchange Rules and Exchange Decree.
4. The contribution of the Compensation Funds paid by Futures Broker may not be withdrawn.
5. In the event the application of Exchange Member to become Futures Broker is rejected by CoFTRA, then the Compensation Funds contribution paid to the Exchange will be refunded to such Exchange Member at the latest 15 (fifteen) Business Days after the rejection of business license from CoFTRA.

402. THE AMOUNT AND APPLICATION OF COMPENSATION FUNDS

1. The amount of Compensation Funds required to be deposited by the Futures Broker at the time of submission of application:
 - a. In the initial stage of the operation of the Exchange, the obligation to deposit the Compensation Funds is Rp 200,000,000 (two hundred million Rupiah);

- b. In the following stage, the amount of the Compensation Funds will be adjusted based on the formula as follows. Any amendment to the amount of the Compensation Funds shall be notified to the Futures Broker by an Exchange Decree.

$$\frac{\sum (\text{Compensation Funds Amounts}) + \sum (\text{Investment Proceeds Amounts})}{\sum (\text{The Exchange Futures Broker Member})}$$

2. The Futures Exchange shall maintain at least 20% (twenty percent) of the minimum amount of the Compensation Funds which must be collected. At the time when the Compensation Funds are less than 20% (twenty percent) of the highest total amount collected, the Exchange will ensure the Futures Broker replenish the Compensation Funds up to 100% (one hundred percent) of the amount.
3. The Compensation Funds may only be used maximum of 80% (eighty percent) annually from the minimum amount of the Compensation Funds which must be collected at the Exchange. In the event that the collected Compensation Funds has not reached such minimum amount, then the amount of the Compensation Funds which can be used is maximum of 80% (eighty percent) annually from the amount of the Compensation Funds which has been collected in the Exchange based on the latest financial statements audited by the Public Accountant.
4. The Compensation Funds may only be used by the Exchange to pay compensation claims to an uncollectible Customer caused by a Default and/or a negligence made by a Futures Broker, either to a Future Broker having a business license or a Futures Broker whose business license is revoked by CoFTRA.
5. Future Broker's Default and/or negligence referred to in item 4 above, among others includes misleading actions, misuse of trust, negligence and actions or violations of law by Future Brokers resulting in a loss to the Customer.
6. The amount of the Compensation Funds payable by the Exchange is:
 - a. maximum of 1.5% (one point five percent) of the Compensation Funds which may be used as referred to in the provision of number 5 above for each Customer in the event of any claim of Customer's damages to the Exchange due to the Default and/or negligence committed by the Futures Broker with business license; or
 - b. In the event that the Futures Broker's license has been revoked by the Head of CoFTRA, a maximum of 35% (thirtyfive percent) of the Compensation Funds may be used as referred to in number 5 for all claims of such Customer of the Futures Broker. The Compensation Funds can only be disbursed by the Exchange one time for each Futures Broker.

403. FORMATION OF COMPENSATION FUND MANAGEMENT UNIT

1. The Compensation Funds are managed by a Compensation Funds Management Unit established by the Exchange and is accountable to the Exchange.
2. The Compensation Funds Management Unit is established by the Exchange shall comprise of those persons from the Exchange and Exchange Member.
3. The Compensation Funds Management Unit consists of 1 (one) person as chairman concurrently as member, 1 (one) secretary concurrently as member and 3 (three) members.
4. Chairman of the Compensation Funds Management Unit shall be the Director of the Exchange in charge of finance, while the secretary is an Exchange official assigned by the Board of Directors of the Exchange.
5. Members of the Compensation Funds Management Unit shall consist of 3 (three) persons from the Exchange and/or Exchange Member.

404. SCOPE OF DUTIES OF COMPENSATION FUND MANAGEMENT UNIT

The Compensation Funds Management Unit shall be responsible for collection, management, bookkeeping, use and reporting of the position of the Compensation Funds to the Exchange and Head of CoFTRA as referred to in this Exchange Rules.

405. MANAGEMENT OF COMPENSATION FUNDS

1. The Compensation Funds Management Unit is authorized to manage and invest the contribution of the Compensation Funds in accordance with the provisions of the Prevailing Laws and Exchange Decree.
2. The Compensation Funds Management Unit applies the prudent principles in the management and placement of investments.
3. The forms of permissible investments are as follows:
 - a. time deposits at a Depository Bank including a deposit on call and a time deposit less than or equal to 1 (one) month;
 - b. certificates of deposit in banks;
 - c. securities issued by the Republic of Indonesia;
 - d. pure gold; and / or
 - e. other forms approved by the Board of Directors of the Exchange and Coftra.

406. BOOK-KEEPING OF THE COMPENSATION FUNDS

1. Bookkeeping of the Compensation Funds shall be prepared by the Compensation Funds Management Unit and shall be conducted in accordance with the provisions of the Prevailing Laws and the Exchange Decree.
2. The book of Compensation Funds shall at least contain:
 - a. the amount of revenue from each source, including Futures Broker's contribution, other valid sources approved by the Head of Coftra and Compensation Funds management proceeds;
 - b. the amount of expenditure relating to the Compensation Funds; and
 - c. records and bookkeeping of the invested Compensation Funds.

407. REPORTING OF COMPENSATION FUNDS

1. The Compensation Funds Management Unit shall report and submit the Compensation Funds report to the Board of Directors of the Exchange and the Head of Coftra every 3 (three) months.
2. All management fees and expenses of the Compensation Funds may be charged to the Compensation Funds account. Such costs and expenses include but are not limited to:
 - a. Public Accountant / independent auditor fees; and
 - b. expenses of other parties other than the Compensation Funds Management Unit required to assist in the execution of the duties and authorities of the Compensation Funds Management Unit;
 - c. costs related to management, investment placement, guarantee bonding, and use of the Compensation Funds;
 - d. costs relating to the process of the fulfillment of the Compensation Funds not refunded by the Member of Exchange in the Event of Default;
 - e. costs related to the process of preparing and submitting the Compensation Funds Report.

408. REQUIREMENTS OF COMPENSATION CLAIM

1. Submission of claim for compensation by Customer for damages caused by Futures Broker's Event of Default and / or negligence shall comply with the Exchange Rules, the Exchange Decree and the Prevailing Laws and must at least meet the following requirements:
 - a. copy of the identity card, such as Residential Identity Card, Driver's License or Passport, of the Customer;

- b. copy of the Customer's Order Agreement;
 - c. copy of court decision or arbitration award which is final and binding;
 - d. the claimed amount shall be the actual loss amount
2. Claim for compensation filed by Customer to the Exchange due to Event of Default and/or negligence of Futures Broker possessing business license as Futures Broker may only be granted if the following conditions are satisfied:
 - a. The relevant Customer has exerted maximum claim efforts to the Futures Broker committing the Event of Default and/or negligence and has used various means of dispute settlement available and as mandated by the Prevailing Laws;
 - b. there is a binding decision of court or arbitration award; and
 - c. the Customer's funds used for transactions are deposited into account that is separate from the Futures Broker's account with a bank approved by the Head of Coftra.
3. The claim for compensation filed by the Customer to the Exchange due to Event of Default and/or negligence of Futures Broker whose business license is revoked by the Head of CoFTRA may only be granted if the following conditions are satisfied:
 - a. The relevant Futures Broker has been liable to administrative sanctions in the form of revocation of business license by the Head of CoFTRA;
 - b. Customer's funds used for transactions are deposited into accounts which are separate from the Futures Broker's account with a bank approved by the Head of CoFTRA; and
 - c. The Customer has exerted maximum claim efforts to the Futures Broker committing Event of Default and/or negligence and has used various means of dispute settlement available.
4. The Customer shall not raise claim for payment of compensation from the Compensation Funds in the event:
 - a. The claim for compensation filed by the Customer does not fulfill the provisions as referred to in the Prevailing Laws and this Exchange Rules;
 - b. Customer's loss due to Event of Default and/or negligence of Futures Broker of which Event of Default and/or negligence is related to Futures Contract trading whose resolution is not made through, or is not registered with the Clearing House; and/or
 - c. the Compensation Funds from the Futures Broker committing the Event of Default and/or negligence to the Customer concerned is not paid to the Exchange or is no longer managed by the Compensation Funds Management Unit.

5. The amount of compensation which is payable from the Compensation Funds to the Customer shall be equal to the actual amount of the material loss of the transaction occurred and caused a loss to the Customer due to Event of Default and/or negligence of the Futures Broker, less the sum or value of all other money or compensation which have been or will be received by the Customer from any party other than the Compensation Funds.

409. EXAMINATION AND INVESTIGATION OF COMPENSATION CLAIM

1. The Exchange shall examine and investigate the compensation claim to make sure whether or not it meets the requirements as referred to in provision 408, items 1-5 above.
2. In every effort to raise compensation claim to the Exchange:
 - a. evidence of compensation claim provided by the Customer or any other evidence necessary for examination on the Futures Broker or any other party alleged to have committed Event of Default or other breaches shall be examined by the Exchange to prove the existence of Event of Default or negligence, even if the Futures Broker or such another party is not a party against whom such claim is raised; and
 - b. any data, document or other evidence available to the Exchange Member or other parties shall be submitted to the Exchange.
3. The Exchange may request the Customer, Exchange Member and / or other parties to make or provide any data, record(s), agreement(s), contracts, document(s), statement(s), evidence(s) which necessary to support the examination on the Customer, Exchange Member or any other party in relation to any claim for compensation filed by the Customer to the Exchange.
4. In the event the Exchange Member, Customer and/or other party fails to satisfy the request of the Exchange as mentioned in the provision 409.2 above, the Exchange may:
 - a. refuse the Customer's claim if the Customer fails to satisfy the Exchange's request as mentioned in this provision 409.2; or
 - b. impose sanctions and penalties to the Exchange Member if the Exchange Member does not fulfill the request of the Exchange.
5. In reliance to the examination and investigation by the Exchange to the requirements set out in 408 and documents submitted based on 409, the Exchange may:
 - a. reject such Customer's compensation claim; or
 - b. accept the Customer's compensation claim in part or in whole.

6. No action shall be taken against the Exchange's decision of rejection of the Customer's compensation claim (in part or in whole) within 3 (three) months from the date of such notification to the Customer.

410. IMPLEMENTATION PROCEDURES FOR PAYMENT OF COMPENSATION CLAIM

1. The decision of the Exchange in respect of the compensation claim shall be submitted in writing to the Customer concerned at the latest 14 (fourteen) calendar days from the date of receipt of the complete claim documents as required in 408 and 409.
2. In the event the Exchange approves a claim for compensation caused by Event of Default and / or negligence of Futures Broker possessing futures broker business license, the payment of the Compensation Funds to the Customer shall be made no later than 14 (fourteen) calendar days following the date of the approval unless there is a considerable amount of indemnification, then the Exchange will determine any reasonable period of time and is required to process all such claims.
3. In the event the Exchange approves a claim for compensation caused by Event of Default and / or negligence of Futures Broker whose futures broker business license has been revoked, the payment of the Compensation Funds to the Customer shall be made after the Exchange:
 - a. has announced to the public through mass media with national wide circulation of the Customer's compensation claim to the Exchange no later than 14 (fourteen) calendar days after the date on which the Customer's compensation claim is approved by the Exchange; and
 - b. has issued decision on all compensation claims it receives after the announcement.
4. Customer deemed to have suffered from loss due to actions of Futures Broker, but has not filed a claim for compensation may file a claim for compensation to the Exchange no later than 14 (fourteen) calendar days after the date the mass media announcement as referred to in provision 410.3.a is issued by providing the documents in complete as required by the Exchange.
5. The Exchange shall inspect and examine such evidence of compensation claim as referred to in section 409 above and shall have the right to decide:
 - a. reject such Customer's compensation claim, if it does not meet the requirements as referred to in the provisions of 408 point 1-5 above; or
 - b. accept the Customer's compensation claim in part or in whole.
6. The decision of the Exchange in respect of the compensation claim as referred to in article 410.5 shall be submitted in writing to the Customer concerned within a maximum of 14 (fourteen) calendar days from the date of receipt of all compensation claims, save for when a large number of claims has been received, the Exchange may determine any reasonable time required to process all the claims.

7. The Exchange shall pay the Compensation Funds to the Customer after issuing the decision as referred to in the provision 410.5 within period of no later than 14 (fourteen) calendar days.
8. Any compensation claim taken from the Compensation Funds other than those mentioned in this Exchange Rules shall be rejected unless the Exchange determines otherwise

411. RECOVERY OF COMPENSATION FUNDS

1. Futures Broker committing an Event of Default and/or other negligence which causes loss to the Customer shall pay the Exchange an amount equal to the amount of the Compensation Funds already paid to the Customer by way of depositing such amount to the Exchange no later than 3 (three) Business Days from the notification date from the Exchange.
2. In the event the Futures Broker fails to perform its obligations to repay the Compensation Funds, the Exchange may:
 - a. impose sanction and fine on the relevant Futures Broker if the Futures Broker is still listed as Exchange Member; and / or
 - b. take legal action against the Futures Broker concerned
3. The delay in refunding of the Compensation Funds by the Futures Broker as referred to in 411.2 above shall be subject to interest at a rate stipulated by the Exchange.
4. The Exchange may require the Customer and / or the Exchange Member to make or provide any data, records, agreements, contracts, documents, statements, evidence necessary to support any remedy against the Exchange Member or any other party in connection with the Event of Default and/or any other negligence committed by the Exchange Member or any other party
5. In the event Exchange Member fails to satisfy the aforementioned Exchange's request in 411.4 above, the Exchange may impose sanction and find on the Exchange Member
6. In the event the Compensation Funds is permitted for use as referred to in this Exchange Rules has been used to pay the Customer's compensation claim, any decision issued relating thereto and other claims against the Compensation Funds arising from default and/or negligence of Futures Broker shall be deemed a settlement.
7. In the case of a Broker Futures Exchange Member committed an Event of Default and / or other negligence causing loss to the that the Customer fails to perform its obligation to repay the Compensation Funds, the Exchange is authorized to require other Futures Broker Members to pay the Compensation Funds issued by the Exchange and not refunded by the Futures Broker Member committing the Event of Default.

8. In the event of the circumstances referred to in the above provision 411.7, the amount of the Compensation Funds which must be deposited by a Non-Default Futures Broker Exchange Member shall be calculated on the basis of the following formula:

$$\frac{\sum (\text{Non-Refundable Compensation Funds of Futures Brokers})}{\sum (\text{An exchange member futures broker non Default})}$$

9. The Compensation Funds referred to in item 411.8 above shall be deposited by a Non-Default Broker Futures Exchange Member to the Exchange Account as stipulated in the Exchange Decree within the period stipulated by the Exchange.

412. LIMITATION OF LIABILITY OF THE EXCHANGE

1. In addition to the Compensation Funds, neither funds nor other assets of the Exchange shall be calculated to pay the Customer's compensation claim due to Futures Broker's Event of Default and/or negligence, whether such claim is a part of a judicial decision of court or arbitration body in accordance with the Prevailing Laws and Exchange Rules
2. The Exchange shall not be liable to, accordingly shall be released from any claim to the Exchange for any consequential damages or otherwise, including but not limited to loss of profits, damages, losses, or delays, either directly or indirectly, which arise from:
 - a. any action taken by the Exchange in relation to the waiver of its legal liability including but not limited to temporary dismissal, termination or closure of a trade for the reasons permitted under applicable Prevailing Laws; and
 - b. any failure or malfunction of trading system of the Exchange.

CHAPTER V TRADING MECHANISM

500. MULTILATERAL TRADING MECHANISM

The multilateral trading mechanism is divided into 3 stages:

- a. pre-transaction mechanism;
- b. transaction mechanism; and
- c. post transaction mechanism

501. PRE-TRANSACTION MECHANISM

501.1 MARGIN AND TRANSACTION GUARANTEE

1. Exchange Member which is also a Clearing Member shall always meet the Margin and/or guarantee requirements in the form and amount determined by the Exchange and Clearing House.
2. Futures Broker shall collect Margin from its Customers whose amount is determined by the Exchange and the Clearing House.
3. Futures Broker is prohibited from receiving a new Order from its Customer if the Customer's Margin used to guarantee a pre-existing Open Position does not meet the Margin requirements specified under the Contract, this Exchange Rules and the Clearing Rules, unless such new Order reduces the Customer's margin requirements to the specified levels.
4. Futures Broker may request additional Margin to the Customer at its own consideration, however, when the Customer Margin is less than the Minimum Margin, the Futures Broker shall ask for an additional Margin to satisfy the required minimum Margin limit. If the Customer fails to fulfill the request within a period of two hours from the additional Margin request, the Futures Broker may close any of the Customer's Open Positions until such Customer's balance meets the minimum Margin requirement.
5. In the event the Futures Broker fails to maintain the minimum Margin amount as determined by the Exchange, the Clearing House is authorized to immediately close its Open Position in whole or in part.

501.2 TRADE CODE AND ACCESS

1. The Exchange provides the ATS access code to the Exchange Members. Any Exchange Member is obliged to change its access code when it is accessing the ATS for the first time. The access code is confidential and should not be communicated to anyone else.

2. Futures Broker is responsible for maintaining the confidentiality of the access code provided by the Exchange and releases the Exchange from any loss, claim, liability or consequences of any misuse and use of the access code.
3. The granting of the access code shall be the absolute discretion of the Exchange. The Exchange may determine the number of User ID to be issued for each Exchange Member, determine the specifications required to access the ATS and de-active the User ID, if the Exchange believes that the use of such User ID would affect fair, transparent operation of market.
4. Futures Broker is responsible for creating and managing sub-account and access code of ATS for its Customers.

501.3 TRADE SYSTEM

1. Contract trading is maintained through Automated Trading System (ATS provided by the Exchange).
2. All trade transactions shall be carried out properly through the ATS Exchange as stipulated in the Exchange Rules and the Prevailing Laws;
3. Exchange Members shall comply with the technical, operational, information technology, security, risk management and other requirements or limitations as defined in this Exchange Regulation or as determined by the Exchange from time to time;
4. Exchange Members shall ensure that their systems and network connections to the Exchange operate properly, and have sufficient capacity to accommodate varying levels of trading volume;
5. Exchange Members shall place security arrangements to ensure the rejection of unauthorized Party to access trading on the Exchange.
6. Trading in the Exchange shall be conducted on a daily basis and trading hours specified further in the Contract

502. TRANSACTION MECHANISM

502.1 IMPLEMENTATION OF TRANSACTIONS

I. Trade Opening Period

1. Trading opening period shall be conducted during trading hours in accordance with the provisions of each respective Contract. Unless otherwise specified in the Contract Specification, the trading opening period is 5 (five) minutes or another period of time as determined by the Board of Directors of the Exchange, prior to the opening of or start of trading period/session period.

2. During the trading opening period, a pending order may be forwarded to the electronic list of orders, but matching cannot be conducted until the trading period is opened/trading session period is started.
3. The bid and sell Order that have been forwarded to the ATS during the trading opening period may be changed or canceled prior to the matching process.
4. Unless otherwise specified in the related Contract Specification, there will be a pre-opening session prior to the trading session, during which the ATS carries out the matching process of orders available in the electronic list of orders with the following procedure:
 - a. current price is calculated based on the equilibrium between all ask prices and bid prices resulting in the highest volume of transactions, where applicable referring to other world exchange prices for global products; and
 - b. all buy offers which are higher than or equal to the current price, and all sell offers which are lower than or equal to the current price will be allocated based on the priority as set out in this Exchange Rules

II. TRADING SESSION PERIOD

1. During the trading session period, the following event(s) will occur on all buy orders and sell orders:
 - a. validation process which includes analysis of Customer access code and Margin adequacy;
 - b. matching of all Orders in accordance with the rules of priority order of price and time; and
 - c. the matching result is displayed and confirmed to the Customer.
2. Futures Broker is responsible for analyzing the description of transactions that occur, and must report the Exchange of any found mistake no later than the trading session opening on the next day

III. TRADING CLOSING PERIOD

1. All unmatched buy and sell Orders at the end of Trading Day shall be treated in accordance with the validity of the Order chosen by the user. The validity of the Order may last one Trading Day, or until Friday of the current week, or until the Order is fulfilled.
2. The ATS will print a list of all deleted orders.
3. The closing price will be determined based on the last done price.

502.2 PARAMETER OF PRICE

1. At the time of making a Contract available for trading in the system, the Exchange will decide its base price, which will be a notional price based on the spot market price of that commodity on the previous day and a notional carrying cost or a reference price available in any other derivatives exchange.
2. Base price shall be taken as previous day's closing price of the Contract, however for the first trading day (launch day) of each contract, Exchange shall determine base price as under:
 - a. Volume Weighted Average Price (VWAP) of the first half an hour, subject to minimum of ten trades;
 - b. If sufficient number of trades are not executed during the first half an hour, then the VWAP of the first one hour trade shall be subject to minimum of ten trades;
 - c. If sufficient number of trades are not executed even during the first hour of the day then VWAP of the first ten trades during the day.

The base price arrived as per a, b or c above, as the case may be, shall be calculated by the Exchange and shall be used to determine Daily Price Limit for the remaining part of the day.

3. Daily Price Limit for each Contract shall be determined by the Exchange based on the analysis of price movements and the surveillance findings. Once the Daily Price Limit is reached in a Contract, the Daily Price Limit shall be relaxed further by 1st enhanced Daily Price Limit without any cooling off period in a trading.
4. In case, the first enhanced Daily Price Limit is also breached, then after cooling period of 15 minutes. The Daily Price Limit shall be further relaxed by the second enhanced Daily Price Limit.
5. In case price movement in referenceable international market is more than the total enhanced Daily Price Limit, the same may be further relaxed in steps of a certain percentage determined by the Exchange.
6. The Exchange shall immediately inform CoFTRA on any such relaxation of Daily Price Limit beyond the total enhanced Daily Price Limit, along with all the relevant details and justification.

502.2.1 CLOSING PRICE

1. At the end of a trading day, the Exchange system shall calculate the Closing Price of each and every contract traded on the system. The logic for calculation of Closing Price shall be as follows:

- a. Closing Price is equal to weighted average price of all trades done during the last 30 minutes of a Trading Day;
 - b. If the number of trades during the last 30 minutes are less than 10, then it is based on the weighted average price of the last 10 trades executed during the day;
 - c. If the number of trades done during the day are less than 10, then it is taken as the weighted average of all the trades executed during the day;
 - d. If no trades have been executed in a contract on a day, then the official closing price of the last day is taken as the official Closing Price.
2. In some cases, the Exchange shall have the right to modify the Closing Price for the purpose of marking to market and making the Open Positions closer to the market.
 3. Contract is considered as active if the close price of such Contract is determined by a, b or c above.
 4. If no Trades have been executed in a Contract on a day, then, Exchange reserves the right to modify the Closing Price for the purpose of mark to market and making the open positions closer to the market in one of the following methods, as deemed appropriate:
 - a. Method 1:

The spread prevailing between the active Contracts, shall be used to determine the theoretical futures price for other contracts that do not meet the criteria for liquid Contract as stated above in the same Commodity;
 - b. Method 2:

Prices available for comparable commodity/contracts in domestic/internationally reference markets (converted to IDR at the prevailing mid exchange rate of Bank of Indonesia).
 - c. Method 3:

Further, Exchange and/or Clearing House may arrive at the close price through any other method, which the Exchange in its absolute discretion considers appropriate, in order to reflect a fair close price of the illiquid contract

502.2.2 FINAL SETTLEMENT PRICE

1. Unless otherwise specified in the Contract Specification, the Final Settlement Price shall be determined by taking the simple average of the last pooled spot prices of the last three trading days. In the event the spot price for any of the last three trading days is not available, the simple average of the last pooled spot prices of the last three trading days whichever available shall be taken as Final Settlement Price.

2. In case of non-availability of reference price in the Contract Specification or the pooled spot prices in last three trading days due to illiquid Contract, emergency situation or other circumstances which affecting the Derivatives Trading, the Exchange shall decide further course of action for determining Final Settlement Price.
3. Notwithstanding anything contained herein or in the Contract Specification, Exchange and/or Clearing House may determine or change Final Settlement Price, which the Exchange in its absolute discretion considers appropriate, in order to reflect a fair Final Settlement Price.

502.3 DISTRIBUTION OF ORDER

1. Order can only be entered in the Electronic List of Orders during trading hours.
2. Order entered in the electronic list of orders shall be recorded in the ATS in accordance with the priority of price and time until the time of transaction or cancellation, or according to the rules as stipulated by the Exchange, until the closing time of electronic trading hour.
3. All Order entered in ATS will be matched by prioritizing price. In this case Order(s) with best price (highest ask/ lowest bid) will be given priority over other Order in the same month or Contract spread

502.4 ORDER EXECUTION TYPE

The type of execution of Order entered in the ATS consists of:

1. Market Order, which is buy Order or sell Order of Futures Contract which is executed at market price.
2. Pending Order, which is a buy Order or sell Order of a Contract that is executed if the market price has reached certain level of the order. The types of pending order provided by the ATS are:
 - a. Limit Order
 - i. Buy-limit order is an Order to buy Futures Contract at a certain price, which will be market order if the market price is equal to or lower than the specified price.
 - ii. Sell-limit order is an Order to sell Futures Contract at a certain price, which will become market order if the market price is equal to or higher than the specified price.
 - b. Stop Order
 - i. Buy-stop Order is an order to buy futures contract at a certain price, which will be market order if the market price is equal to or higher than the specified price.

- ii. Sell-stop order is an Order to sell Futures Contract at a certain price, which will be market order if the market price is equal to or lower than the specified price.

502.5 ORDER PRIORITY OF EXECUTION/ INSERTION SEQUENCE

Market order is given a higher priority than the pending order. All market orders are determined based on the sequence of entry time of the order. All pending orders are determined based on the requirements of each order.

502.6 CONTENT OF ORDER

Below are items that must be included when executing the buy and sell Order:

- a. Order type;
- b. type of contract and contract month;
- c. price;
- d. number of lot;
- e. other information as specified in the manual book of the ATS.

502.7 MODIFICATION AND CANCELLATION OF ORDER

1. Change or cancellation of unmatched Order may be made at any time and may be made in any or all contents of the order. All market Order are entered according to the sequence of entry time of the Order.
2. Change or cancellation of content of the Order below does not alter the sequence of the order in the matching process:
 - a. lot quantity reduction;
 - b. Customer's code change in case of typos
3. Member shall be responsible for the change and cancellation of Order and any consequences arising thereof.

502.8 FOUND TRANSACTION ERRORS

1. If an Order in process is lost due to the failure of the trading system, the Order is considered non-existent.
2. Where an Order is accidentally entered 2 (two) times or more, all Orders are considered valid.

502.9 ORDER AT THE END OF TRADING DAY

1. At the end of trading day, all unmatched buy and sell Orders will be deleted.
2. The Exchange will electronically transmit confirmation of the execution of the transaction to each Member involved in the transaction at the end of the trading day. The confirmation contains at least the following: transaction number, transaction time, Customer code, number of lot, price, type of buy or sell transactions

502.10 OPEN POSITION

1. All Contracts will remain in force and open, and bind any party that has an Open Position, until being closed in the following ways:
 - a. Liquidation;
 - b. Physical delivery or cash settlement as specified in the futures contract specification; or
 - c. other mechanisms as determined by the Exchange.
2. The Exchange may request to close the Open Position of the Exchange Member and / or take any other actions it deems necessary in order to protect the Customer or to maintain market integrity and market transparency. In such case, Exchange Member shall comply with, adhere to and be willing to fully cooperate in accordance with the directives and instructions of the Exchange.
3. The amount of the Open Position limit must be reported by the Exchange and / or Clearing House in the respective Contract in accordance with the applicable Prevailing Laws. The regulated issues are as follows:
 - a. Maximum Open Position for buy and / or sell orders held by Exchange Member itself and its Customer;
 - b. Maximum number of Open Positions that any Exchange Member may hold in each one Contract or more;
 - c. The number of Open Positions that an Exchange Member may hold in each Contract as a percentage of the total Open Position in the Contract; and / or
 - d. Other criteria deemed appropriate and related to the Exchange Member's Open Position.
4. To determine the Open Position limit, a calculation of aggregate / overall open positions in the relevant account is made by summing them up in total.
5. All positions held by authorized person or controlled by him are directly or indirectly deemed to be the position of such person and shall therefore comply with the provisions of the Open Position limit as provided in the Contract. However, if different limits of the Open Position as specified in the Contract are required, the Exchange may determine the same at its sole and full authority.

6. The Exchange may grant exceptional position limits to Exchange Member or its Customers which may indicate that its futures and options positions are part of the trading transaction strategy and / or for the purposes of hedging transactions with proper use.
7. Exchange Member shall be obliged to provide daily report of Open Position at the Exchange. The report is made in the form set by the Exchange under an Exchange Decree
8. Exchange Member may retain an Open Position daily report on all accounts at the end of Trading Day using the form to be given to the Exchange in accordance with the operational procedures and schedule as stated in the Exchange Decree. Exchange Member is required to report Open Position in any omnibus sub accounts.
9. If Exchange Member fails to submit any information, returns, or reporting as contained in the Exchange Rules within the stipulated period, it will be subject to a late fee whose amount is set by the Exchange under an Exchange Decree, unless a time extension has been granted to the Exchange Member.
10. If Exchange Member fails to comply with the specified Variation Margin and Specific Margin within a given period of time, it shall be subject to late fine for each day of delay, unless a time extension has been granted to the Exchange Member. The late fee is set at a certain amount under an Exchange Decree.
11. If Exchange notifies incomplete information, documents, reports or financial obligations related to the Contract the Exchange Member shall submit the same in complete as required by the Exchange.

502.11 MANDATORY REPORTED POSITION

1. Futures Broker shall report to the Exchange its Customer's position or its own position if it has reached the Mandatory Report Position as referred to in the applicable Prevailing Laws.
2. Futures Trader shall report to the Exchange its position if it has reached the Mandatory Report Position as referred to in the applicable Prevailing Laws.
3. The Exchange shall at all times be entitled to request reports from Exchange Member who have reached the Mandatory Report Position, which includes:
 - a. Exchange Member Statement, which must be submitted no later than 10 (ten) calendar days upon receiving the written request from the Exchange;
 - b. Transaction report and open position of futures contract, which must be submitted no later than 1 (one) working day upon receiving the written request from the Exchange;
 - c. Position possession duration report, unless requested otherwise.

4. The Exchange may impose any action and prohibition on Exchange Member to ensure the compliance of Exchange Member or its Customer with any limit / position limit set by the Exchange. This includes (but is not limited to) requiring Exchange Member or its Customers, to:
 - a. stop any further increases in the Open Position;
 - b. liquidate the Open Position within the period stipulated by the Exchange; or
 - c. subject to higher Margin requirements.
5. Exchange Member shall ensure that its Customer does not transact over the position limit. Exchange Member may be found guilty of excessive trading if it commences trading or conducts transactions exceeding the limit set by the Exchange and CoFTRA. If Exchange Member is found in breach of this rule, then:
 - a. The Exchange at its own discretion may suspend the Exchange Member under recommendation of the Regulatory Enforcement Committee based Hearings in relation to the actions taken by Exchange Member;
 - b. After receiving such notice from the Exchange or Clearing House, the Clearing Member who collaborates with the Exchange Member or the Exchange Member itself shall withhold any profit due or payable to such Exchange Member from transactions resulting from excessive trade, or levies becoming due or payable to the Exchange Member as directed by the Exchange or the Clearing Member until the Regulatory Enforcement Committee has completed the Hearing in relation to the actions taken by the Exchange Member or until a period of time as stipulated by the Exchange; and
 - c. The Exchange may direct the Clearing House to withhold any profit due or payable to any Clearing Member from transactions resulting from excessive trading, or any levies due or payable to the Clearing Member until the Regulatory Enforcement Committee has completed the Hearing of the Exchange Member.
6. Any trading that exceeds any position limits set by the Exchange, Clearing House, Bappebti and / or Clearing Member cooperating with the Exchange Member shall be deemed a violation under this Exchange Rules and shall be punishable.
7. If Exchange Member is found guilty of excessive trading by the Exchange, the Exchange shall not necessarily indicate that Exchange Member has intention to do excessive trading. Such excessive trading shall have constitute a violation of this Exchange Rules in and of itself.

502.12 CANCELLATION OF TRANSACTIONS DURING TRADING PERIOD

The Exchange may cancel a transaction, if any of the following conditions has occurred:

- a. There is a clear indication of manipulation, rigging or distortion of price and/or market manipulation;
- b. The dealt price may cause damage to market integrity;
- c. Transactions are conducted in violation of ethic codes of trading;
- d. There is a significant price deviation on the price of the underlying asset caused by human error or information system failure or any other causes that can be detected and proven

502.13 MATCHING PROCESS

1. The process of matching between the sell and buy Order in the ATS is set based on price priority and time priority. Price priority comes before time priority.
2. For an Order having the same price it shall be based on the priority of time, unless there is one or more specific transaction algorithms applied to the Order.
3. If one or more matching trade transaction algorithm is applicable, an Order that has the same price point shall be matched and allocated to a price point maker status or order from a designated market maker or prorate order. If so, it will receive priority from other Order entered before such Order. The priority between each trading matching algorithm (if more than one matching algorithm can be applied) will be notified to the Exchange Member.

502.14 ADDITIONAL TRADING PROCEDURES

The Exchange is authorized to make additional trading procedures other than those listed in this Exchange Rules, including the procedure for determining the spread of buy price and sell price compared to the previous Settlement Price.

503. POST-TRANSACTION MECHANISMS

503.1. TRANSACTION REGISTRATION WITH CLEARING HOUSE

All transactions that have occurred and have been confirmed by the ATS will be forwarded electronically to the Clearing House for novation by the Clearing House. If there is an acknowledgment by Exchange Member that it has made a mistake in Electronic trading, then the transaction may be canceled if approved by the opposing party. The cancellation must be announced to the market through ATS.

503.2 SETTLEMENT OF TRANSACTIONS

The Futures Contract specifies final settlement modalities: physical delivery at standard delivery locations, and/or physical delivery through alternative arrangements (including Exchange of Futures for Physicals), and/or cash settlement. The Exchange publishes Exchange Decree from time to time to set out the details of these settlement modalities.

503.3 PROCEDURE IN CASE OF PHYSICAL DELIVERY AT STANDARD DELIVERY

1. The seller may make physical delivery at the Registered Delivery Place in accordance with the provisions set forth in the relevant Contract Specification.
2. Delivery time shall comply with the following terms(s):
 - a. Delivery of Commodity shall be made within the specified time according to the relevant Contract Specification.
 - b. Seller having open sell position until the end of the first session of the last Trading Day in the Delivery Month shall submit the delivery notice and/or other related documents according to as specified in the relevant Contract Specification.
3. Delivery notice shall comply with the following terms(s):
 - a. Seller required to make Delivery must submit the Delivery notice to the Clearing House as per the form and within the time specified by the Clearing House in the relevant Contract Specification.
 - b. Delivery notice must contain information or data on the type of documents used to transfer ownership of Commodity to be delivered and other information required by the Clearing House
4. Notice to Buyer shall comply with the following term(s):
 - a. On the same day as the receipt of the Delivery notice from the Seller, the Clearing House allocates the Delivery notice to Buyer.
 - b. Allocation to Buyer is done randomly accordingly with provisions in the relevant Contract.
 - c. Clearing House will notify the allocation to the Buyer and the Exchange on the next Trading Day.
 - d. Buyer who is given the delivery notice shall accept it
 - e. Settlement Price is determined on Trading Day prior to the day of receipt of the Delivery notice.

5. Unless otherwise specified in the relevant type of futures contract, the Buyer receiving the allocation of the delivery notice shall make payment at the latest at 12.00 Western Indonesia Time to the Clearing House on the next Trading Day.
6. Delivery of documents shall comply with the following provision(s):
 - a. Seller who makes Delivery notice shall submit the Title Document as determined by the Clearing House no later than 12.00 am of the next Trading Day to the Clearing House
 - b. Buyer is entitled to obtain all delivered documents no later than 14:00 PM on the same day of the payment by showing transfer slip or book transfer.
 - c. Clearing House will transmit or transfer the payment into the Seller's account no later than 14.00 PM on the same Business Day.

503.4 DELIVERY PLACE

1. Physical Delivery of the Commodity shall be made at the Delivery Place.
2. The agreed delivery place must meet the Delivery Place requirements stipulated by the Exchange.
3. The Exchange shall keep a list of ports, factories, surveyors, testers, analysts and other organizations as well as appraisers as specified in the Contract Specification. A current and updated list of such items will be available on the Exchange's official website.
4. From time to time, the Exchange may list or delete any item in the list referring to the Contract Specification. The Designated Port refers to any Port designated by the Exchange for loading and unloading purposes as specified in the Contract Specification.

503.5 OBLIGATIONS OF DELIVERY PLACE MANAGER AND OTHER SIMILAR INSTITUTIONS

A Delivery Place manager and other similar institutions issuing a warrant for the purpose of a physical settlement of a Contract that is due, shall:

- a. keep documents and present them to the Exchange upon request;
- b. report and give permission for inspection of commodity stock stored in or to be transferred from the Delivery Place to other similar institutions, including documents on the type, quality and quantity (volume) of the Commodity.

503.6 RELEASE OF EXCHANGE LIABILITIES DUE TO EXAMINER NEGLIGENCE

1. The Exchange shall not be liable for any negligence or omission of the examiner in the inspection of the Commodity and data as contained in the quality certificate, and/or scales certificate, and/or acceptance test certificate in accordance with the prevailing laws and Exchange Rules.

2. By requesting the Exchange for inspection of commodity to obtain a quality certificate or scales certificate or acceptance test certificate, the Exchange Member shall release and hold harmless the Exchange from all liabilities in respect of such examination.
3. The Exchange shall not be liable to:
 - a. inspect any commodities or documents received from or submitted through a Clearing Member in relation to an obligation to make or receive delivery under a Futures Contract with an open delivery;
 - b. inspect the availability or suitability of ports, factories, surveyors, testers, analysts and other organizations and appointed appraisers as described in the Contract Specification.
4. The Exchange does not accept any liability and does not guarantee the fulfillment of standardization of goods at the time of disposal from the warehouse for any physical delivery obligation under each Contract with delivery. The Exchange further excludes any liability arising out of or in connection with:
 - a. delivery or Non-Delivery of Title Document by any Clearing Member; and
 - b. any deviation on the transfer of Commodity rights from Seller to Buyer.
5. The Exchange does not accept any liability in connection with any claims arising out of:
 - a. falsification or deviation of documents relating to a Contract with delivery completed through a Clearing Member; or
 - b. any non-fulfillment of a Contract with an open delivery arising from such forgery.

503.7 FINAL AND BINDING NATURE OF INSPECTION CERTIFICATE

1. Commodities traded on the Exchange shall be subject to inspection and certification requirements in relation to the quality and volume of goods in accordance with the provisions stipulated by the Exchange contained in the Contract Specification and applicable Prevailing Laws.
2. In the event that the Commodity is not accompanied by quality certificate, scales certificate and acceptance test certificate, the Exchange Member may submit a request for inspection to the Delivery Place through the Exchange.
3. The Exchange shall not be liable for any claim for compensation files on the basis of the quality, quantity or specification of the commodity already delivered on the basis of the quality certificate, scales certificate, and acceptance test certificate.

503.8 DELIVERY THROUGH CLEARING HOUSE

All physical delivery of Commodities to fulfill Futures Contract settlement shall be made through the Clearing House. Exchange and The Clearing House will determine the terms and form necessary to perform and complete the submission in Exchange Decree.

CHAPTER VI RIGHTS AND OBLIGATIONS

600. THE RIGHTS OF EXCHANGE MEMBER

1. Any Exchange Member shall have the following rights:
 - a. use the ATS and / or facilities provided by the Exchange;
 - b. use the Exchange name reasonably and correctly in order to run its business in the Futures Trading environment;
 - c. obtain training and education related to Exchange Rules, Contracts and systems in accordance with the program schedule as set out by the Exchange;
 - d. obtain information from the Exchange relating to:
 - i. Changes and / or amendments to the Exchange Rules;
 - ii. Contract Specification and any changes thereof;
 - iii. Exchange Decree pertaining to Exchange activities
 - e. Obtain the settlement of disputes which may arise between the Exchange Member and its Customer or other Exchange Members through consultation mechanisms and mediation processes facilitated by the Exchange;
 - f. Become a Clearing Member if it meets the requirements stipulated by the Clearing House;
 - g. With respect to a Remote Futures Exchange Member, it is only entitled to conduct transactions in the Exchange for and on behalf of itself and its business group.
2. All of the aforesaid Exchange Member's rights shall be effective only after obtaining Business License and / or Registration Certificate from Coftra and as long as the Business License and/or Registration Certificate is valid.
3. The Exchange shall not be liable for any risks or liabilities that may arise from Futures Trading activities conducted by Exchange Member having no Business License and / or Registration Certificate from CoFTRA.

601. RESPONSIBILITIES OF EXCHANGE MEMBER

1. When conducting a trading transaction on the Exchange, Exchange Member must:
 - a. exhibit a high standard of integrity, good behavior and honesty in trading;

- b. act with appropriate skills, prudence and accuracy;
 - c. refrain from taking any actions that could harm the reputation of the Exchange or any Exchange Member.
2. Each corporate Exchange Member shall ensure that any of its deed of memorandum and articles of association or other related legal documents comply with the provisions of this Exchange Rules in order to be able to perform the obligations, terms and conditions contained in this Exchange Rules. Such Exchange Member may amend its deed of memorandum and Articles of Association or other relevant legal documents to the extent necessary to ensure conformity with this Exchange Rules.
3. All actions and activities performed by the management board and/or leader, and/or employees, and/or agents, and/or consultants, and/or authorized agent or proxy of the Exchange Member in the scope of their work or occupation, resulting in an Event of Default or otherwise which are contrary to the Exchange Rules, the Exchange Decree and/or the Prevailing Laws shall be the sole responsibility and risk of the Exchange Member concerned.
4. The Exchange Member shall be responsible for the settlement of unresolved margin obligations and responsibilities to the Clearing Member and its Customer.
5. Exchange Member may conduct its business activities on any exchanges, as long as the execution of such business activities is not prohibited by the Exchange. The Exchange Member is solely responsible for complying with applicable Prevailing Laws and trading practices on such other exchange.
6. In connection with transactions conducted by the Exchange Member on behalf of the Customer, the Exchange Member shall do the following:
 - a. Before commencing the transaction on behalf of Customer in the Exchange:
 - i. Exchange Member shall enter into an agreement with the Customer in a form which meets the minimum requirements determined by the Exchange;
 - ii. Exchange Member shall provide the Customer with a Risk Disclosure Statement Document, in a form which meets the minimum requirements prescribed by the Exchange and the Prevailing Laws, and also receive from the Customer a written acknowledgment stating that the Customer has read and understood the Risk Disclosure Statement Document;
 - iii. Exchange Member shall ensure that each of its Futures Brokers complies with all the principles of the Customer's suitability test in accordance with the Prevailing Laws and as determined by the authorized government institution;
 - iv. Exchange Member is required to obtain documents and information determined by the Exchange from time to time in accordance with the Prevailing Laws, this Exchange Rules and / or the Notice, to ensure that the identity of the Customer and the source of funds to be used by the Customer in conducting the transaction

are verified by the Exchange Member; and

- v. The Exchange Member shall notify the Customer (in a manner set forth in the Customer agreement as referred to in point (a) above, or by any other means as approved by the Exchange) any limitations of liability and immunity which apply to the Exchange under this Exchange Rules or otherwise.
 - b. The Exchange Member shall ensure that each of its Futures Brokers shall act on behalf of the Customer only as instructed by the Customer (or any person authorized by the Customer under a power of attorney, which power of attorney shall specify the Customer's consent to the Futures Broker to act on the instruction of the authorized, and shall immediately submit the copy thereof to the Exchange upon request).
 - c. Exchange Member shall prohibit, and shall ensure and assume liability that any of its employee shall not, disclose any orders or instructions of transactions of any other party, except:
 - i. As long as it is necessary to channel the order to the ATS;
 - ii. to employee of the Exchange authorized to receive such information;
 - iii. to employee of the Clearing House authorized to receive such information; or
 - iv. to Coftra or other law enforcement agency in Indonesia or other authorized government body in Indonesia controlling the activities of the Exchange Member.
 - d. Exchange Member shall provide each of its Customers with all information, guidance and training in the manner as required by the Exchange from time to time.
 - e. Exchange Member shall provide the Exchange, upon request, with a copy of any Customer transaction report or contract record or order form and any other relevant documents for inspection by the Exchange. The Exchange shall have the right to make copy of all such documents as provided in the Prevailing Laws.
7. Exchange Member shall be responsible for meeting business continuity requirements by inter alia the following actions:
- a. Exchange Member shall assess its business and operational risk and maintain adequate business continuity arrangements;
 - b. Exchange Member shall document the business continuity arrangements in a business continuity plan;
 - c. Senior management of the Exchange Member is responsible for the business continuity plan. Adequate awareness of risks, mitigation efforts and preparedness shall be proved by an attestation of the Director of the Exchange Member;
 - d. Exchange Member shall review and conduct regular testing of its business continuity plan;

- e. Exchange Member shall appoint a person(s) who is reachable in the event of a Material Event, and provide contact information of such person(s) to the Exchange. Person(s) appointed by the Exchange Member to be contacted in the event of a Material Event shall be contactable at any time, and promptly notify the Exchange in the event of a Material Event;
8. Exchange Member shall be responsible for its legal obligations to the Customer by, inter alia, the following actions:
 - a. segregate Customer's funds and assets from its own and Exchange Member's funds;
 - b. deposit Customer's funds and assets in a segregated account;
 - c. establish and keep a segregated accounting for assets and funds of each of its Customers.
9. Exchange Member must comply with the following segregation requirements:
 - a. In the event that the Exchange Member meets all the segregation requirements under the Prevailing Laws. Except as permitted under the Prevailing Laws, the Exchange Member is prohibited from depositing or combining its own funds and assets with the funds and assets of its Customers; and
 - b. In the event the Remote Trader meets the segregation requirements as determined by the relevant authority, it shall promptly notify the Exchange of any changes to such segregation requirements. Without prejudice to the foregoing, the Exchange has the authority to impose additional terms.

602. GENERAL OBLIGATIONS OF EXCHANGE MEMBER

1. Each Exchange Member shall have the following general obligations:
 - a. comply with the Exchange Rules, Exchange Decrees, Prevailing Regulations on Futures Trading and other applicable regulations, including, but not limited to, regulations on money misconduct or market abuse;
 - b. pay all financial obligations in accordance with the provisions stipulated by the Exchange;
 - c. maintain systems and procedures for the transactions, recording, reporting and settlement of Contracts in accordance with those stipulated by the Exchange;
 - d. upgrade software and hardware as notified by the Exchange and / or Clearing House from time to time;
 - e. participate in trading simulation sessions organized by the Exchange to test the updated software, as well as to test new products to be traded on the Exchange;

- f. has employees with sufficient knowledge, expertise and experience and attend any training conducted by the Exchange;
 - g. fulfil and maintain the financial and other financial obligations as stipulated by the Exchange;
 - h. keep financial documents, annual reports and other documents as required by the Exchange;
 - i. be cooperative with the Exchange in any audit of bookkeeping and others related to the Exchange Member's Futures Trading activities;
 - j. keep and maintain standard business ethics with high integrity and honesty in good faith;
 - k. comply with the provisions of Separate Accounts in accordance with the Prevailing Lawss on Futures Trading;
 - l. specific to Futures Broker, it is not permitted to conduct transactions on the Customer's order before entering into a document notifying the existence of risks and authorization agreement;
 - m. does not make any false, misleading or inaccurate documents or information to be submitted to the Exchange;
 - n. Does not spread any false, misleading or inaccurate information about the Exchange, Clearing House or Futures Trading transactions;
 - o. Maintain and use the permits granted under the Prevailing Laws on Futures Trading or other regulations in accordance with their designation;
 - p. Fully comply with every decision of the Exchange.
2. For the avoidance of doubt, the failure of any Exchange Member to comply with the obligations provided for in this Article shall be considered a Violation of the Exchange Rules.

603. FINANCIAL OBLIGATIONS OF EXCHANGE MEMBER

1. Exchange Member shall be liable for the following financial obligations:
 - a. The Futures Broker shall have the following financial liabilities:
 - i. Registration fee;
 - ii. Membership fee;
 - iii. Compensation Funds;
 - iv. Monthly dues;

- v. Other fees set by the Exchange.
- b. Futures Trader and Remote Futures Trader shall have the following obligations:
 - i. Registration fee;
 - ii. Membership fee;
 - iii. Monthly dues;
 - iv. Other fees set by the Exchange.
 2. The amount, procedure and due date of payment of the above financial obligations shall be determined by the Exchange from time to time through the Exchange Decree.
 3. Exchange Member shall pay the financial obligations as stipulated by this Exchange Rules within the period as stipulated by the Exchange.
 4. Any delay or failure by the Exchange Member in fulfilling its financial obligations shall be imposed with fine as stipulated by the Exchange. In addition to such fine, the Exchange shall be entitled to impose administrative sanctions in the form of written warning and / or suspension and / or revocation of Exchange membership.

604. OBLIGATION OF SETTLEMENT OF TRANSACTIONS THROUGH CLEARING HOUSE

1. Exchange Member shall not be obliged to be a Futures Clearing Member. In the event it is not a Futures Clearing Member, such Exchange Member shall cooperate with a Broker or Futures Trader which is a Clearing Member.
2. All transactions undertaken by Exchange Member in the Exchange shall be cleared by the Clearing House through the Clearing Member in accordance with the Clearing Rules.
3. In the event there is a notification from a Clearing Member to the Exchange concerning the cancellation or termination of the clearing cooperation agreement, the relevant Exchange Member may access the ATS, but shall not be able to conduct any trade transactions until such clearing cooperation agreement is renewed or re-enforced

605. COMPLIANCE WITH PREVAILING LAWS AND EXCHANGE RULES

1. Exchange Member shall comply with the resolution(s) made by the Exchange, Prevailing Laws, Exchange Rules, including but not limited to, Exchange Decree, notices, circulars, instruction and orser issued by the Exchange from time to time.
2. Exchange Member shall ensure that all of its officers, employees including Futures Broker Representatives and its Customers at any time comply with applicable Prevailing Laws, Exchange Rules, Exchange Decree and all other provisions issued by the Exchange during trading transactions at the Exchange.

3. Each Exchange Member shall ensure from time to time that its articles of association and contracts with its Customer or other third parties are in compliance with, not contrary to and contain the provisions necessary to ensure that the Customer or third party is subject to the Exchange Rules and Exchange Decree. To the extent necessary, each Exchange Member shall amend its articles of association and contract with the Customer or other third parties to ensure the compliance of Exchange Member, Customer and third parties with the Exchange Rules and Exchange Decree.
4. The Exchange shall be authorized to impose penalties and administrative sanctions to the Exchange Member if the Exchange Member is in breach of and / or does not comply with all applicable Prevailing Laws, the Exchange Rules and other provisions issued by the Exchange as mentioned in provision 1 above.
5. Sanctions shall be imposed in the following order:
 - a. written warning;
 - b. monetary penalty;
 - c. suspension; and/or
 - d. revocation
6. Taking into account the type and level of offense committed by the Exchange Member, the Exchange may impose sanctions at once.
7. The procedure for such sanction imposition shall be regulated in the Chapter XI Part I of this Exchange Rules

606. NOTIFICATION TO THE EXCHANGE

1. Each Exchange Member and any of its proxy shall provide written notice to the Exchange (and any Exchange Member which also acts as Clearing Member shall give written notice to the Clearing House), of any actual or potential Event of Default or Violation and non-performance of obligations as referred to in this Exchange Rules.
2. Nothing in this Exchange Rules shall limit or waive the Exchange Member's reporting obligations to Coftra, the regulatory body or any other Parties to whom the issues shall be reported.
3. Exchange Member and its agent shall notify the Exchange in writing of any of the following events:
 - a. Any material changes to information provided in its membership application; or
 - b. Any fact or circumstance which may alter the legal or organizational form of an Exchange Member or its trading activities on the Exchange, including but not limited to, any consolidation, reorganization, merger, name change, change of control or any other similar matters.
4. Exchange Member and its agent shall notify the Exchange in writing or oral of any of the following actual or potential events on the Exchange Member and its proxy:

- a. Breach of any provisions of Prevailing Laws on Futures Trading, this Exchange Rules or other laws and regulations governing the activities of the Exchange Member;
 - b. Breach of any rules of other exchanges or markets (either domestic or overseas) having jurisdiction over the activities of the Exchange Member and its proxy including its board of directors, officers or employees;
 - c. Violation of any provisions relating to counterfeiting, fraud that occurs either within or beyond the territory of Indonesia;
 - d. Violation of any duties of the board of directors as provided in the applicable laws or otherwise;
 - e. it is being subject to written complaint or investigation relating to allegations of counterfeiting or fraud, both within and outside of Indonesia;
 - f. it is being subject to disciplinary action relating to suspension, termination, commission detention, fines or other significant activity restrictions;
 - g. involvement in an act, which results in violation of the provisions of Prevailing Laws on Futures Trading, Exchange Rules, and the Exchange Member's business licenses;
 - h. any action which is not consistent to the good conduct of business;
 - i. Action that adversely affects the financial integrity, reputation or interests of the Exchange or trading; or
 - j. bankruptcy or being subject to bankruptcy proceedings or corporate dissolution.
5. Exchange Member shall notify the Exchange and the Clearing House in writing with supporting evidence if the Customer is in the following actual or potential events:
- a. Bankrupt;
 - b. Mentally unwell;
 - c. Death; and
 - d. Other conditions leading to an instruction from the competent authority to close the account of the Customer.
6. As Exchange Member in the form of a limited liability company (LLC), therefore shall be obliged to give written notice to the Exchange of any of the following events:
- a. Change in the structure and composition of its shareholders, either due to the sale of shares, the issuance of new shares, the transfer of shares, merger, consolidation, acquisition or separation of the company;
 - b. Change in its articles of association;
 - c. Change in its company management structure;

- d. appointment of new auditor;
- e. Change in its office address and / or opening of new branch office;
- f. It is reported and/or alleged and /or indicted and/or declared guilty for a crime including but not limited to criminal acts in economic sector, embezzlement, fraud, theft, gambling, money laundering, corruption, fiduciary relationship abuse;
- g. It experiences rejection of applications, including, but not limited to, those applications for membership of another exchange or membership of clearing house and application for business permit by the competent authority;
- h. Sale of company assets in material or substantial value;
- i. Any violation or its allegation of Violation of the Exchange Rules and the Prevailing Laws on Futures Trading by its employees and/or Futures Broker Representative, and/or Customers (for Futures Broker);
- j. It or any of its Customers, officers, Futures Broker Representatives and employees is being subject to investigation, legal proceedings, sanctions or restrictions of rights by Coftra and/or other authorized institutions/agencies in connection with the business activities of the Exchange Member;
- k. It will be engaging or accept any proposal to engage in new business or has intention to change the aims and objectives of its company and/or business activities;
- l. It fails to satisfy financial and/or capital requirements in which its financial condition and/or company capital amount is below the minimum limit stipulated by the Exchange;
- m. Exchange Member which is also a member of another exchange, clearing house or market institution shall notify the Exchange of any sanctions or penalties charged on it by such other exchange, clearing house or market institution;
- n. Any event that may have adverse impact on the business activity or financial condition (including the ability to repay the matured debts) of the Exchange Member concerned, which may adversely affect the Exchange;
- o. Any appointment or revocation of authority of the its Futures Broker Representatives by Bappebti or other competent authority;
- p. Any changes to information, documents, facts or events that have been submitted to the Exchange during the membership application process, which is expected to have adverse impacts on the Exchange Member's performance of obligations as regulated in the Exchange Rules.

7. As natural person Exchange Member, therefore shall notify the Exchange in writing of any of the following events:
 - a. Any change in his/her name and/or address from those stated in his/her identity card;
 - b. He/she is reported and/or alleged and/or indicted and/or declared guilty for crime including, but not limited to, criminal acts in economic sectors, embezzlement, fraud, theft, gambling, money laundering, corruption;
 - c. He/she experiences a rejection of application, including, but not limited to, those applications for membership of another exchange, membership of clearing house, and application for business permit by the competent authority;
 - d. Any event which may affect the business activity or financial condition (including the ability to repay the matured debts) of the Exchange Member concerned, and affect the Exchange;
 - e. He/she is being subject to any investigation, legal proceedings, sanction or restriction of rights by Coftra and/or other competent authority;
 - f. He/she fails to meet financial and/or capital requirements in which his/her financial condition and/or company's capital is below the minimum limit as stipulated by the Exchange;
 - g. There is any change to information, documents, facts or events already submitted to the Exchange at the time of the membership application process, which is expected to have an adverse impact on his/her performance of obligations as stipulated in the Exchange Rules.
8. Exchange Member shall obtain prior written approval from the Exchange in the event of any change to its external auditor. For Remote Trader it shall notify the Exchange at least 7 (seven) working days prior to any change to its external auditor. Exchange Member shall appoint an external auditor who is acceptable to the competent regulatory body.
9. Remote Trader shall immediately notify the Exchange if it acts as a guarantor or provides security for the benefit of any Party, including its Affiliates and such action has caused or potentially causes adverse impacts on its financial or capital and shall be reported to the relevant authority.
10. If the Exchange deems necessary to impose other reporting requirements other than those mentioned above, such type of reporting shall be determined by the Exchange from time to time in a Decision of the Exchange.
11. Notification of changes to the Exchange shall be made within no later than 5 (five) working days after the effective date of such change.

12. If the Exchange Member fails to make such notification of change as referred herein, then the Exchange is authorized to impose administrative sanctions to the relevant Exchange Member pursuant to these Exchange Rules, namely written warning, suspension or revocation of membership sanctions.

607. REGISTRATIO OF AUTHORIZED REPRESENTATIVE AND INDIVIDUAL FUTURES BROKER

1. Exchange Member shall make registration of its authorized proxy and Futures Broker Representative with the Exchange by using a form provided by the Exchange together with information used to perform verification of any party acting as the Futures Broker Representative or authorized proxy of the Exchange Member under terms as determined by the Prevailing Laws.
2. In approving the aforesaid application for registration, the Exchange shall make prior consultation with the relevant competent authority.
3. Both the Futures Broker Representative and the authorized proxy shall comply with the provisions of the Prevailing Laws, the Exchange Rules and the Clearing Rules. The Exchange Member shall remain responsible for any actions of its Futures Broker Representative and authorized proxy and shall control and ensure the discipline and supervision of such parties as provided for in this Exchange Rules.

608. CUSTOMER'S ACCOUNT AND KNOW-YOUR-CUSTOMER REQUIREMENTS

1. Customer's Account must be identified by using the Customer's full name and account code.
2. Exchange Member is required to comply with the Know-Your Customer requirements to accept the opening of the Customer's account as determined by the Exchange Rules and the Prevailing Laws

609. FEES, CHARGES AND FINES

1. The Exchange may, from time to time, impose fees, levies and penalties to be paid by the Exchange Member as determined by the Exchange. The Exchange will notify Exchange Member of any changes in such fees, levies and penalties through the Exchange's official website or any other method as determined by the Exchange.
2. Any Exchange Member failing to pay any of such fees, charges or fines within thirty (30) days after the due date will obtain a written notice ("Unpaid Amount Notice") from the Exchange. Interest rate for late payment may be imposed by the Exchange at rate applicable on the date of the payment as determined in the Exchange Decree.
3. If the unpaid amount as mentioned point 2 above is not paid by the Exchange Member within ten (10) days from the date of delivery of the Unpaid Amount Notice the Exchange may suspend membership rights until all amounts payable have been settled for the current period to the Exchange, together with other amounts becoming due and payable during the suspension period.

4. The Exchange is authorized to request the Clearing House to off-set the amount of fees, charges, penalties or interest as referred to in the Unpaid Amount Notice against the assets of the Exchange Member placed in the Clearing House as collateral for the settlement of the Contract

610. PUBLIC COMMUNICATIONS AND PROMOTIONAL MATERIALS

1. Each Party is prohibited from disclosing any information relating to any legal case that is in the legal proceeding or mediation proceeding by the Exchange, except disclosure of information to its legal counsel.
2. Promotional materials, publications and other similar public information issued by Exchange Member shall be subject to the Prevailing Laws, the Exchange Rules and the Exchange Decree.
3. Exchange Member shall ensure that any advertising/promotion, promotional mail or similar information whatsoever it publishes, in the form and context in which such advertising/promotion, promotional mail or other similar information is visible or used:
 - a. must be true and accurate in accordance with the actual facts;
 - b. is prohibited from making promises in relation to profits, always indicating possible losses when profits are stated;
 - c. does not incorrectly describe membership, registration or privileges obtained under the Prevailing Lawss, the Exchange Rules and the Clearing Rules;
 - d. does not incorrectly describe any license or permission owned from or any registration with, the relevant governmental body.
4. If the Exchange finds any advertisements, promotional letters or similar information issued by the Exchange Member which are in violation of these Exchange Rules, the Exchange may request all such advertisements, promotional mails or similar information to be given to the Exchange for approval prior to publication

611. MINIMUM FINANCIAL REQUIREMENTS

1. Futures Broker is required to maintain its paid up capital and MBD value and calculate the same in accordance with the prevailing Law and Regulations, this Exchange Regulation, the Exchange Decisions and the Clearing Rules.
2. Futures Broker shall notify the Exchange of any Futures Broker's account in which such paid-in capital and MBD are deposited.
3. Futures Broker is required to maintain MBD at its absolute value or 10% (ten percent) of the amount of Customer's funds under its management, whichever is greater.
4. Absolute value shall be the value determined in accordance with Coftra provision on MBD for Futures Brokers.

5. Futures Broker shall report to the Exchange if its MBD has reached the greater value between:
 - a. 120% (one hundred and twenty percent) of the MBD absolute value; or
 - b. 15% (fifteen percent) of the Customer's fund amount it manages.
6. If deemed necessary, the Exchange may determine a larger amount of MBD which the Futures Broker must maintain under an Exchange Decree.

612. MANDATORY REPORTING OF MINIMUM FINANCE

1. If the MBD has fallen below the level as referred to in provision 611 above, the Futures Broker is required to increase the MBD above the set level no later than 5 (five) working days after becoming aware of the MBD shortfall.
2. Futures Broker whose MBD has fallen below the mandatory level as referred to in point 611 shall notify the Exchange of its MBD status, financial condition and the Customer's Funds in segregated accounts as soon as possible but no later than 24 (twenty four) hours after the Futures Broker's MBD reaches the mandatory reporting of limit

613. REPORTING OF CAUSES OF DECREASE IN MINIMUM FINANCIAL OBLIGATIONS

1. If MBD of the Futures Broker is known or should be known to be down 20% (twenty percent) from the previous quarterly report, the Futures Broker shall report the cause of the MBD's decrease to the Exchange either orally or in writing at the latest 48 (forty eight) hours after such decrease occurred or is believed to have occurred.
2. Futures Broker shall notify the Exchange in writing of a decrease in its paid up capital no later than 7 (seven) days after the occurrence.

614. FAILURE TO COMPLY WITH MINIMUM FINANCIAL REPORTING

1. If the Exchange Member fails to fulfill the financial reporting obligation as required in this Exchange Rules and the Prevailing Laws, the Exchange may summon the Exchange Member concerned to provide information in a Hearing.
2. The Exchange may grant the Exchange Member an extension of financial reporting submission time as the Exchange deems reasonable.
3. In the event that the Exchange Member fails to provide the financial information requested by the deadline and does not receive an extension of time, the case will be heard before the relevant Exchange Committee.
4. If the Exchange Member cannot maintain MBD and/or intentionally does not provide such report as referred to in this Exchange Rules, the Exchange shall impose sanctions as follows:

- a. a written warning to the Exchange Member concerned;
- b. if after receiving such written warning the Exchange Member has not made any corrective actions, the Exchange shall be entitled to impose a penalty, suspension sanction and take the following actions:
 - i. assign all or any of the open positions and margins or Customer's accounts managed by the Exchange Member to another Exchange Member;
 - ii. terminate trading activities of the Exchange Member, except liquidation of open positions and/or;
 - iii. permit to carry out trading activities under certain conditions determined by the Exchange.
- c. If after reviewing the financial reports, the Exchange is of the opinion that the financial condition of the Exchange Member is jeopardizing a fair, transparent and orderly market, the Exchange may take the following actions:
 - i. cease the trading activity of the Exchange Member immediately;
 - ii. liquidate or assign open positions on both the Exchange Member's account and the Customer's account either in part or in whole; or
 - iii. charge additional margin, if the Exchange Member is also a Clearing Member

615. FINANCIAL STATEMENT

1. All Exchange Member shall be subject to the Prevailing Laws, the Exchange Rules, the Exchange Decrees and the Clearing House Rules on mandatory submission of financial reports to the Exchange. Such reports shall be available and at all times visible to the Exchange, Clearing House and to the public at large.
2. Exchange Member are required to comply with the accounting, reporting and bookkeeping standards and systems as determined by the Exchange and the Prevailing Laws on preparation of financial statements.
3. Annual financial reports that have been audited by a Public Accountant must be submitted by the Exchange Member to the Exchange at the latest 3 (three) months after the end of the book year period. The financial reports should be available and visible to the Exchange at any time.
4. The financial reports (Annual/Quarterly/Monthly/Daily) shall be submitted by the Exchange Member to the Exchange in accordance with the form and standard stipulated by the Prevailing Laws and the Exchange Rules. The financial reports should be available and visible at any time to the Exchange. Exchange Member who are Futures Brokers shall prepare financial reports including MBD which shall be submitted to Coftra with a copy to the Exchange, in accordance with applicable provisions of Prevailing Laws.

5. If the last date of submission of the financial reports falls on a holiday, the reports may be submitted on the next working day.
6. Procedures for the preparation of Futures Broker's segregated account detailing Customer's funds and the Affiliated Customer's funds which must be segregated and those available in the Segregated Account and the preparation of the MBD report shall be made in accordance with the applicable Prevailing Laws.
7. Exchange Member shall be responsible for the contents and fairness of the financial reports that have been submitted electronically or by other means as required by the Exchange.
8. Exchange Members failing to fulfill their financial reporting obligations after being given an extension may be subject to sanctions in accordance with the Exchange Rules

616. BOOKKEEPING AND NOTES RETENTION

1. Each Exchange Member shall keep all books and records of its transaction activities (including transactions of its Customer) and information made and / or received in the course of the execution of its activities for a period of 10 (ten) years commencing from the date of reporting or since the end of the financial year of its company.
2. All books, reports and records shall be available for inspection at any time by Coftra, the Exchange and the Clearing House

617. DOCUMENTS AND CONTRACT RECORDS

1. Exchange Member shall prepare copy of reports covering the original, true and complete books and records of transactions, to be submitted to the Exchange, Clearing House and/or Coftra at any time upon request. The cost of preparing and delivering such reports shall be borne by such Exchange Member. Exchange Member is also required to prepare the original version of the report which may be submitted and/or presented to the aforesaid parties.
2. Exchange Member shall keep record(s) and / or related document(s) pertaining to Futures Trading activities covering the following items:
 - a. Any order or mandate from the Customer to conduct sell or buy transactions either executed, not executed or canceled along with confirmation before or after the transaction made to the Customer or parties appointed by the Customer, either in oral or written form, signature specimen card, journal, ledger, a copy of the cashed checks, and any other reporting forms to the Customer;
 - b. Documents explaining the existence of both cash and physical transactions, including, but not limited to, contracts, transaction confirmations, telex printed evidence, invoices, Proof of Storage at Registered Delivery Place and proof of ownership; and
 - c. Any other records that have been made by the Exchange Member in conducting trading activities on behalf of the Customer.

3. Recording and Reporting the Customer's Orders

- d. Futures Broker receiving the Customer's mandate shall immediately record both manually and electronically through the ATS System of account number and order number, date and time using a timestamp up to the closest minute at the time the order is received and forwarded by the Futures Broker;
- e. Futures Broker making the reporting on the Customer's order shall record the account number and order number, date and time using a timestamp, up to the closest minute at the time of reporting

4. Exchange Member shall ensure that such data and records:

- a) are created and stored in a systematic and easy manner by the competent authority;
- b) are kept for a minimum period as required by this Exchange Rules; and
- c) are given to the Exchange in time upon request.

618. CUSTOMER ACCOUNTS REPORT

- 1. Futures Broker is also required to prepare, in full, the original copy of the following documents and keep the original thereof:
 - a. records of accounts held separately for each Customer, any fees charged and income credited, including but not limited to, Customer funds deposited, withdrawn or transferred, fees or income resulting from any loss or gain on Contract transactions; and
 - b. records of its own transaction and the Customer's assets whose books are made separately, including all Contract transactions that have been executed for such accounts, including, but not limited to, price data, quantity, type or product of Contracts, commissions and other fees.
- 2. Futures Trader trading on behalf of its own account shall prepare records concerning the sale and purchase of Contracts which are accurately and chronologically arranged to always be readily examined by the Exchange, Clearing House and Coftra which include:
 - a. Identification of Futures Traders;
 - b. Transaction date;
 - c. Trading time (stamp until the nearest minute is required);
 - d. Number of transactions, prices, Month Delivery; and
 - e. Counterparty of the transactions (if any).

3. In the event that the Exchange Member is required to transfer the Company's documents into other media, submission and / or destruction of the Company's documents, it shall be done in accordance with the Prevailing Laws

619. NOTICE OF BOOKKEEPING FAILURE

1. If the Exchange Member fails to make, update and keep books, reports and records, the Exchange Member shall notify the Exchange within 1 (one) working day at the latest from the date of such failure.
2. The Exchange shall require the Exchange Member to submit a written report stating the steps that have been and are being taken to correct the error within a period of 5 (five) working days, during which, the Exchange may prohibit the Exchange Member from making any transaction or impose other sanctions as stipulated by the Exchange

620. FUND, SECURITIES AND OTHER ASSETS RECEIVED FROM THE CUSTOMER

1. Futures Broker shall create, keep, maintain and report to the Exchange any records of securities received from the Customer in lieu of money for;
 - a. making margin payment,
 - b. making commission and other fees payment,
 - c. giving guarantee and/or security of trading transaction on a Contract on behalf of the Customer. These records shall be made separately for each Customer and shall include the following information:
 - i. type of securities received,
 - ii. Customer's identity and contact
 - iii. identity of depository (Bank, Clearing House or any other place where the securities are kept separately),
 - iv. a statement guaranteeing the correctness of the depository from the depository,
 - v. date of placement to and withdrawal from the depository, and
 - vi. date of return of such securities to the Customer, or any other disposition, together with the evidence and reasons for the disposition

622. SEGREGATION AND REPORTING OF SEGREGATED CUSTOMER FUNDS

1. All Customer funds and all profits resulting from the trading of Contracts received by the Futures Broker or Clearing House shall be accounted for separately. The Fund shall be deposited in a separate account in the name of the Customer, and shall not be mixed with any funds, securities or property owned by Broker, Clearing House or any other party.

2. The Customer's fund as referred to at point 1 above may only be used where it is deemed necessary to purchase the Contracts, pay margin, guarantee, protect, transfer, adjust, or settle the payment of the Customer's Contract to the Clearing House or Futures Broker, including payment of premiums, Broker's fee, interest, taxes, the cost of Registered Delivery Point and other charges that are legally incurred relating to the transactions under the Customer's order.
3. Any use of the Customer's funds by Futures Broker other than for the purpose as referred to at point 2 above shall be subject to prior written approval from the Customer.
4. Futures Broker shall provide a written report of trade transaction to the Customer and the Customer's authorized representative. The report describes each trade transaction conducted on the Customer's order using the Customer's account. The report shall be delivered by the Futures Broker to the Customer at the latest before the start of the first session of the next trading day. Account trading transaction statements are only made when the Customer has an open position at the close of trading day.
5. Futures Broker shall calculate and report to the Exchange no later than the first session of the next trading day in relation to the following matters:
 - a. Total amount of each Customer's fund in a segregated account;
 - b. Total amount of each Customer's fund that must be available in a segregated account in the name of the Customer according to the Laws and Regulations;
 - c. Futures Broker's Commission available in the segregated account of the Customer; and
 - d. Record containing calculation of the value of all open positions of the Customer at the close of trading day based on official calculations issued by the Exchange

CHAPTER VII

EVENT OF DEFAULT AND RULES ENFORCEMENT

700. GENERAL PROVISIONS

1. Any Exchange Member shall at all times comply with the provisions of the Prevailing Laws, this Exchange Rules and Exchange Decree.
2. Any Exchange Member shall be prohibited from engaging in or attempting to engage in any act or activity that causes or contributes to:
 - a. non-compliance with the provisions and non-performance of the obligations mentioned in provision number 1 above;
 - b. Violation and/or Event of Default; or
 - c. any misuse, infringement, fault in relation to or in connection with the Exchange or other Exchange Members.
3. An Event of Default and Violation as actions that infringe rules enforcement may occur jointly upon which the Exchange's authority will be activated as set out to in this Exchange Rules.
4. Any Event of Default or Violation committed by the Futures Broker or its proxy shall also be deemed as a Violation or Event of Default by their Exchange Member and shall be subject to sanction by the Exchange upon the recommendation of the Exchange Committee.
5. In case of Event of Default or Violation upon which the Exchange deems, at its own absolute discretion, that an action should be imposed on a certain Exchange Member pursuant to this provision, the Exchange shall notify the Exchange Member of the same under an Exchange Decree or other notification procedure.

701. EVENT OF DEFAULT

An Event of Default occurs in relation to the Exchange Member if the Exchange determines that the Exchange Member is found unable or incapable of fulfilling its obligations under one or more Contracts or agreements with the Exchange. Without prejudice to the foregoing provision, in issuing such decision, the Exchange may use one or more of the following conditions as a sufficient ground to determine the occurrence of Default:

- a. Exchange Member's failure to execute or comply with any obligation to pay or make or implement/receive delivery under the Contract or agreement with the Exchange;
- b. Exchange Member's failure to fulfill any of its obligations under the Contract or to fulfill Margin requirements, pay or perform/accept submission under the Contract;
- c. Exchange Member experiences bankruptcy, dissolution or other similar proceedings;
- d. Exchange Member files a petition for bankruptcy or insolvency, appointment of liquidator or curator, or similar proceedings;
- e. Exchange Member takes any corporate action or other measures to ratify, encourage or execute any action as referred to in point (c) above;

- f. Any execution, imposition or other proceedings is charged on the Exchange Member in respect of the substantial part of its income and assets and such imposition is not settled within 7 (seven) days;
- g. Exchange Member is unable to perform its contractual obligations due to invalidity, material changes, revocation of permits or approvals required to operate its normal business activities;
- h. Failure, negligence and/or inability of Exchange Member to perform its obligations under the Contract due to non-compliance with requirements and/or documents required in payment transactions and delivery of Contracts under this Exchange Rules, Clearing House Rules and Prevailing Laws;
- i. Enforcement or execution of judicial decision, judicial order or award of arbitration or other competent authorities having jurisdiction over the Exchange Member; and/or
- j. any event which may be categorized as an Event of Default pursuant to the Clearing Rules as committed by the Clearing Member.

702. AUTHORITY OF THE EXCHANGE IN RULES ENFORCEMENT

- 1. All and any Event of Default or Violation committed by Exchange Member or Exchange Participant and its non-performance of other matters which the Exchange Member shall fulfill pursuant to this Exchange Rules may be subject to sanction by the Exchange pursuant to the rules enforcement provisions with recommendation from the Exchange Committee or other Exchange rules enforcement apparatus (if necessary).
- 2. Unless otherwise stated in this Exchange Rules, the Exchange shall take the following action(s):
 - a. consult or cooperate with Clearing House, other securities exchanges or clearing houses or other organized markets or central counterparty or other relevant government bodies or parties. The Exchange shall be authorized to submit details or other information it holds in respect of the Exchange Member or its transactions with the Clearing House, CoFTRA or any other party mentioned in item 2 (a) herein in relation to the enforcement of the rules;
 - b. notify CoFTRA or other relevant authorities in connection with the enforcement of regulations against certain Exchange Member and their proxies under this Exchange Rules;
 - c. notify Exchange Member or Exchange Participant and his proxy in writing of imposition of enforcement measures against them in accordance with this Exchange Rules.
- 3. The Exchange is authorized to stipulate the implementation of provisions and/or deadlines regarding the enforcement of regulations by virtue of an Exchange Decree.
- 4. The Exchange shall also be authorized to request from the Exchange Member to produce any books, documents, correspondence or papers in its possession or under his/her control or that of its firm or company

703. INVESTIGATION AND AUDIT BY THE EXCHANGE

- 1. An investigation conducted by the Exchange shall be subject to the Prevailing Laws. The Exchange may, at its own authority, (or appoint any person to) conduct inspection, investigation and/or audit and take

copy of accounts, books, contracts, documents and other records of Exchange Member in order to perform the Exchange's duties pursuant to the Prevailing Laws or as requested so by CoFTRA to conduct as such.

2. The Exchange may conduct an inspection/investigation in the event:
 - a. The Exchange believes the occurrence of an event of Default, Violations or any other event that has negative effects on the enforcement of Exchange Rules or Prevailing Laws in relation to Derivatives Trading that has been conducted or may be undertaken by the Exchange Member;
 - b. The Exchange receives a complaint in respect of the Exchange Member and/or its proxy or directors, officers, employees or agents of the Exchange Member;
 - c. There is a dispute between the Exchange Member and/or its proxy in relation to any trade transaction in any exchange or market;
 - d. There are circumstances for which the Exchange deems necessary to conduct inspection or investigation pursuant to its duties to keep transparent, fair and orderly trading activities.
3. The Exchange may require the Exchange Member to pay or reimburse the Exchange for any fees incurred for such inspection or investigation or audit in the provision 2 mentioned above, and such fees shall be fully paid as soon as possible by the Exchange Member.
4. The Exchange may request the Exchange Member, at any time, to submit financial statements or other information and other matters relating thereto to the Exchange within the period stipulated by the Exchange.
5. With regard to the Exchange or other Exchange Member, an Exchange Member shall act cooperatively and honestly in accordance with the facts, not give misleading data or concealing any actual facts. Exchange Member shall also ensure that any of its Customers, employees, agents or contractors shall also be cooperative with the Exchange. In doing so, an Exchange Member shall, including but not limited to:
 - a. Provide all assistances as requested by the Exchange;
 - b. provide the Exchange or any person designated by the Exchange with access to any record, place or party relating to inspection, investigation or audit,
 - c. Provide the Exchange with items, including but not limited to, information, documents, bookkeeping and listing which in the opinion of the Exchange are related to the inspection or investigation.
6. Any Exchange Member must comply with any Exchange Decree, notice or request from the Exchange, which requires the Exchange Member and/or any of its Customers, employees, agents or contractors to appear before the Exchange or provide any records, documents, correspondence or other information in its possession or control, and shall ensure that any such parties comply with this Exchange Rules.
7. Any Exchange Member and/or its proxy are prohibited from making, providing or allowing the creation or supply of any false or misleading information, statements and reports to the Exchange.
8. The Exchange may designate a party(s) to assist it in the process of inspection/investigation ("Exchange Investigator"). The Exchange may delegate any or all of its investigative/investigative powers under this

Exchange Rules to the Exchange Investigator who will report the results of his inspection/investigation to the Exchange.

9. The Exchange may instruct the Exchange Member and/or its proxy to provide certain information pertaining to the subject of the Exchange Member, transactions relating to its existing Customers and former Customers, and all matters relating to each Contract. Such instruction shall be made in writing and the Exchange Member and/or its proxy shall be obliged to fulfill such instruction to the Exchange within the period as stipulated by the Exchange. The information provided to the Exchange under this Exchange Rules shall be treated as Confidential Information and subject to the enforceability of the Confidential Information as set forth in this Exchange Rules.
10. The Exchange, in its sole discretion, may conduct inspections, audits and get copies of the account(s), bookkeeping, contract(s) and other records and document(s) of Exchange Member as long as necessary or essential in relation to the enforcement of these Exchange Rules. In this case, the Exchange may also appoint or require an Exchange Member to appoint an independent party to do so. Such independent party shall report to the Exchange for all or any matters required by the Exchange.
11. Any Exchange Member shall cooperate with the Exchange regarding the matters as referred to in provision 10 above to procure the following matters:
 - a. access to the places of Exchange Member or its Affiliates as applicable, to carry out inspection/audit during normal business hours;
 - b. access to the relevant parties for any inquiries or interviews that the Exchange or its designee must do in relation to the inspection/audit;
 - c. any information or documents that the Exchange or its designee considers necessary for the purpose of the investigation/inspection/audit;
 - d. full cooperation of the Exchange Member's Customers in assisting the investigation or examination process.
12. The Exchange may trust any information and reports provided by an independent party referred to in these Exchange Rules and take action on the recommendations mentioned therein. The Exchange may also refer to a report prepared under these Exchange Rules at the Clearing House or the Exchange Committee for further actions, if necessary.
13. Exchange may impose a fee on the Exchange Member for any inspection, investigation or inspection conducted by an independent party under these Exchange Rules. Such fee must be paid immediately by the Exchange Member,

704. RULES ENFORCEMENT COMMITTEE

1. The Exchange may request a recommendation from the Rules Enforcement Committee prior to issuing a decision relating to Default or Violation committed by an Exchange Member.
2. The Exchange may, in enforcing these Exchange Rules, conduct hearings to hear information and explanations from any Exchange Member which has been alleged or suspected of committing actions that infringe rules enforcement as the Exchange Committee deems in accordance with the report of inspection or investigation of other regulatory enforcement apparatus of the Exchange, if necessary.

3. The provisions on Clarification, meetings and fees of the Exchange Committee shall be further stipulated in the Exchange Decree.

705. RELEASE OF LIABILITIES OF THE EXCHANGE

1. Any Exchange Member shall release and hold harmless the Exchange and all of its shareholders, Affiliates, management, Board of Directors, Board of Commissioners, officers, employees, proxies or their respective authorized representatives by the Exchange from any and all legal or financial liabilities, claims, demands, lawsuits, payment obligations, compensation or other risks imposed by any party against the Exchange Member as a result of Default or Violation committed by the Exchange Member concerned, as a result of a Default, or otherwise due to failure of the Exchange to find, prevent or take action against such Event of Default.
2. The Exchange shall not be liable to any Exchange Member or any other relevant parties for any damage, loss, expense or charges (whether direct or indirect, special or sustainable, including, but not limited to, loss of business, loss of opinion, loss of offer in good faith and loss of profit) suffered by the Exchange Member or Exchange Participant or other party arising out of or in connection with the exercise or non-exercise of Exchange's authority under these Exchange Rules in determining the Exchange policy concerning fulfillment or non-fulfillment of any requirements for the exercise of such Exchange's authority.

CHAPTER VIII

COMPLAINT HANDLING MANAGEMENT

800. GENERAL PROVISIONS

1. Complaints are settled by the Exchange in a precise, orderly, fair, affordable, efficient and in accountable manner to the Customer and other parties within the stipulated time frame in accordance with these Exchange Rule, Exchange Decree and Prevailing Laws.
2. The handling of complaints is processed in stages starting from the Futures Broker to the Exchange if no agreement is reached at the Brokerage stage, and ultimately to CoFTRA through an Inspection Result Report given by the Exchange.
3. For any complaints which have been clarified, The Parties must strive for settlement through Mediation for any clarified Complaints.
4. The Exchange maintains the confidentiality of information and documents in respect of the handling of Complaints in any manner, including but not limited to the following:
 - a. The disputing Parties shall keep confidential any information and documents obtained directly or indirectly from the other, starting from the date the Complaint is received to the date the dispute is finally settled, including but not limited to, position, financial and business activities, Derivatives Trading activities of the Customer, Exchange Member, Clearing Member, the Exchange and/or Clearing House, and does not disclose it to any party, whether for benefits or interest of itself or of others, unless disclosure is required by the Prevailing Laws.
 - b. Any violation of the provisions of letter a above requires the defaulting Party to indemnify and pay any losses suffered by the other Party as a result of the violation, including but not limited to losses arising from the third party's claim and sanctions in accordance with the Prevailing Laws.
5. In handling a Complaint, the Exchange adopts a SOP on Complaint Handling which outlines the following procedures:
 - a. Acceptance of Complaint;
 - b. Handling of Complaints and settlement of dispute using Mediation;
 - c. Examination of Post-Mediation Complaint Handling;
 - d. Imposition of administrative sanctions and delivery of complaints handling;
 - e. Monitoring and reporting on Complaint handling.

6. In the event of any violation of the code of ethics by the Mediator and the Supervisory Unit of the Exchange, the case will be processed by a code of ethic reinforcement regulated based on the Exchange Decree.
7. The SOP arrangement in the handling of Complaint at the Exchange shall be further stipulated in the Exchange Decree.

801. CUSTOMER COMPLAINT HANDLING PROCESS IN THE EXCHANGE

801.1 CUSTOMER COMPLAINT RECEIPT

1. In connection with the settlement of disputes between the Customer and Exchange Member, the Exchange may only accept the Complaint if an effort to settle such Complaint has been made by the Futures Broker itself in prior.
2. Complaints submitted to the Exchange may only be made in writing and in accordance with applicable Prevailing Laws.
3. Procedures for Complaint receipt shall be further stipulated in the Exchange Decree.

801.2 COMPLAINT SETTLEMENT PROCESS

1. Settlement of Customer Complaint Process on the Exchange shall be executed in the following stages:
 - a. clarification of Customer Complaint to Futures Broker along with its minutes of meeting;
 - b. making a resume of the Customer Complaint and clarification of Customer Complaint;
2. Further provisions concerning the stages of the Customer Complaints settlement process shall be governed by an Exchange Decree.

802. MEDIATION

802.1 MEDIATION PROCESS

1. The mediation concerning the settlement of Customer Complaint shall be chaired by a Mediator. In performing its duties, the Mediator coordinates with the Exchange.
2. Mediation shall be completed within a period of no later than 14 (fourteen) working days after the Clarification Resume is completely prepared.
3. In certain cases, the mediator may extend the period as referred to in point 2 above up to a maximum of 14 (fourteen) working days.

4. The certain cases which may be the basis for the period extension are as follows:
 - a. Futures Broker Office to whom the complaint is filed and Customer and its attorney are outside the office of the Exchange; and
 - b. There are other things that are beyond the control of the Mediator, such as Customer and/or Futures Broker and their attorneys are unable to attend the Mediation for legally justifiable reasons.
5. The extension of the Complaint Settlement period as referred to in point 4 above shall be notified by the Mediator in writing to the Customer and/or Customer's Attorney, Futures Broker and/or the Exchange before the expiry of the period as referred to in point 3 above.
6. In performing the Mediation function related to the settlement of dispute between the Customer and Exchange Member, the Exchange shall not give any decision and/or recommendation of dispute settlement to the Customer and/or Futures Broker. In this case, the Mediation is processed by way of facilitating the Customer and the Futures Broker to review the fundamental issues of the dispute in order to reach an agreement

802.2 EXCHANGE MEDIATION PROCEDURE

1. If an agreement is reached in the settlement of dispute through the Mediation, then the disputing parties together with the Mediator will sign a settlement agreement.
2. If no agreement is reached through Mediation, the Customer may raise claim for Compensation Fund after a final and binding decision of the court as set forth in Chapter IV of this Exchange Rules
3. Procedures of the Mediation process at the Exchange and the Mediation results shall further be regulated in the Exchange Decree.

803. POST-MEDIATION COMPLAINT EXAMINATION

1. Examination of Complaint shall be conducted by the Supervisory Unit if no settlement agreement is reached through the Mediation.
2. Procedures and methods for Complaint examination Post Mediation shall be regulated further on the Exchange Decree.
3. The Supervisory Unit shall behave with professionalism, responsibility, integrity, and in a fair and non-discriminatory manner.
4. The Code of Ethics of the Supervisory Unit shall be further specified in the Exchange Decree.
5. In performing its duties, the Supervisory Unit is supervised by the Honorary Board, which is further specified in the Exchange Decree.

804. REPORT OF RESULTS OF INSPECTIONS

1. The result of post-Mediation complaint examination will be stated in Inspection Report. The Inspection Report will be submitted to CoFTRA.
2. The Exchange is authorized to impose sanctions on the Futures Broker in accordance with the Laws and Regulations, the Exchange Regulations and the Exchange Decree.
3. Further provisions on Inspection Report are regulated in an Exchange Decree

CHAPTER IX

VIOLATION AND SANCTION

900. GENERAL PROVISIONS

1. Any Exchange Member shall ensure that its employee and their proxies comply with and do not violate these Exchange Rules.
2. Any violation not yet provided for in these Exchange Rules including sanctions and penalties thereof shall be further stipulated in the Exchange Decree.
3. Any Violation committed by the employee or their proxies shall also be deemed as a Violation by the Exchange Member and shall be subject to sanction with by the Exchange upon the recommendation of the Regulatory Exchange.
4. In case of the Violation upon which the Exchange deems, at its absolute discretion, that an action should be imposed on the Exchange Member pursuant to this provision, the Exchange shall notify the Exchange Member of the same under an Exchange Decree or other notification procedure

901. VIOLATION

1. All Violations may be prosecuted before the Exchange Committee as stipulated in the procedures under these Exchange Rules and may result in the exercise of Exchange's authority as contained in these Exchange Rules.
2. Any member shall be liable for Violations or non-compliance and may be imposed any sanction which is warning , temporary suspension, payment of a fine and/or to membership revocation for any of the following acts or omissions:
 - a. Any dishonorable conduct or behavior or those contrary to ethics and decency norms that may damage the honor and/or reputation of the Exchange;
 - b. Refusal to abide by awards: For neglecting or refusing to submit to, abide by and carry out:
 - i. any award, decision, instruction or order of the Exchange and/or its Committee
 - ii. any arbitration awards, court decision, arbitrators or, the decision, order and/or instructions from surveyor and/or relevant authority
 - iii. reconciliation deed made in the Exchange Mediation; made according to the Exchange Rules and/or Prevailing Laws.
 - c. Improper conduct: For acting in any manner detrimental to the interest of the Exchange or unbecoming of a Member.

- d. Misconduct: For any misconduct in its dealing with or relations to the Exchange or any member or members thereof or for any disreputable or unauthorized transactions with any person whether a member or not of which complaint is made to the Exchange, any standing committee or the Board by one or more members or Customers and is found to be valid by the Exchange.
- e. Non-compliance : For violating, disobeying or disregarding any Exchange Rules or Prevailing Laws or any notice, circular, order or instruction issued by the Exchange.
- f. Misinformation: For publishing or permitting to be published in any media, or otherwise, any misrepresentation relating to the trade in any commodities or contracts, distributing or assisting in the dissemination, in any way, any rumor that makes the integrity of the Exchange and Contract become questionable.
- g. Indifference and wilful negligence: For not complying with any notice or request made to him by or on behalf of the Exchange, or any Committee or the Board of the Exchange, requiring him to attend any meeting of the Board or of any Committee or to produce any books, documents, correspondence or other papers in his possession, power or control, or for refusing or neglecting to answer any question put to him by the Exchange and/or any Committee or the Board of the Exchange, as the case may be, relevant to any business at any such meeting.
- h. Failure to pay any dues: For failure to pay any amount due under these Exchange Rules, orders and instructions issued thereunder by the Exchange, and/or arbitration or any other fees when due or for non-payment of any fine imposed on him pursuant to these Rules and Regulations for failure to pay any other amount due by him under these Rules and Regulations or under any order of the Exchange and/or its committee within 30 (thirty) calendar days after the same shall become payable.
- i. Action detrimental to the Exchange: For any misconduct, in the sense of subsections referred to above inclusive as below, in his dealing with or relations to the Exchange:
 - i. wilful or intentional non-fulfilment of contractual or fraudulent or flagrant breach of a Contract;
 - ii. Baseless repudiation of a Contract in connection with its transaction at the Exchange;
 - iii. refuse to refer any question in dispute to mediation, arbitration, survey or or audit;

- iv. communicating secretly or indirectly with any arbitrator, auditor, or member of a Committee to which the dispute has been referred to under these Rules.
 - v. for any conduct, act or omission knowingly carried out to subvert the objects and purposes of the Exchange;
 - vi. for any conduct, act, omission or negligence which renders the Member liable to be declared a 'defaulter' by the Exchange or the Clearing House under any of the provisions of Rules and/ or orders, circulars, notices and instructions issued by the Exchange;
 - vii. disclosure of one Customer's open position to other Customers or members including transactions, instructions, mandate or trade secret in the execution of such Transaction.
3. Provisions regarding the types of Violations shall be regulated further in Exchange Decree which has equal legal force as this Exchange Rules

902. ADMINISTRATIVE SANCTION

1. The sanctions imposed to the Exchange Member with regard to rules enforcement shall be imposed after the hearing. However, in relation to a dispute between the Exchange Members or between the Exchange Member and the Customer shall be made after the Mediation or Complaint Examination.
2. The Exchange has the authority to announce (if necessary) the imposition of sanctions to an Exchange Member through a media which is accessible by the public.
3. The relevant Exchange Member which is subject to suspension, revocation and/or monetary penalty sanctions shall remain in compliance with its obligations according to Prevaling Laws, Exchange Rules, Exchange Decree also any directives, instructions or other orders issued by the Exchange, including but not limited to the obligation to pay monthly fees, annual fees or other expenses related to membership and obligations relating to Default.

902.1. SUSPENSION/TEMPORARY SUSPENSION

1. A suspension sanction may be imposed on an Exchange Member if:
 - a. if the Exchange Member does not attend Clarification after it has been reasonably and appropriately called in accordance with this Exchange Rules;
 - b. Exchange Member fails to pay fines imposed by the exchange within 30 (thirty) calendar days;

- c. without prior written warning, the Exchange is of the opinion and/or otherwise upon recommendations of the Exchange Committee that any of the following events has occurred:
- i. Exchange Member fails to meet the minimum financial and / or capital requirements as stipulated by the Exchange and Prevailing Regulations on Derivatives Trading;
 - ii. Exchange Member fails to fulfil its financial obligations or other material obligations to the Exchange and / or Clearing House as stipulated in the Exchange Rules and its derivative regulations;
 - iii. Exchange Member provides no response, statements or explanations required by the Exchange within 3 (three) Business Days from Exchange Member's receipt of or aware to the claim for indemnity from its Customer and or another Exchange Member due to its failure to meet the financial obligations after due date or in connection with transactions at the Exchange;
 - iv. Exchange Member fails or rejects to fulfil any financial liability it has recognized or otherwise fails to carry out an arbitration's award within 3 (three) Business Days from the date on which it becomes aware to any claim from the Customer and / or other Exchange Members;
 - v. Exchange Member suffers from insolvency, which includes:
 - a) submit a request for petition of voluntary bankruptcy or is declared bankrupt by the competent court;
 - b) fails to settle all of its liabilities arising from or under the traded Contracts; or
 - c) valid evidence was submitted to the Exchange and/or Clearing House indicating that the Exchange Member is unable to repay its matured debts arising from its business management.
 - vi. Exchange Member is unable to provide a solution for settlement of its Customer's complaint within the period stipulated by the Exchange;
 - vii. Exchange Member fails to comply with the arbitration's award established by BAKTI, or any decision or order of competent court in the jurisdiction of Indonesia or other relevant jurisdictions;
 - viii. Exchange Member and / or its Board of Directors is designated as a suspect in crime in economic and financial sectors;

- ix. If, in the opinion of the Exchange, it is crucial or necessary to protect the financial integrity, reputation, the interests of Derivatives Trading or to maintain fair, orderly, and transparent trade.
2. Unless otherwise stipulated by the Exchange, the suspended Exchange Member may not enjoy its Exchange membership rights during the period of suspension, including, but not limited to, the rights to:
 - a. access or be linked to or be connected to the trading system provided by the Exchange based on Contract either multilateral, PALN, SPA or physical contract;
 - b. Open new Position;
 - c. accept allocation from other Exchange Member based on Contract made by the relevant Exchange Member;
 - d. obtain applicable membership rates in accordance with the Exchange Decree;
 - e. assign its membership
 - f. access the clearing system provided by the Clearing House either directly or indirectly;
 - g. other applicable Exchange membership rights.
3. The suspension sanction shall be valid for a maximum period of 30 (thirty) calendar days except for those due to a violation or failure to fulfil the minimum financial and / or capital requirements.
4. In the event of failure to meet the minimum financial and / or capital requirements, the maximum duration of the suspension sanction shall be 90 (ninety) calendar days.
5. The Exchange is authorized to determine the extension of the sanction of suspension if the Exchange Member is considered capable of performing remedial action during the period of extension of the sanction of suspension.
6. In the event that after the expiry of the suspension sanction, the Exchange Member remains non-responsive in making any corrective actions and / or to implement what required by the Exchange in accordance with the applicable Prevailing Laws, Exchange Rules and other provisions stipulated by the Exchange, the Exchange is authorized to revoke the membership of the Exchange Member.
7. Upon the request of the Exchange Member, the Exchange may revoke the suspension and reactivate the exchange membership if the Exchange Member is deemed to have rectified its fault or has complied with all obligations required by the Exchange and / or the Clearing House.

902.2 REVOCATION

1. As mentioned in the provisions of 902.1.6 above, revocation of Exchange membership may be made 30 (thirty) days after membership is suspended (unless otherwise specified in the Exchange Rules). The decision to apply the sanction of revocation of Exchange membership by the Exchange is final and unrevokable.
2. Exchange Member subject to revocation sanction may not be entitled to its Exchange membership rights on the date set by the Exchange.
3. Exchange Membership may be revoked without having to be preceded by suspension sanctions, in the event of any of the following matters which are considered by the Exchange and/or on the recommendation of the Exchange Committee:
 - a. Exchange Member is declared bankrupt or unable to pay all its debts when due, or a petition is filed to, or order is issued by, a court of any jurisdiction in respect of dissolution, bankruptcy, insolvency or other similar circumstances filed in any court jurisdiction;
 - b. Exchange Member makes assignment or compensation of debts for the interests of its creditors;
 - c. death or disability of the natural person Exchange Member;
 - d. revocation or termination of Exchange Member's business license, registration certificate, approval by CoFTRA;
 - e. an order and/or decision is issued by government agency and/or competent authority and/or competent court to prohibit the Exchange Member from conducting business or trading activities;
 - f. Exchange Member or its management is found guilty of fraud, manipulation or dishonest acts that threaten the integrity of the operation of the Futures Trading business based on the court decision.
4. Exchange Member which membership has been revoked by the Exchange may not re-activate their membership unless they have obtained approval from CoFTRA or other relevant regulatory authorities

903. MONETARY PENALTY SANCTION

1. Apart from the sanctions as referred to in the above provisions, the Exchange may also impose sanctions in the form of:
 - a. fines in accordance with these Exchange Rules; and/or
 - b. refund of profit received by the Exchange Member to the Exchange and/or give the Exchange a compensation for any losses resulting from its Violation or Event of Default.

2. The provision of a monetary penalty shall include the payment of sum of money and fulfillment of other accompanying conditions stipulated by the Exchange.
3. The Exchange has an absolute discretionary policy to impose fines on the Exchange Member and/or Exchange Participant which amount may be more or less than that stated in the Exchange Decree which having the same legal power as this Exchange Rules. The amount of monetary penalty is determined by the Exchange with the recommendation of the Exchange Committee, where necessary.
4. The amount of fine is as follows:
 - a. for minor violations the Exchange Member may be subject to fine of maximum Rp. 500,000,000 (five hundred million Rupiah) plus the value of benefits received and/or losses incurred as a result of the Violation or Default;
 - b. for major violation the Exchange Member may be subject to fine of maximum Rp. 5,000,000,000 (five billion rupiah) plus the value of benefits received and/or losses incurred as a result of the Violation or Default.

Provisions on violations of a minor or severe nature are further stipulated by an Exchange Decree or under the Exchange's discretion.

5. The fine plus the value of the benefit received and/or loss arising from a Violation or Default shall be paid to an account of the Exchange in accordance with the provisions contained in a written warning or an Exchange Decree in respect of such fine.
6. If the Exchange Member pays the penalty and fulfills other relevant terms within the period determined by the Exchange, then:
 - a. no further proceedings will be imposed on the Exchange Member and/or Exchange Participant for Default or Violation indicted against it;
 - b. the acceptance is equal to the acceptance of the Exchange Member to the acknowledged/accepted responsibility, then the Exchange Member shall be deemed to have committed such offense or Default as claimed to him/her.

904. THE CONDUCTS OF EXCHANGE IN RULES ENFORCEMENT

1. Unless otherwise specified in these Exchange Rules, after the occurrence of Default or Violation, the Exchange shall exercise its power as required as follows:
 - a. restrict trades for liquidating Open Position or instruct liquidation of any or all of the Open Positions of account of Exchange Member or of Customer or both;
 - b. prohibit Exchange Member or from opening new positions or close or switch Open Positions without prior written approval from the Exchange;
 - c. determine the settlement price for liquidating the position of each Contract;

- d. request an additional margin to be deposited with the Clearing House for each Contract;
 - e. suspend trading transaction of any Contract at a certain price or change the Trading Day or Time;
 - f. close or stop access to the ATS;
 - g. suspend delivery or determine an alternative delivery point or procedure or change the conditions of delivery in relation to the Contract;
 - h. in the event that the willful misconduct or negligence by the Exchange Member has resulted in the Exchange Member's Event of Default or Violation under these Exchange Rules and Clearing House Rules, the Exchange or the Clearing House, if applicable, has the authority to withdraw all guarantees (in whatever form) deposited by the Exchange Member concerned to meet the financial requirements as mentioned in these Exchange Rules which will be used to settle the obligation of the Exchange Member to the Clearing House and/or;
 - i. take other actions against the Exchange Member necessary to discharge its legal obligations under the relevant Prevailing Laws in order to maintain transparent, orderly and fair Trading Transactions.
2. Future Contract transactions not yet closed by delivery or with off-set transactions Open positions held by the relevant Exchange Members may be transferred to other Exchange Members in accordance with the following provisions:
- a. An Exchange Member acting as a Futures Broker subject to sanction of suspension or revocation of its Exchange Membership by the Exchange may appoint other Exchange Members to take over a futures contract transaction that has not been closed by delivery or with an Open Position off-set transaction;
 - b. An Exchange Member acting as a Futures Trader subject to sanction of suspension or withdrawal of his Exchange Membership;
 - c. The Exchange is authorized to close the Open Membership Position of Exchange which is subject to the sanction of suspension or revocation at the price and conditions determined by the Exchange in the event of a and b provisions are not applicable by the Exchange Member. Any losses and liabilities incurred in connection with the closing of the Open Position shall be borne by the concerned Exchange Member.

- d. Exchange Members subject to sanctions suspension or withdrawal of members of the Exchange shall follow the setting and procedures of clearing if the Member is a Clearing Member, in accordance with the Clearing Rules
3. Whenever of the Exchange or any of its officials or any of the Committees shall consider either by reason of complaint made to it or them in writing by one or more members of the Exchange or by reason of any knowledge or information or there is sufficient reason according to investigation, inspection or incidental audit that there has been any act or omission on the part of a member of the Exchange rendering him liable to expulsion, suspension and/or payment of a fine, the Exchange may either:
 - a. give a written warning, which contains a reprimand and is accompanied by an instruction for improvements and / or fulfilment and / or remedial actions to be performed by such Exchange Member or Exchange Participant within 30 (thirty) calendar days or other period as the Exchange stipulates;
 - b. an Exchange Member or Exchange Participant could eventually be given a second or third of such warning if the such Member or participant fails to fully implement these improvements as mentioned in provision a mentioned above within 30 (thirty) calendar days or other period as the Exchange stipulates to conform with the first or second written warning;
 - c. if upon the expiration of the second written warning, the Exchange Member or Exchange Participant still fails to make corrective actions or to comply with the instruction for improvement, the Exchange shall give notice in writing to such Member or Participant or to any other Member or Participant requiring him to appear before any Committee or the Board within such time as stated in the notice; and
 - d. orders any other actions which necessary to protect the Exchange integrity.
4. Exchange Member may request for Hearing without waiting for the expiration of the period referred to in provision number 2 above upon consultation with and approval from the Exchange.
5. All and every Default or Violation committed by Exchange Member or Exchange Participant and its non-performance of other matters which the Exchange Member should fulfill pursuant to these Exchange Rules may be subject to sanction by the Exchange pursuant to the rules enforcement provisions recommended by the Exchange Committee or other Exchange Rules enforcement apparatus, if necessary.

6. In establishing a violation to be indicted before the Exchange Committee or in imposing a fine, the Exchange may, without notice to the Exchange Member and/or its proxy, conduct the investigation pursuant to these Exchange Rules.
7. The Exchange may restrict the activity of any Exchange Member and/or its proxy if the Exchange Member is being charged before the Exchange Committee for each Default, Violation or indicted before any court.
8. The Exchange may suspend the privileges possessed by an Exchange Member and/or its proxy as mentioned in these Exchange Rules or the exercise of the powers referred to in these Exchange Rules. The Exchange may request the Exchange Committee for recommendation of implementation of the power within a period of 14 (fourteen) calendar days since the Exchange is aware of any Violation or Event of Default by the Exchange Member. The recommendation resume submitted by the Exchange Committee to the Exchange shall detail the Exchange's power and the basis of the execution of actions against the Exchange Member and/or its proxy.

CHAPTER X

DISPUTE SETTLEMENT

1000. GENERAL PROVISIONS

1. The Exchange understands that an efficient, prompt and fair cost settlement of disputes is essential to the parties in order to maintain sound Derivatives Trading. To this end, the Exchange is authorized to establish a mechanism for the settlement of complaints and disputes in connection with the Futures Contract, Sharia Derivative Contract and/or other derivative Contracts or the implementation of these Exchange Rules.
2. The Exchange provides means of dispute settlement through Mediation.
3. Following Mediation provided by the Exchange, the Parties may enter into other alternative dispute resolution forums as so agreed by the Parties.
4. The Exchange maintains the confidentiality of information and documents in respect of the handling of Complaints and dispute settlement in any manner, including but not limited to the following:
 - a. The disputing Parties shall keep confidential any information and documents obtained directly or indirectly from the other, starting from the date the Complaint is received to the date the dispute is finally settled, including but not limited to, dispute settlement decision, financial position and business activities, Derivatives Trading activities of the Customer, Exchange Member, Clearing Member, the Exchange and/or Clearing House, and does not disclose it to any party, whether for benefits or interest of itself or of others, unless disclosure is required by the Prevailing Laws and/or regulations concerning Derivatives Trading.
 - b. Any violation of the provisions of letter a above requires the defaulting Party to indemnify and pay any losses suffered by the other Party as a result of the violation, including but not limited to losses arising from the third party's claim and sanctions in accordance with the Prevailing Laws.
5. The process of dispute settlement at the Exchange shall be conducted by the Complaint Handling Unit, constitutes as a part of Supervisory Unit, which is further regulated in the Exchange Decree.
6. In the event of any violation of the code of ethics by the Mediator and the Supervisory Unit of the Exchange, the case will be processed by a code of ethic reinforcement regulated based on the Exchange Decree.
7. Should there be a dispute which is addressed to the Exchange and Clearing House, such dispute shall be mediated by the Exchange in cooperation with the Clearing House.

1001. DISPUTE SETTLEMENT

1. If there is a notice of claim and notification of the intention to refer a dispute to the dispute settlement institution given to the Exchange in connection with the Contract, any and all collaterals contained in the disputing Exchange Member account shall be withheld by the Clearing House upon request from the Exchange.
2. The Exchange may at any time request the Exchange Member to deposit any additional collateral in the amount deemed fair in relation to the settlement of the dispute, to be retained as collateral by the Clearing House until the dispute is settled. The amount of such guarantee granted by the Exchange Member to the Clearing House is determined on the basis of the conditions of disputes deemed relevant by the Exchange and the Clearing House.
3. The mechanism for determining the collateral for disputes shall be further stipulated in the Exchange Decree.

1002. DISPUTE SETTLEMENT

1002.1 DISPUTE BETWEEN THE CUSTOMER WITH THE EXCHANGE MEMBERS

1. In the event of a dispute arising between the Customer and the Exchange Member in connection with the transaction in the Exchange, the consensus shall first be solved by deliberation.
2. If the settlement by deliberation as referred to in paragraph 1 above can not reach an agreement within thirty (30) calendar days after the submission the evidence of receipt of complaint by the Exchange Member, then the Customer and/or Exchange Member in dispute shall settle the dispute in accordance with procedures for settlement of complaints by Customer under the Prevailing Laws, the Exchange Rules and the Exchange Decision.
3. In the event that the settlement of dispute through Mediation is reached by a settlement agreement, the Mediator shall prepare minutes of settlement signed by the disputing Parties.
4. In the event that the settlement of dispute through mediation fails, the disputing Parties shall pass the dispute settlement process in accordance with the Order, or if not specified in the Order, then the dispute shall be settled by arbitration before BAKTI.
5. In relation to dispute settlement through mediation, the Exchange may impose the costs of settling disputes to the parties, which the amount shall be stipulated in the Exchange Decision.
6. The application for dispute settlement through arbitration under the Exchange Rules shall not limit or prevent the taking of an action or implementation of the Exchange authority in respect of such dispute.

1002.2 DISPUTE BETWEEN EXCHANGE MEMBERS

1. In the event of any dispute arising between the Exchange Member in connection with the Contract transaction, it shall first be settled by deliberation.
2. If the settlement referred to in number 1 above is not reached, then the Exchange Member shall settle the dispute through Mediation as a means of dispute settlement provided by the Exchange.
3. In the case of settlement of dispute through Mediation at the Exchange reaches a settlement, then the mediator shall prepare minutes of settlement signed by the disputing Parties.
4. The dispute settlement mechanism through the Exchange Mediation shall be further stipulated in the Exchange Decree.
5. In the event that the settlement of dispute through mediation in point 3 fails, the disputing Parties shall pass the dispute settlement process in accordance with the Contract, or if not specified in the Contract, then the dispute shall be settled by arbitration before BAKTI. The arbitration award shall be final and binding upon the Parties to the dispute and neither appeal nor cassation appeal may be made.
6. The application for dispute settlement through arbitration under the Exchange Rules shall not limit or prevent the taking of an action or implementation of the Exchange authority in respect of such disputes.

1003. DISPUTE SETTLEMENT FEES

1. Components of the applicable dispute settlement fees for each dispute settlement processed in the Exchange as follows:
 - a. If the award is passed through the Mediation facility provided by the Exchange, the Exchange may charge the dispute settlement fee to the disputing Parties, the amount of which shall be determined by an Exchange Decision; or
 - b. If the award is passed by the BAKTI or Judicial Institution, the dispute settlement fee shall be determined in accordance with Prevailing Laws and BAKTI Rules.
2. If there is effort to raise a lawsuit, arbitration or other remedy which requires the Exchange to prevent or take an action on the indicted Exchange Member, then Exchange shall, at its absolute authority, require the Exchange Member to indemnify;
 - a. all expenses and legal costs incurred by the Exchange in relation to such effort;
 - b. any payment made by the Exchange with the prior approval of the Exchange Member in relation to the settlement of such effort;

- c. any payment made by the Exchange based on the verdict in respect of such effort;
- d. any costs incurred by the Exchange to make records relating to the business activities or affairs of the Exchange Member at the request of the Court or other legal proceedings either for the benefit of the Exchange Member or other third parties.

CHAPTER XI

EMERGENCY CONDITION AND FORCE MAJEURE

1100. EMERGENCY CONDITION

1. This chapter sets out the provisions in respect of the occurrence of Emergency Conditions which affect Exchange Members and/or the Exchange. Circumstances which may incur Emergency Condition shall be among other the following situations:
 - a. the market fails to work properly with the characteristics of a significant decline or increase in the value on Derivatives Trading in a period of less than seven (7) days but not a prolonged decrease;
 - b. there are physical threats to the Exchange and Clearing House resulting in unusual circumstances, widespread panic and disorder in Derivatives Trading;
 - c. there is a disruption to the technology and the use of such technology that is significantly and negatively affecting the function of Derivatives Trading;
 - d. there is a failure in Derivatives Trading which causes low liquidity;
 - e. there is a trade failure that may lead to an overall depression or a sustained weakening in trade;
 - f. situation(s) in which an action is necessary to ensure the implementation of a fair and orderly market or to ensure the implementation of a safe and efficient trading facility, or to ensure the integrity of the market or for the application of proper management against systemic risk on the market;
 - g. there are situations in which the Exchange, in accordance with the Prevailing Laws, declares that there is an excessive position or unsecured speculation or other undesirable situation(s) or practice(s) that develop or have progressed may affect or affect the activities of the normal Derivatives Trading; and
 - h. or other conditions which according to the Exchange's judgment will be able to exert influence or intimidate the financial integrity of the Exchange or Exchange Member(s) including but not limited to the conditions which may result in the situation referred to in the provision 1100.1 of this Chapter.
2. In the event the situations mentioned above occur, the Exchange may take specific actions as mentioned in provision 1101 of the Exchange Rules.

1101. THE POWER OF EXCHANGE IN EMERGENCY CONDITION

1. The Exchange shall determine an instruction after the announcement of the Emergency Condition which cause disruption on Derivatives Trading as mentioned in provision 1100 of this Chapter with or without consultation with the Clearing House (if deemed impractical).

2. The Exchange is authorized to perform actions relating to performance of any affected Contract by the Emergency Condition as mentioned above, including but not limited to the following:
 - a. the Exchange is authorized, to close out some or all Contracts on behalf of the relevant Exchange Member at a price determined by the Exchange or Clearing House, and requires that the Exchange Member comply with orders, instructions, directives or decisions of the Exchange in respect of the performance of such Contract;
 - b. mandatory Cash Settlement of any Open Position (including Contract with Physical Delivery) at a price determined by the Exchange or Clearing House.
 - c. in related to Contract with Physical Delivery, where making delivery of the Commodity virtually impossible, then the Exchange shall have the power to settle the Contract before its maturity date; and/or
 - d. to take such other action as it deems necessary or desirable in respect of some or all Contracts in the Exchange Member's name in respect of which is affected or requires the Exchange Member to take measures directed by the Exchange.

1102. NOTIFICATION AND COMMUNICATION

1. If the party affected by such Emergency Condition is the Exchange, the Exchange shall issue an announcement in relation to the condition(s) mentioned above and the efforts to mitigate such circumstances.
2. The Exchange Member or other parties related to the Contract which affected by Emergency Condition shall give written notice to the Exchange and other relevant parties. In the event, the Party which is affected by Emergency Condition not promptly give written notice to the Exchange in the period of two times twenty four (2 x 24) hours since the occurrence of Emergency Condition therefore such Party shall perform its obligations as supposed.
3. The Exchange shall notify Coftra and the relevant party concerning the action(s) taken under Chapter XI of the Exchange Rules.

1103. LIMITATION ON THE LIABILITY OF THE EXCHANGE

1. The Exchange shall not be liable for any losses, damages, costs, accidents or any obligations incurred to any party and shall not be liable for any failure, restriction or delay in performing its obligations (in part or in whole) to the Exchange Member as a result of Emergency Condition.
2. Notwithstanding the provision 1 above, any failure performed by the Exchange as a result of Emergency Condition shall not reduce, alter, restrict or affect the obligations of the Exchange Member in respect of any Contract or Transaction that have been executed by the Exchange Member.

3. The Exchange is not liable and/or shall not be liable to any Exchange Member or any third party in respect of any damage, loss, cost or expense of whatsoever nature (whether direct, indirect, special or consequential, including without limitation any loss of business, revenue, goodwill, bargain or profit), suffered or incurred by such Exchange Member or third party, arising out of or in connection with the exercise or non-exercise by the Exchange of its powers or the determination by the Exchange of the satisfaction or non-satisfaction of any condition for the exercise of such powers.

1104. FORCE MAJEURE

1. In general, neither the Exchange nor the Exchange Member shall be liable for any failure, restriction or delay in the execution of the whole or part of its obligations under the terms of the Exchange Rules or any Contract if as such arises from an occurrence, event or circumstance beyond its reasonable control.
2. Such event(s) or circumstance(s) includes, but is not limited to:
 - a. acts of God, including but not limited to, floods, earthquakes, storms, tsunamis, fires, and/or other similar natural disasters;
 - b. war, riot(s), terrorist act(s), other crime(s) or emergency which intimidate or endanger or otherwise affect or has affected normal trading activities, including but not limited to the performance of an Contract;
 - c. government, state, local government of a country or institution or authorized institution of the such country has acknowledged or made a notice of its intention to exercise, alter or withdraw control and/or regulation which most likely to affect normal trading activities including but not limited to, the performance of the Contract;
 - d. any international organization or institution or agency has issued, altered, deleted or permitted the removal of a provision which may affect normal trading activities including but not limited to, the performance of the Contract; or has notified of its intention to do so or has been seen to do so;
 - e. if in the opinion of the Clearing House, in consultation with the Board of Directors of the Exchange, the complete settlement of Clearing Member of a Contract becomes impossible for any reason (except in the circumstances specified in point b-d above);
 - f. embargoes;
 - g. labor dispute, strike and lockout in national scale;

- h. unavailability, failure or restriction resulting from failure or damage to computer or data processing facilities, hardware, software and connection (from and to the third party), Exchange system failure, communication media equipment/device failure, limited or unavailable energy supplies, failure or malfunction of settlement or payment system provided by the Clearing House and/or the Exchange or the bank or wireless transfer system; or
 - i. any other event beyond the reasonable control of the parties which whether directly or indirectly affecting the Derivatives Trading in territorial, regional national or international scale.
- 3. Parties which are affected by the Force Majeure event shall use all reasonable endeavors to mitigate the impact of such event in accordance with its ability to perform its obligations to the Exchange Member or the Exchange.

1105. THE POWERS OF THE EXCHANGE IN THE EVENT OF FORCE MAJEUR

- 1. The Exchange shall determine an instruction after the announcement of the Force Majeur as mentioned in provision 1104 of this Chapter with or without consultation with the Clearing House (if deemed impractical).
- 2. The Exchange is authorized to perform actions relating to performance of any affected Contract by the Force Majeur as mentioned above, including but not limited to the following:
 - a. the Exchange is authorized, to close out some or all Contracts on behalf of the relevant Exchange Member at a price determined by the Exchange or Clearing House, and requires that the Exchange Member comply with orders, instructions, directives or decisions of the Exchange in respect of the performance of such Contract;
 - b. mandatory Cash Settlement of any Open Position (including Contracts with Physical Delivery) at a price determined by the Exchange or Clearing House.
 - c. in relation to Contract with Physical Delivery, where making delivery of the Commodity virtually impossible, then the Exchange shall have the power to settle the Contract before its maturity date; and/or
 - d. to take such other action as it deems necessary or desirable in respect of some or all Contracts in the Exchange Member's name in respect of which is affected or requires the Exchange Member to take measures directed by the Exchange.

1106. NOTIFICATION AND COMMUNICATION

- 1. If the Party affected by Force Majeur, the Exchange shall issue an announcement in relation to the Force Majeur mentioned above and the efforts to mitigate such circumstances.

2. The Exchange Member or other parties affected by Force Majeur shall give written notice to the Exchange and other relevant parties. In the event, the Party which is affected by Force Majeur not promptly give written notice to the Exchange in the period of two times twenty four (2 x 24) hours since the occurrence of Force Majeur therefore such Party shall perform its obligations as supposed.
3. The Exchange shall notify Coftra and the relevant party concerning the action(s) taken under Chapter XI of this Exchange Rules.

1107. LIMITATION ON THE LIABILITY OF THE EXCHANGE

1. The Exchange shall not be liable for any losses, damages, costs, accidents or any obligations incurred to any party and shall not be liable for any failure, restriction or delay in performing its obligations (in part or in whole) to the Exchange Member as a result of Force Majeure.
2. Notwithstanding the provision 1 above, any failure performed by the Exchange as a result of Force Majeure shall not reduce, alter, restrict or affect the obligations of the Exchange Member in respect of any Contract or transaction that have been executed by the Exchange Member.
3. The Exchange is not liable and/or shall not be liable to any Exchange Member or any third party in respect of any damage, loss, cost or expense of whatsoever nature (whether direct, indirect, special or consequential, including without limitation any loss of business, revenue, goodwill, bargain or profit), suffered or incurred by such Exchange Member or third party, arising out of or in connection with the exercise or non-exercise by the Exchange of its powers or the determination by the Exchange of the satisfaction or non-satisfaction of any condition for the exercise of such powers.