

Compliance Charter PT UBS Securities Indonesia

Background

This Compliance Charter provides a framework for the conduct of Compliance and primarily intends to describe Compliance's principles and missions, roles and responsibilities, authorities, structure and relationship with the Shareholders, Board of Commissioners, Board of Directors and other functions, as well as Stakeholders in PT UBS Securities Indonesia. This Compliance Charter should be read together in conjunction with Compliance Mission, Compliance Principle, Compliance Operating Framework, Compliance Ethics and Indonesia Compliance Manual of UBS.

Objective

1. To comply with the Capital Market Supervisory Agency and Financial Institution ("BAPEPAM & LK") Rule No.V.D.3 on Internal Control of Broker-Dealer Securities Company and its Circular Letter No.SE-16/BL/2012 on the Guideline on Internal Control Rule.
2. To demonstrate the importance of a compliance function in assisting the company in managing its compliance risk, which can be defined as the risk of legal or regulatory sanctions, financial loss, or reputation risk as a result of its failure to comply with all applicable laws, regulations, codes of conduct and standards of good practice.
3. To demonstrate the independency of Compliance and its relationship with the Shareholders, Board of Commissioners, Board of Directors and other functions, as well as Stakeholders within PT UBS Securities Indonesia.

Compliance Principles and Missions

The objective of compliance principle and mission is to build and maintain an effective compliance program to support and defend a strong compliance culture within UBS. Compliance's principles and missions are as follows:

1. we identify, assess and mitigate compliance risk

We proactively identify compliance risks, based on insights gained from our day-to-day activities and the analysis of other relevant information. We deliver a strong compliance program designed to actively assess and mitigate these risks. Our core compliance activities are set out in our Compliance Operating Framework.

2. we promote good business

The management of each of UBS's businesses are directly responsible for all risks assumed throughout their businesses. We support management in the conduct of good business which requires high standards of business conduct and the preservation of UBS's reputation and its integrity as irreplaceable assets.

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3. we reinforce the tone and culture of compliance within UBS

We help shape a strong compliance culture within UBS. The standards and expectations which we establish support management in ensuring that a culture of risk awareness and a commitment to compliance becomes a state of mind and the accepted discipline across the firm.

4. we represent UBS's interest to our regulators

We work constructively with UBS's regulators in every country in which the firm operates. We represent the firm's interests in an open, clear and co-operative manner in accordance with the regulators' requirements and expectations.

5. we are one team which speaks with one voice

We are a united team with a clear mission. We ensure that we support that mission and each other in all that we say and do in the discharge of our day-to-day responsibilities.

6. we are independent

We are an independent control function. We provide an objective safeguard for compliance risk arising from UBS's business activities. We support UBS's business through the provision of advice, support and programs. We base our approval decisions and all our other activities on UBS's long term interests, the maintenance of high standards of business conduct and the uncompromising protection of UBS's reputation. We ensure proper consultation on and escalation of issues when necessary or appropriate.

7. we are empowered

We implement UBS's risk control principles and processes in the area of compliance risk. We are empowered to enforce those principles, where necessary, in order to protect the firm. We enforce compliance with all UBS's compliance policies and procedures and we have full access without restriction (to the extent permitted by law) to all information and materials that may be required by us in order to fulfill our roles and responsibilities.

8. we have courage and conviction

We express our views with courage, clarity and conviction. We are prepared to identify risk issues wherever and whenever we feel this is necessary in order to protect UBS's reputation and sustainable business growth.

Compliance Roles and Responsibilities

The roles and responsibilities of Compliance are to:

1. Identify policies, standard operational procedures, and the relevant laws and regulations to the Securities Broker Dealer.
2. Set out the policies and the procedures on the main roles and responsibilities of the compliance unit. *of*

3. Ensure the compliance of the Securities Broker Dealer towards the policy and the standard operational procedure.
4. Ensure the compliance of the Securities Broker Dealer over the rule on licensing.
5. Ensure the compliance of the Securities Broker Dealer over the provisions on the implementation on the supervision of the employee.
6. Ensure the compliance of the Securities Broker Dealer over the rule on internal control.
7. Ensure the compliance of the Securities Broker Dealer over the rules on anti money laundering and anti terrorist financing activity and their eradication.
8. Ensure the compliance of the Securities Broker Dealer over the rules on the Securities trading by among other things:
 - a. preventing the nondisclosure of confidential information by employees;
 - b. detecting, preventing and managing conflicts of interest;
 - c. supervising the opening of Securities accounts for new clients;
 - d. performing supervision of Securities transactions including but not limited any transaction for the interest of the Securities Broker Dealer itself or its affiliated Party;
 - e. performing supervision over the portfolio management of the Securities Broker Dealer;
 - f. performing supervision over the provision of information, recommendation, advice, and/or research reports issued or released to the public/client;
 - g. performing supervision over the recording and documentation (including safe-keeping and the prevention of the disclosure of the record and information which are still confidential in their nature.
9. Perform the handling and the administration of client complaints by having a special mechanism to handle and follow up the complaint (internal dispute resolution).
10. Perform supervision over the business continuity plan coordinated by Business Continuity team.
11. Submit a periodic report at least 1 (one) time in a year, and the incidental report to the Board of Commissioners and/or Directors and/or Bapepam-LK and/or IDX (as relevant).
12. Provide support and/or perform training to the staff on the working unit who run the other functions in order to ensure compliance with the laws and regulations in the Capital Market area and other relevant laws and regulations.
13. Provide the compliance standard operational procedure in accordance with the prevailing laws and regulations in Capital Market.

Compliance Authorities

1. Authority is granted to Compliance for full, free and unrestricted access to Shareholders, Board of Commissioners, Board of Directors and other functions, as well as Stakeholders' records, physical properties, and personnel to ensure compliance by Shareholders, Board of Commissioners, Board of Directors and other functions, as well as Stakeholders with the laws, rules and standards.
2. Compliance is granted a direct reporting line to the Board of Commissioners in case there is any indication of a violation which is not resolved, or is potentially harmful to the interests of the investor and/or is a criminal offense.
3. The authority and roles of the compliance function binds all staffs including Shareholders, Board of Commissioners, Board of Directors and other functions, as well as Stakeholders. %


Compliance Structure

1. Compliance is an independent function and shall remain free of influence from other functions in PT UBS Securities Indonesia and has a direct reporting line to the Directors.
2. Compliance shall have no direct operational responsibility and authority over any of the activities they review.

Period Assessment

Directors should periodically assess whether Compliance's principles and missions, roles and responsibilities, authorities, structure and relationship with the Shareholders, Board of Commissioners, Board of Directors and other functions, as well as Stakeholders in PT UBS Securities Indonesia as defined in this Compliance Charter, continue to be adequate in order to allow Compliance to accomplish its objectives.

This Compliance Charter is effective as of 1 January 2013.



Joshua Tanja
President Director



Yoga Mulya
Director