BANK INDONESIA REGULATION
No. 11/12/PBI/2009
CONCERNING
ELECTRONIC MONEY

GOVERNOR OF BANK INDONESIA

Considering:

a. Whereas the development of Electronic Money as payment instrument, which previously has been regulated as prepaid card, has taken new forms other than prepaid card
b. Whereas the advancement of information technology and telecommunication technology, payment instrument in the form of Electronic Money has increasingly been issued by both Banks and Non-Bank Institutions
c. Whereas to increase the security and ensure smooth utilization of Electronic Money for all stakeholders, a set of comprehensive governing regulation is deemed necessary
d. Whereas based on consideration as referred to in letter a and letter b, and letter c, there are a clear need to regulate the legal provisions concerning Electronic Money in the form of Bank Indonesia Regulation

In view of:

1. Act No 7 of 1992 concerning Banking (State Gazette of the Republic of Indonesia Number 31 of 1992, Supplement to the State Gazette of the Republic of Indonesia Number 3472), as amended by Act Number 10 of 1998 (State Gazette of the Republic of Indonesia Number 182 of 1998, Supplement to the State Gazette of the Republic Indonesia Number 3790)
2. Act Number 23 of 1999 concerning Bank Indonesia (State Gazette of the Republic of Indonesia Number 66 of 1999, Supplement to the State Gazette of the Republic of Indonesia Number 3842) as amended by Act Number 3 of 2004 (State Gazette of the Republic of Indonesia Number 7 of 2004, Supplement to the State Gazette of the Republic Indonesia Number 4357);
3. Act No 15 of 1999 concerning Bank Indonesia (State Gazette of the Republic of Indonesia Number 30 of 2002, Supplement State Gazette of the Republic of Indonesia No 4191), as amended by Act Number 25 of 2003 (State Gazette of the Republic of Indonesia No 108 of 2003, Supplement State Gazette of the Republic of Indonesia No 4756);
4. Act No 40 of 2007 concerning Perseroan Terbatas/Limited Liability Company (State Gazette No 106 of 2007, Supplement State Gazette of the Republic of Indonesia No 4756);
5. Act No 21 of 2008 concerning Syariah Banking (State Gazette No 94 of 2008, Supplement State Gazette of the Republic of Indonesia No 4867);

HAS DECREED:

The Enactment of: THE BANK INDONESIA REGULATION CONCERNING ELECTRONIC MONEY

CHAPTER 1

GENERAL PROVISIONS

Article 1

The terminology used in this Bank Indonesia Regulations has the following meaning:

1. “Bank” is Commercial Banks and Rural Banks as defined in Act Number 7 of 1992 concerning Banking, as amended by Act Number 10 of 1998, also including any branch offices of a Foreign Bank and Syariah Bank and Syariah Rural Bank, as defined in Act Number 21 of 2008 concerning Syariah Banking
2. “Non Bank Institution” is a non banking legal entity established pursuant to the laws of Indonesia
3. “Electronic Money” is a payment instrument, which fulfills the following criteria:
   a. Issued based on nominal value of money, which had been deposited by the Holder to the Issuer
   b. The nominal value of the money is stored electronically in a media, such as server or chip,
   c. Serves as a payment instrument for Merchant which is not the Issuer of the Electronic Money, and
   d. The value of the Electronic Money that had been deposited by the holder and managed by the issuer is not categorized as saving, as defined by Banking Regulation
4. “The Value of Electronic Money” is equal to the nominal value of the money that has been stored electronically in a transferrable media for the purpose of payment transactions and / or money transfers
5. “Principal” is a Bank or Non-Bank Institution that has taken the responsibility to manages the system and/or member network, both issuing members, and/or acquiring members, of the Electronic Money transaction, based on a mutual written agreement among its members
6. “Issuer” is Bank or Non-Bank institution issuing the Electronic Money
7. “Acquirer” is Bank or Non-Bank institution that enters into cooperation agreement with merchants, and which then can process the Electronic Money data of other Issuers
8. “Holder” is the entity that are using the Electronic Money
9. “Merchant” is the seller of goods / services, which then received payment transaction from the Holder
10. “Recharge” is defined as the addition of Electronic Money’s value toward Electronic Money
11. “Float” is defined as the sum value of all Electronic Money which received by Issuer as proceeds from Electronic Money issuance, and/or Recharge which is still defined as liability of Issuer against Holders and Merchants
12. “Cash Advance” is the cash withdrawal facility of the Electronic Money at nominal value, which can be conducted at any time by the holders
13. “Clearing Processor” is Bank or Non-Bank institution that conducts the calculation of both the rights and the liabilities of each Issuer and/or Acquirer involved in Electronic Money transactions
14. “End Settlement Processor” is Bank or Non-Bank institution that conduct and responsible for the End Settlement process of both the financial rights and the financial liabilities of each Issuer and/or Acquirer based on the calculation statement that was produced by the Clearing Processor

CHAPTER II

PRINCIPAL, ISSUER, ACQUIRER, CLEARING PROCESSOR AND/OR END SETTLEMENT PROCESSOR

Part One

Approval Documents

Paragraph 1

Principal

Article 2

(1) Principal operational activities can be performed by Bank or Non-Bank Institution
(2) Bank or Non-Bank Institution that performs the Principal role as referred to point (1) is subject to Bank Indonesia approval of Principal License
(3) Further provisions concerning requirements and procedures to apply for the Principal’s license shall be stipulated in a Bank Indonesia Circular Letter

Article 3

(1) While performing its activities, Principal has the obligation to:
a. Sets forth a set of objective and transparent procedures and requirements; and  
b. Monitors the security and reliability of the system and/or network,  
Towards all Issuers and/or Issuers members pertaining to the Principal

(2) The monitoring toward the security and the reliability of the system and/or network as referred by Article(1) letter b, should also be conducted by the Principal toward other parties that are in a cooperation agreement with the Issuers and/or Acquirer

Article 4

(1) Principal has the obligation to cease its cooperation agreement with the Issuer and/or Acquirer if Bank Indonesia imposes revocation sanctions of the license that has previously been granted to the Issuer and/or Acquirer as governed by this Bank Indonesia Regulation.

(2) The cease of cooperation agreement as referred by the point (1) has to be completed by the Principal no later than the next business day after the receiving date of written formal notification from the Bank Indonesia regarding the license revocation of the Issuer and or Acquirer

(3) The act of ceasing the cooperation agreement as referred to by the point (2) must be submitted in writing by the Principal and must be received by the Bank Indonesia no later than 10 (ten) working days after the commencement of the cease of operation agreement’s date

Paragraph 2

Issuer

Article 5

(1) Issuance activities can be performed by Bank or Non-Bank Institution
(2) Bank that performs the role as an Issuer as referred by point (1) is subject to Bank Indonesia’s approval of Issuer License
(3) For Non Bank Institute that performs the role as an Issuer as referred to point (1) is required to obtain the issuer license from Bank Indonesia, if:
   a. The amount of the Float under management has reached certain a level; or
   b. The amount of the Float is projected to reach a certain level
(4) Other provision regarding the requirements and procedures to obtain the license as an Issuer as referred to by the point (2) and point (3), including the provisions concerning the value of the float as referred by point (3) shall be stipulated in Bank Indonesia Circular Letter
Paragraph 3

Acquirer

Article 6

(1) Acquiring activities can be performed by Bank or Non-Bank Institution
(2) For Bank that performs the role as Acquirer as referred to by point (1) is subject to Bank Indonesia’s approval of Acquirer License
(3) Other provisions regarding requirements and procedures to obtain the license as an Acquirer as referred to by point (2) shall be stipulated in a Bank Indonesia Circular Letter

Article 7

(1) Acquirer has the obligation to educates and administers the Merchants that are in a cooperating agreement with the Acquirer
(2) Acquirer has the obligation to terminate the agreement with Merchant that committing delinquency acts
(3) Acquirer is allowed to performs information or data exchange with other Acquirers pertaining to Sellers that committing delinquency acts and has the right to recommend the submission of the name of the Merchant into a merchant black list
(4) Other provisions regarding minimum clauses which has to be included within the agreement between Acquirer and Merchant shall be stipulated in a Bank Indonesia Circular Letter

Paragraph 4

Clearing Processor and End Settlement Processor

Article 8

(1) Bank or Non Bank Institution that performs the role as Clearing Processor and / or End Settlement Processor is subject to Bank Indonesia approval of Clearing Processor and/or End Settlement Processor license
(2) For Bank or Non Bank Institution that perform the role as Clearing Processor and or End Settlement Processor, shall be obliged to obtain separate license as referred to by point (1) for each type of aforementioned activities
(3) Other provisions regarding requirements and procedures to obtain Clearing Processor license and or End Settlement Processor as referred to by point (1) shall be stipulated in a Bank Indonesia Circular Letter
Part Two

Principal, Issuer, Acquirer, Clearing Processor and/or End Settlement Processor Activity

Article 9

(1) Bank or Non Bank Institution that has obtained the license from Bank Indonesia as Principal, Issuer, Acquirer, Clearing Processor and/or End Settlement Processor is under an obligation to commence its operations within the specific time frame that has been determined by Bank Indonesia.

(2) Bank or Non Bank Institution has the obligation to submit written notice to Bank Indonesia, as referred to the point (1), in the case that the Bank or Non Bank Institution is unable to start commencing its operations within the specific time frame.

(3) The specific time frame as referred to by point (1) and the procedures to submitting the written notice as referred to by point (2) shall be stipulated by Bank Indonesia Circular Letter.

Part Three

Entity Legal Form and Cooperation Agreement

Article 10

Non Bank Institution that intend to commence operations as Principal, Issuer, Acquirer, Clearing Processor and/or End Settlement Processor that operates within the jurisdiction of the Republic of Indonesia shall be incorporated as Limited Liability Company that abides to the laws of Indonesia.

Article 11

Principal, Issuer, Acquirer, Clearing Processor and or End Settlement Processor that has obtained license from Bank Indonesia can only enter into cooperation agreement with Principal, Issuer, Acquirer, Clearing Processor and or End Settlement Processor that has also obtained proper license from Bank Indonesia.

Article 12

(1) In the event that Principal, Issuer, Acquirer, Clearing Processor and/or End Settlement Processor is cooperating with any other entities, the Principal, Issuer, Acquirer, Clearing Processor and/or End Settlement Processor has the obligation to:
   a. Submits a report on the plan to enter into an agreement and the realization of such agreement to Bank Indonesia;
   b. Possesses evidence concerning the reliability and the security of the system that are being used by other parties in Electronic Money transaction, which need to be proven through, inter-alia, the followings:
1. The result of information technology audit performed by independent auditor; and
2. Certification result that are performed by the Principal, if so is being required by the Principal
   c. Ensures that the other party that is involved in the Electronic Money operations to maintain the security of the data
(2) Other provisions in regards the reporting of the plan to enter into Principal, Issuer, Acquirer, Clearing Processor and/or End-Settlement Processor’s agreement and the realization of such agreement as referred by point (1) shall be stipulated further by Bank Indonesia Circular Letter.

CHAPTER III

OPERATIONS

Part One

Issuing and Risk Management

Article 13

Issuer is prohibited to issue Electronic Money with higher or lower value as compared to the nominal value that had deposited by the Holder to the Issuer.

Article 14

(1) Bank Indonesia reserve the right to determine the upper ceiling of the Electronic Money’s value that are being stored on electronic media as well as the permitted total value of Electronic Money’s transaction that can be conducted within specific time period
(2) Issuer are bound to comply with the maximum limits as referred by point (1)
(3) Other provisions in regards to the maximum limits as referred to by point (1) shall be stipulated further by Bank Indonesia Circular Letter.

Article 15

In the event that the Electronic Money’s media has a expiry date, the Issuer is prohibited to delete or clean out the value of the Electronic Money upon expiration.

Article 16

(1) Non Bank Institution that has obtained license as Issuer and will procure fund transfer facility through Electronic Money is required to obtain remittance license.
(2) Cash Advance Facility can only be given by a issuer that provides fund transfer facility through Electronic Money
(3) In the event that Issuer that provides fund transfer facility as referred to point (2) has an agreement with other parties to provide Cash Advance Facility, the issuer is bound to cooperate only with other party that has a valid remittance license.

(4) In the event that Issuer provides fund transfer facility thorough Electronic Money, the Issuer is subject to a liability to maintain the identity of the Holder.

(5) The fund transfer facility thorough Electronic Money that abides to this regulation shall also abides to other relevant regulations.

(6) Other provision in regards to fund Transfer facility and Cash Advance through Electronic Money as referred by point (1) and point (2) shall be stipulated further with Bank Indonesia Circular Letter.

Article 17

(1) Issuer has the obligation to maintain all the record and documents pertinent to Merchants that are in cooperation agreement with the Issuer.

(2) Issuer has the obligation to apply operations risk management and financial risk procedures.

(3) For the purpose of implementation of the financial risk management as referred by point (2), Issuer has the obligation to:
   a. Place the Float as a safe and liquid asset;
   b. Use the Float, as referred by point a, exclusively for fulfilling its liability toward Holder and Merchant, and
   c. Fulfill liability to Holder and Merchant in timely manner

(4) Other provisions in regards to the applications of operational risk management as referred to by Point (2) and Float placement as referred to by Point (3) shall be stipulated further in a Bank Indonesia Circular Letter.

Article 18

(1) Issuer has the obligation to disclose written information to Holder pertaining to its issuance of Electronic Money

(2) Other provisions in regards to the disclosure of the written information as referred to by point (1) shall be stipulated further in a Bank Indonesia Circular Letter.

Article 19

(1) In the event that Issuer has obtained license from Bank Indonesia to issue Electronic Money with different type and brand name and/or with addition of new facilities, the issuance of such product is subject to written reporting requirement to Bank Indonesia

(2) In minimum, the written reports as referred to the point (1) must include the following information:
   a. Business Plan; and
   b. Characteristic description on the different type or brand name, or the new facility addition to the Electronic Money

(3) Other provisions in regards to the written report submission procedures as referred to the Point (1) shall be stipulated further in Bank Indonesia Circular Letter.
Part Two

Usage of Rupiah

Article 20

(1) The Electronic Money issued is subject to the usage of Rupiah as the currency
(2) The Electronic Money that are being used within the territory of Republic of Indonesia is subject to usage of Rupiah as the currency

CHAPTER IV

ELECTRONIC MONEY’S ACTIVITY LICENSE TRANSFER

Article 21

(1) The transfer of license as Principal, Issuer, Acquirer, Clearing Processor and/or End-Settlement Processor to other party can only be conducted by Bank or Non Bank Institution for the purpose of merger, liquidation, and divestation.

(2) The transfer of activity license as Principal, Issuer, Acquirer, Clearing Processor and/or End Settlement Processor as referred to by point (1) is subject to prior approval from Bank Indonesia

(3) In the event of acquisition, Bank or Non Bank Institution that has obtained license as Principal, Issuer, Acquirer, Clearing Processor and / or End-Settlement Processor is required to submit a written report to Bank Indonesia

(4) Other provisions in regards to the requirements and procedures to obtain license as referred to by point (2) and the submission of written report as referred to by point (3) shall be stipulated further by Bank Indonesia Circular Letter.

CHAPTER V

SUPERVISION

Article 22

(1) Bank Indonesia conducts supervision toward Principal, Issuer, Acquirer, Clearing Processor and / or End-Settlement Processor
(2) For the purpose of conducting such supervision as referred to by point (1), Bank Indonesia conduct consultative meeting with Principal, Issuer, Acquirer, Clearing Processor and/or End Settlement Processor.
(3) For the purpose of conducting such supervision as referred to by point (1), Principal, Issuer, Acquirer, Clearing Processor and/or End Settlement Processor has the obligation to:
   a. Submits written and/or online report to Bank Indonesia pertaining the Electronic Money activities;
   b. Provides description and/or relevant data pertaining to the Electronic Money activities as requires by Bank Indonesia;
   c. Provides opportunities to Bank Indonesia to conduct on-site visit to obtain relevant information pertaining to the operations of Electronic Money;

(4) Bank Indonesia has the right to requires other parties that are in a agreement with Principal, Issuer, Acquirer, Clearing Processor, End Settlement Processor, as referred to by Article 12 point (1), to submit written report pertaining specific information

(5) Based on the result of the supervision as referred to by point (1), Bank Indonesia reserves the right to conduct further actions deemed necessary to resolve the issues and/or impose administrative sanction.

(6) Other provisions regarding the submission’s procedures and the type of written and/or online reports as referred to by point (3) letter a shall be stipulated further in Bank Indonesia Circular Letter

Article 23

Bank Indonesia reserves the right to appoint other party to and on behalf of Bank Indonesia, conduct on site visit as referred to by Article 22 point (3) letter c.

CHAPTER VI

ENHANCEMENT OF SECURITY TECHNOLOGY

Article 24

(1) Principal, Issuer, Acquirer, Clearing Processor and / or End Settlement Processor, has the obligation to:
   a. Utilizes a reliable and secure system
   b. Maintains and enhances Electronic Money security technology
   c. Possesses written standard operating procedures pertaining Electronic Money activity; and
   d. Maintain the security and confidentiality of the data.

(2) For the purpose of fulfilling the obligations as referred to by point (1), Principal, Issuer, Acquirer, Clearing Processor and / or End Settlement Processor is subject conducting periodic information technology audit and reporting the result of such audit to Bank Indonesia

(3) Further provisions in regards technology’s security as referred to point (1), the audit procedures, and the audit result’s reporting procedures as referred to point (2), shall be stipulated further with Bank Indonesia Circular Letter.
CHAPTER VII
MISCELLANEOUS PROVISIONS

Article 25

Electronic Money activities by Commercial Banks that conduct business activities based on sharia principle (Sharia Commercial Bank) or by Syariah Business Unit of a Commercial Bank are subject to this Bank Indonesia Regulation, notwithstanding the upholding of applicable sharia principle.

Article 26

(1) Rural Bank or Syariah Rural Bank may engage in Electronic Money’s activities insofar as the relevant regulations do not prohibit the activities.
(2) In the event that Rural Bank or Syariah Rural Bank as referred to point (1) is engages in Electronic Money, the will be subject to this Bank Indonesia Regulation

Article 27

(1) Principal, Issuer and/or Acquirer is required to provides system that are connectible to other systems of Electronic Money
(2) Further provisions in regards to procurement of a connectible system to other system of Electronic Money as referred to point (1) shall be stipulated by Bank Indonesia Circular Letter

Article 28

(1) In the event of change of name, address, and / or information on certain documents, Principal, Issuer, Acquirer, Clearing Processor and / or End Settlement Processor has the obligation to submit a written notification to Bank Indonesia
(2) Further provision in regards to notification procedures on change of name, address and/or information on certain documents as referred to the point (1) shall be stipulated further by Bank Indonesia Circular Letter.

Article 29

Every reports, elaborations, and / or data submitted by the Principal, Issuer, Acquirer, Clearing Processor and / or End Settlement Processor has to fulfill the comprehensive, correct and accurate principle.

Article 30

(1) Principal, Issuer, Acquirer, Clearing Processor and/or End Settlement Processor or any other party that involved in the Electronic Money activity can agree upon
forming a forum or institution with the objective performing self governance of technical and micro aspects of the operations, by written notification the establishment of such forum or institution to Bank Indonesia

(2) The rules that are issued by the forum or institution as referred to by point (1) is subject to prior consultation with Bank Indonesia and must not contravening with the Bank Indonesia rules and regulations

(3) Principal, Issuer, Acquirer, Clearing Processor and or End Settlement Processor and any other parties that has membership in the forum or institution as referred to point (1) is obliged to follow and comply with the rules that were issued by and was agreed upon in the aforementioned forum or the institution.

Article 31

Bank Indonesia will post the list of Bank and Non Bank Institution that has been granted license and has effectively commence the operations as Principal, Issuer, Acquirer, Clearing Processor and /or End Settlement Processor in Bank Indonesia website.

CHAPTER VIII

SANCTIONS

Article 32

Bank or Non Bank Institution that failed to comply as referred to Article 2 point (2), Article 5 point (2), Article 5 point (3), Article 6 point (2), Article 8 point (1), and / or Article 48, shall be imposed administrative sanction as follows:

a. Termination of Electronic Money activity, for Bank; or
b. Termination of Electronic Money activity by relevant authority upon request from Bank Indonesia, for Non Bank Institution

Article 33

(1) Principal that failed to fulfill its obligations as referred to Article 3 point (1), Article 4 point (1), Article 4 point (2), and/or Article 4 point (4) shall be imposed upon administrative sanction in the form of written warning notification.

(2) In the event that after 30 (thirty) calendar days since the first written notification date as referred to by point (1) the Principal is still does not fulfill the regulations referred to Article 2 point (1), Article 4 point (1), Article 4 point (2) and / or Article 4 point (3), the Principal shall be imposed upon second written warning notification.

(3) In the event that after 30 (thirty) calendar days since the second written warning notification’s date as referred to by point (2) the Principal still failed to fulfill Article 3 point (1), Article 4 point (1), Article 4 point (2) and / or Article 4 point (3), the Principal license shall be revoked.
Article 34

(1) Issuer that are non compliance or failed to fulfill its obligation as referred to Article 13, Article 14 point (2), Article 15, Article 16 point (1), Article 16 point (3), Article 16 point (4), article 16 point (5), Article 17 point (1), Article 17 point (2), Article 17 point (3), Article 18 point (1) and / or Article 20 point (1), shall be imposed upon administrative sanction in the form of written warning notification.

(2) In the event that after 30 (thirty) calendar days since the first written warning notification’s date as referred to by point (1) the Issuer still in non compliance and failed to fulfill its obligations as referred to by Article 13, Article 14 point (2), Article 15, Article 16 point (1), Article 16 point (3), article 16 point (4), Article 16 point (5), Article 17 point (1), Article 17 point (2), Article 17 point (3), Article 18 point (1) and or Article 20 point (1), shall be imposed upon a second written warning notification.

(3) In the event that after 30 (thirty) calendar days since the second written warning notification’s date as referred to by point (2) Issuer still in non compliance and does not fulfill its obligation as referred to by Article 13, Article 14 point (2), Article 15, Article 16 point (1), Article 16 point (2), Article 17 point (3), Article 18 Point (1) and / or Article 20 point (1), the Issuer license shall be revoked.

Article 35

(1) Acquirer that failed to fulfill obligations as referred to Article 7 point (1) and/or Article 7 point (2) shall be imposed upon administrative sanctions in the form of written warning notification.

(2) In the event that after 30 (thirty) calendar days after the written warning notification’s date as referred to by point (1) the Acquirer does not fulfill Article 7 point (1) and / or Article 7 Point (2), shall be imposed upon second written warning notification.

(3) In the event that after 30 (thirty) calendar days after the second written warning notification’s date as referred to by point (2) Acquirer still does not fulfill Article 7 point (1) and/or Article 2 point (2), the Acquirer license shall be revoked.

Article 36

(1) Bank or Non Bank Institution that failed to fulfill obligations as referred to Article 9 point (1) and / or Article 9 point (2) shall be imposed upon administrative sanctions in the form of written warning notification.

(2) In the event that after 30 (thirty) calendar days after the written warning notification’s date as referred to by point (1) the Bank or Non Bank Institution does not fulfill Article 9 point (1) and / or Article 9 Point (2), shall be imposed upon second written warning notification.

(3) In the event that after 30 (thirty) calendar days after the second written warning notification’s date as referred to by point (2) Bank or Non Bank Institution still does not fulfill Article 9 point (1) and/or Article 9 point (2), shall be imposed
upon revocation of license as Principal, Issuer, Acquirer, Clearing Processor and/or End Settlement Processor.

Article 37

(1) Principal, Issuer, Acquirer, Clearing Processor and or End Settlement Processor that failed to comply with Article 11, shall be imposed upon administrative sanctions in the form of written warning and be given order to terminate its agreement with Principal, Issuer, Acquirer, Clearing Processor and/or End Settlement Processor.

(2) In the event that after 30 (thirty) calendar days after the written warning notification’s date as referred to by point (1) the Principal, Issuer, Acquirer, Clearing Processor and or End Settlement Processor does not terminate its agreement with other Principal, Issuer, Acquirer, Clearing Processor and or End Settlement Processor, shall be imposed upon second written warning notification.

(3) In the event that after 30 (thirty) calendar days after the second written warning notification’s date as referred to by point (2) Principal, Issuer, Acquirer, Clearing Processor and or End Settlement Processor still does not terminate its agreement with other Principal, Issuer, Acquirer, Clearing Processor and or End Settlement Processor, the Principal, Issuer, Acquirer, Clearing Processor and or End Settlement Processor license shall be revoked.

Article 38

(1) Principal, Issuer, Acquirer, Clearing Processor and or End Settlement Processor that failed to comply with Article 12 point (1), shall be imposed upon administrative sanctions in the form of written warning and be given order to terminate its agreement with other party.

(2) In the event that after 30 (thirty) calendar days after the written warning notification’s date as referred to by point (1) the Principal, Issuer, Acquirer, Clearing Processor and or End Settlement Processor does not terminate its agreement with other party, shall be imposed upon second written warning notification.

(3) In the event that after 30 (thirty) calendar days after the second written warning notification’s date as referred to by point (2) Principal, Issuer, Acquirer, Clearing Processor and or End Settlement Processor still does not terminate its agreement with other party, the Principal, Issuer, Acquirer, Clearing Processor and or End Settlement Processor license shall be revoked.

Article 39

Non compliance of Article 20 point (2), shall be imposed sanctions based on Article 65 Act 23 Year 1999 regarding Bank Indonesia supplement to Act no 6 Year 2009.
Article 40

(1) Bank or Non Bank Institution that failed to comply or does not fulfill the obligation as stated in Article 21 point (1), Article 21 point (2), and/or Article 21 point (3), shall be imposed upon administrative sanctions in the form of written warning.

(2) In the event that after 30 (thirty) calendar days after the written warning notification’s date as referred to by point (1) Bank or Non Bank Institution failed to comply or does not fulfill the obligation as stated Article 21 point (1), Article 21 point (2), and/or Article 21 point (3), shall be imposed upon second written warning notification.

(3) In the event that after 30 (thirty) calendar days after the second written warning notification as referred to point (2), Bank or Non Bank Institution that failed to comply and does not fulfill the obligations as stated on Article 21 point (1), Article 21 point (2), and/or Article 21 point (3), its Principal, Issuer, Acquirer, Clearing Processor and or End Settlement Processor license shall be revoked.

Article 41

(1) Principal, Issuer, Acquirer, Clearing Processor and/or End Settlement Processor that failed to fulfill the obligation to submit written report as referred to Article 22 point (3) letter a, upon the reporting deadline, shall be imposed an administrative sanctions in the form of written warning notification.

(2) In the event that after 30 (thirty) calendar days after the written warning notification’s date as referred to point (1), Principal, Issuer, Acquirer, Clearing Processor and/or End Settlement Processor failed to comply to Article 22 point (3) letter a, shall be imposed upon second written warning notification.

(3) In the event that after 30 (thirty) calendar days since the second written warning notification as referred to point (2), Principal, Issuer, Acquirer, Clearing Processor, and or End Settlement Processor is failed to comply with Article 22 point (3) letter a, its Principal, Issuer, Acquirer, Clearing Processor and or End Settlement Processor’s license shall be revoked.

(4) Principal, Issuer, Acquirer, Clearing Processor and or End Settlement Processor that failed to furnish its obligation to submit on-line report as referred to by Article 22 point (3) letter a, shall be imposed upon administrative sanction as governed by Bank Indonesia Regulation pertaining Commercial Bank Head Quarter reporting and Bank Indonesia Regulation pertaining Card Based Payment Instrument reporting by Rural Bank and Non Bank Institution.

Article 42

(1) Principal, Issuer, Acquirer, Clearing Processor and or End Settlement Processor that failed to fulfill its obligation as referred to Article 22 point (3) letter b, Article 24 point (1) and/or Article 24 point (2), shall be imposed upon administrative sanction in the form or written warning notification.
(2) In the event that after 30 (thirty) calendar days after the written warning notification’s date as referred to by point (1) Principal, Issuer, Acquirer, Clearing Processor and or End Settlement Processor is failed to fulfill its obligation as referred to by Article 22 point (3) letter b, Article 24 point (1) and/or Article 24 point (2), shall be imposed upon administrative sanction in the form of second written warning notification.

(3) In the event that after 30 (thirty) calendar days after the second written warning notification’s date as referred to by point (2) Principal, Issuer, Acquirer, Clearing Processor and/or End Settlement Processor does not fulfill its obligation as referred to by Article 22 point (3) letter b, Article 24 point (1), and / or Article 24 point (2), its Principal, Issuer, Acquirer, Clearing Processor and/or End Settlement Processor’s license shall be revoked.

Article 43

(1) Principal, Issuer, Acquirer, Clearing Processor, and/or End Settlement Processor that failed to fulfill obligation as referred to Article 22 point (3) letter c, shall be imposed upon administrative sanctions in the form of written warning notification.

(2) In the event that within 14 (fourteen) calendar days after the written warning notification’s date as referred to by point (1) Principal, Issuer, Acquirer, Clearing Processor and/or End Settlement Processor does not fulfill its obligation as referred to Article 22 point (3) letter c, its Principal, Issuer, Acquirer, Clearing, Processor and / or End Settlement Processor’s license shall be revoked.

Article 44

(1) Principal, Issuer, Acquirer, Clearing Processor and / or End Settlement Processor that failed to fulfill obligations to submit comprehensive, correct and accurate online report as referred to Article 29, shall be imposed upon administrative sanctions as governed by Bank Indonesia Regulation pertaining Commercial Bank’s Head Quarter Report and Bank Indonesia Report pertaining Card-based Payment Instrument by Rural Bank and Non Bank Institution.

(2) Principal, Issuer, Acquirer, Clearing Processor and or End Settlement Processor that failed to fulfill obligation to submit comprehensive, correct and accurate written report as referred to by Article 29, shall be imposed upon administrative sanctions in the form of written warning notification.

Article 45

Bank or Non Bank Institution that does not fulfill obligations as referred to Article 49, shall be imposed sanctions in the form of written warning notification.
Article 46

(1) Non Bank Institution that failed to fulfill obligation as referred to by Article 50, shall be imposed administrative sanctions in the form of written warning notification.

(2) In the event that after 30 (thirty) calendar days since the written warning notification’s date as referred to point (1), Non Bank Institution does not fulfill obligations as referred by Article 50, shall be imposed upon second written warning notification.

(3) In the event that after 30 (thirty) calendar days since the second written warning notification’s date as referred to by point (2), Non Bank Institution that failed to fulfill obligations as referred to by Article 50, its Principal, Issuer, Acquirer, Clearing Processor and/or End Settlement Processor’s license shall be revoked.

CHAPTER IX

TEMPORARY SUSPENSION, CANCELLATION AND REVOKING OF LICENSE

Article 47

In addition to the implementation of sanctions as referred to by Article 32, Article 33, Article 34, Article 35, Article 36, Article 37, Article 38, Article 40, Article 41, Article 42, Article 43 and/or Article 46, Bank Indonesia reserves the right to temporarily suspend, cancel or revoke license that has previously being granted to Bank or Non Bank Institution to operate as Principal, Issuer, Acquirer, Clearing Processor and/or End Settlement Processor, based on, inter-alia, the following conditions:

a. Existence of legal court decision that orders Bank or Non Bank Institution that conducts operations as Principal, Issuer, Acquirer, Clearing Processor, and/or End Settlement Processor to terminate its operations.

b. Existence of recommendation from relevant supervising authority regarding degradation of financial condition and/or lack of risk management standard within the Bank or Non Bank Institution.

c. Existence of written request or recommendation from relevant supervising authority to Bank Indonesia to temporarily suspend the operations of Principal, Issuer, Acquirer, Settlement Processor and/or End Settlement Processor.

d. The relevant supervising authority has revoked and/or terminate the operations of the Bank or Non Bank Institution that engages as Principal, Issuer, Acquirer, Clearing Processor and/or End Settlement Processor; or

e. Existence of self cancellation request that submitted by Bank or Non Bank Institution that has previously given license from Bank Indonesia.
CHAPTER X

TRANSITIONAL PROVISIONS

Article 48

Bank or Non Bank Institutions that has commencing operations as Principal, Issuer, Acquirer, Clearing Processor and/or End Settlement Processor prior to the enactment of this Bank Indonesia Regulation and still has not obtained license or clearance from Bank Indonesia, is subject to licensing requirement from Bank Indonesia within the specific time frame that determined by Bank Indonesia.

Article 49

Bank or Non Bank Institution that has commencing operations as Principal, Issuer, Acquirer, Clearing Processor and/or End Settlement Processor prior to the enactment of this Bank Indonesia Regulation and has received license or clearance from Bank Indonesia, is subject to reporting requirement to Bank Indonesia of its activities and is required to complete requirements as Principal, Issuer, Acquirer, Clearing Processor and/or End Settlement Processor as governed by this Bank Indonesia Regulation.

Article 50

Non Bank Institution that has commencing operations as Principal, Issuer, Acquirer, Clearing Processor and/or End Settlement Processor within the territory of Republic of Indonesia prior to the enactment of this Bank Indonesia Regulation and has not incorporated as Limited Liability Company under the law of Indonesia, are subject to incorporate as Limited Liability Company under the law of Indonesia within the specific time frame that determined by Bank Indonesia.
CHAPTER XI
CLOSING PROVISIONS

Article 51

This Bank Indonesia Regulation shall come into force on the date of enactment.

For the awareness of all people, order the entry of this Bank Indonesia Regulation into the State Gazette of the Republic of Indonesia.

Enacted in Jakarta
Dated 13 April 2009

BANK INDONESIA GOVERNOR

BOEDIONO