# CHAPTER III

OBLIGATIONS OF MEMBERS

## Maintaining the System and Security of BI-SSSS

In maintaining the system and security of BI-SSSS, Members shall be obligated to fulfill the minimum standard of maintenance and security as follows:

* + 1. Physical and Surroundings

All BI-SSSS equipments must be placed in a special room with an access door, room air conditioner, and Uninterruptible Power Supply (UPS).

* + 1. Hardware
  1. Members shall perform a periodic check and maintenance of all hardware to ensure that the hardware function properly.
  2. Members shall protect all BI-SSSS equipments against any abuse, modification, and vandalizing.
  3. Members shall notify the Organizer in writing in the event that they are about to interconnect the BI-SSSS with their internal system.
     1. Software

1. Members shall perform checking and maintenance of all software periodically according to the latest ST application and update the anti-virus program.
2. Members shall not allowed to transfer ownership, copy, change and develop the ST application without any written consent of the Operator.
3. Members shall be required to use the ST application under the guidelines provided by the Organizer.
   * 1. Communication Network
4. Members shall perform checking and maintenance of the communication network along with its instruments including the BI-SSSS internal network to ensure that the communication network function properly.
5. Members shall separate the abovementioned network from any other network they own.
   * 1. Maintenance of Data
6. Members shall maintain security and confidentiality of all data either in printed form or in electronic media in appropriate manner in order to be protected against any access of unauthorized officers.
7. Members shall maintain (back-up) the data in electronic media and/or in the form of BI-SSSS Computer Output (*Hasil Olahan Komputer-HOK*) and keep them for the duration of retention period.
8. The mechanism of maintenance of data security and confidentiality as intended in letter a, back-up and the duration of retention period as intended in letter b, shall be implemented in accordance with the internal provisionsof theMembers stipulated by the decision of the company’s management.
9. Members shall make a special documentation of the provisions, systems, procedures provided by the Organizer, and back-up the media utilized by Members as intended in letter b, either in the form of a compact disc (CD) or any other media in accordance with the internal provisions of the Members.
   * 1. Human Resources
10. The number of officers in charge of BI-SSSS must be adjusted with the span of control in order to minimize human error and fraud.
11. The officers in charge of BI-SSSS must understand the system and procedures stipulated by the Organizer and the internal system and procedures of the Members.
    * 1. Operations
12. Security of the Members’ authority

Users and administrators are required to possess and understand the system security.

The application must be accompanied with appropriate security including:

Proper use of User IDs and passwords by maintaining the confidentiality of passwords and updating the passwords regularly.

Safe storage facility for:

* 1. Passwords, such as Adm ST, Super ST, and SQL database passwords;
  2. Password reset CD;
  3. ST application CD.

The transmission of transactions shall be hierarchical according to the authority of officers.

Authority in the operation of BI-SSSS shall be regulated.

Substitute officers for users and administrators must be available*.*

1. Procedure Security

The authority of officers/employees as intended in letter a.2)a) shall be in accordance with the policy of the Members and must be stipulated in written internal operating procedures as intended in the following letter B.

## Providing Written Operating Procedures

* + 1. Members shall prepare written procedures supporting a proper internal control system in the BI-SSSS operating implementation referring to and not in contradictory to Bank Indonesia provisions concerning BI-SSSS and written agreements among Members (Bye-Laws).
    2. The written policies and procedures as intended in number 1 shall at least contain the following matters:

## Organizational structure of the work unit implementing the BI-SSSS;

## Person in charge of BI-SSSS;

## Authority of the BI-SSSS operation;

## Security system including the security of Authenticator Text data;

## Operating procedure of BI-SSSS transactions and/or settlements;

## Supervision on BI-SSSS operations; and

## Procedures for contingency plan

## Providing Back-up Procedure and/or System

* + 1. BI-SSSS Back-up shall consist of:
    2. procedure back-up;
    3. communication network back-up in the form of dial-up modem; and
    4. system back-up comprising, among other things, back-up ST Server.
    5. All Members must have procedure back-up and communication network back-up as intended in number 1 letter a and number 1 letter
    6. The procedure back-up as intended in number 1 letter a shall be the Contingency Plan procedure to be implemented by the Members in the event of an Abnormal Condition and a State of Emergency.
    7. Members which are also members of the BI-RTGS System and Sub-Registries which are parts of the business activity of Banks shall be obligated to hold the back-up system as intended in number 1 in accordance with the specifications and terms of the BI-RTGS System.
    8. Members shall perform a testing on the back-up as intended in number 1 letter b and number 1 letter c under the following procedures:
       - 1. The Member shall submit a request for the connection trial run to DPM *c.q.* PTPM Division by no later than 1 (one) business day prior to the date of the trial run.
         2. The Organizer shall notify the Member of the approval on the trial run through Administrative Messages or other communication facilities.
         3. The Organizer and the BI-SSSS Help Desk shall monitor the implementation of the trial run.

d. The Member shall submit a written report on the results of the trial run to the Organizer by no later than 1 (one) business day after the trial run.

## Fulfillment of Administrative Procedure in the Utilization of BI-SSSS

## Data or Information Update

## Members shall submit any changes in data and/or information to the Organizer under the following procedures:

* + - * 1. Members shall notify the changes in data and/or information using the Member Information form.
        2. The abovementioned changes in data and/or information shall be submitted to the Organizer by no later than 1 (one) business day prior to the effective date of such changes.
        3. For the data and/or information kept in the BI-SSSS, the Organizer shall update the data in the SCC based on the changes form as intended in letter a.
        4. Members may access the changes in data and/or information performed by the Organizer as intended in letter c in the ST.

## Fund Settlement Limit Data Management

1. Any Member designated by Sub-Registry as a Paying Bank must determine a settlement limit for the Sub-Registry Member.
2. Determination of the settlement limit as intended in letter a must be regulated in a specific agreement between the Sub-Registry Member and the Paying Bank in a format of agreement under each party’s discretion according to the needs.
3. Determination of the settlement limit shall constitute a transfer of authority from the Paying Bank to the Sub-Registry Member to perform Fund Settlement through the Giro Account of the Paying Bank in the maximum amount of the settlement limit provided.
4. In the event that the Sub-Registry Member and the designated Paying Bank are the same institution, for instance if the Bank Sub-Registry Member designates its Bank as the Paying Bank, determination of the settlement limit must be regulated in the internal procedure of the Member.
5. The Paying Bank shall manage the settlement limit data in BI-SSSS for the Sub-Registry by determining the nominal limit for each transaction and the total nominal limit for all the transactions daily through the ST in the Supervisory - Member Settlement Limit menu.
6. The Sub-Registry which obtains settlement limit from the designated Paying Bank may access the information of the Paying Bank and the amount of limit per transaction and limit per day for Fund Settlement through the ST in the Database - Member File menu.

## Broker Bidding Limit Data Management

1. Any Member may designate another Member as a broker to submit the bidding for Open Market Operation transaction and/or purchase in the State Securities issuance auction.
2. The Member designating the broker as intended in letter a shall be required to determine the broker bidding limit for the broker concerned.
3. The broker bidding limit shall constitute a transfer of authority from the Member to the broker to perform biddings on a daily basis in the Open Market Operation transaction and/or State Securities issuance auction, at a maximum amount of the bidding limit provided.
4. Determination of the broker bidding limit as intended in letter b must be regulated in a specific agreement between the Member and the broker in a format of agreement under each party’s discretion according to the needs.
5. In the event that the Member and the designated broker are the same institution, for instance if the Bank Sub-Registry Member designates its Bank as the broker, determination of the broker bidding limit must be regulated in the internal procedure of the Member.
6. The Member designating the broker must perform broker bidding limit management in the BI-SSSS for all brokers designated to submit biddings for Open Market Operation transactions and/or State Securities issuance auctions.
7. The broker bidding limit management as intended in letter f shall be performed by the Member through the ST in the Supervisory - Member Bidding Limit menu.
8. The Member designated as a broker may access the information concerning the amount of the bidding limit through the ST in the Database - Member File menu.
9. For Securities Company acting as a Primary Dealer in State Securities auction that submits bidding for and on its own behalf, the applicable procedures shall be as follows:
   1. The Securities Company must designate a Sub-Registry to perform the administration of State Securities.
   2. The Sub-Registry shall determine a broker bidding limit for the Securities Company.

## Authenticator Text Data Management

Any Direct Members (Principal Members) and Members which are not members of the BI-RTGS System shall input the Authenticator Text data at the beginning of their Membership and update the Authenticator Text data on a regular basis of at least 1 (one) time in a year under the following procedures:

1. The Member shall input/update the Authenticator Text based on a written notification from the Organizer or through Administrative Messages.
2. The Member shall create and submit 3 (three) components of Authenticator Text to the Organizer by letter as in the sample in Appendix A in a closed and sealed envelope.
3. The submission of data as intended in letter b shall be performed immediately or by no later than 5 (five) business days prior to the effective date or expiration date of the Authenticator Text which shall be informed by the Organizer as intended in letter a.
4. During the submission of document as intended in letter b, the Member shall acquire 2 (two) components of the Authenticator Text from the Organizer.
5. The submission and acquiring of the Authenticator Text data as intended in letter b and letter c shall be performed by employee of the Member acting as holder of the power of attorney as shown in the sample of power of attorney in Appendix B.
6. The Member shall input 5 (five) components of the Authenticator Text data through the ST of the Member in the Database menu by no later than 1 (one) business day prior to the effective date or the expiration date.
7. The Member shall perform a log-on trial run in the ST of the Member after updating the Authenticator Text.