

## STATEMENT OF RESOLUTION WITHOUT A MEETING

### PERUSAHAAN PERSEROAN (PERSERO) PT SARANA MULTIGRIYA

### FINANSIAL

### Abbreviated as PT SARANA MULTIGRIYA FINANSIAL (PERSERO)

Stamp of the Notary

Ir. NANETTE C.H. ADI  
WARSITO, SH.,

NOTARY IN SOUTH  
JAKARTA CITY

-Number: 02 A .-

-At 12.45 (twelve pass forty five minutes) West Indonesian Time;

-On this day, Wednesday, dated 03 - 06 - 2015 (the third day of June year of two thousand fifteen);

–Appeared before me, Engineer NANETTE CAHYANIE HANDARI ADI WARSITO, Sarjana Hukum, Notary in Jakarta, in the presence of witnesses, known to me, Notary, and whose names will be stated at the end of this deed:

1. a. **Mister RAHARJO ADISUSANTO**, born in Teluk Betung, on 01-12-1962 (the first day of December year of one thousand nine hundred sixty two), President Director of the company which will be referred hereunder, an Indonesian Citizen, residing in Tangerang, at Graha Hijau 2 number: F26-27, Rukun Tetangga 004, Rukun Warga 010, Kelurahan Sawah Lama, Kecamatan Ciputat.

-Holder of the Identification Card number: 3603260112620004 valid until 01-12-2017 (the first day of December year of two thousand seventeen).

-Temporarily in Jakarta.

b. **Mister SUTOMO**, born in Klaten, on 02-11-1952 (the second day of November year of one thousand nine hundred fifty two), Director of the company which will be referred hereunder, an Indonesian Citizen, residing in East Jakarta, at Jalan Rawa Gurih number: 23, Rukun Tetangga 002, Rukun Warga 003, Kelurahan Bale Kambang, Kecamatan Kramat Jati.

-Holder of the Identification Card number: 3175040211520003 valid until 02-11-2017 (the second day of November year of two thousand seventeen).

–according to their statements in this matter acting in their capacity representing the Board of Directors of and therefore acting for and on behalf of and duly represent **PERUSAHAAN PERSEROAN (PERSERO) PT SARANA MULTIGRIYA FINANSIAL, Abbreviated as PT. SARANA MULTIGRIYA FINANSIAL (PERSERO)**, domiciled in South Jakarta, which all amendments of the articles of association are stated in deed dated 13-08-2008 (the thirteenth day of August year of two thousand eight) Number: 114, made before **SUTJIPTO**, Sarjana Hukum, at that time Notary in Jakarta, which deed of amendment has obtained the approval from the Minister of Law and Human Rights of the Republic of Indonesia, by the Decision Letter dated 05-12-2008 (the fifth day of December year two thousand eight) Number: AHU-94053.AH.01.02.Tahun 2008 and has been published in the State Gazette of the Republic Indonesia Number: 53 dated 03-07-2009 (the third day of July year of two thousand nine) Supplement Number: 17294. The articles of association has been amended last by deed dated 23-03-2015 (the twenty third day of March year of two thousand fifteen) number 49, made before me, Notary; which has been received and recorded by the Ministry of Law and Human Rights of the Republic of Indonesia with its letter Dated 27-03-2015 (the seventy seventh day of March year of two thousand fifteen) number: AHU-AH.01.03-0019713.

-shall be hereinafter referred to as the “Company”.

–The appearers acting as stated above represent the Company, firstly declared in this deed:

- whereas the shareholders of the Company have adopted valid resolutions without convening a General Meeting of Shareholders, pursuant to the Shareholder Resolution of Perusahaan Perseroan (Persero) PT SARANA MULTIGRIYA FINANSIAL (Persero) Without a General Meeting of Shareholders Concerning the Approval of the Amendment of Articles of Association Number: S-309/MK.06/2015 dated 22-04-2015 (the twenty second day of April year of two thousand fifteen).
- whereas the shareholder resolutions (hereinafter referred to as the “Resolutions”) have been signed by the shareholders of the Company or 3,000,000 (three million) shares,

which constitute all shares that have been issued and paid up in the Company, therefore pursuant to the provision of article 91 of Law Number: 40 Year 2007 (two thousand seven) regarding a Limited Liability Company, such resolutions are valid and binding to the Company.

- whereas such Resolutions were made in private attached to the minutes of this deed.

Hereinafter in relation to the matters which have been explained above, the appearers acting as stated above representing the Company, explained that the shareholders of the Company have resolved to:

Approve the amendment of Articles of Association of the Company, those are article 4, article 14 paragraph 2, article 18 paragraph 1, Article 22, Article 25 and the closing provisions.

-Accordingly pursuant to the power vested in the power of attorney provided in such Resolutions, the appearers acting as stated above hereby declared that such Resolutions, have resolved to amend the articles of association of the Company, however to ease the readings, the articles of association of the Company shall be re-composed to become as follows:

### **NAME AND DOMICILE**

#### **Article 1**

1. This limited liability company shall be named the Limited Liability Company "Perusahaan Perseroan (Persero) PT Sarana Multigriya Finansial" abbreviated as PT Sarana Multigriya Finansial (Persero), (hereinafter in the Articles of Association shall be referred to as the "Company"), domiciled and having its head office in South Jakarta.
2. The Company can open branches or representative offices at such other places, in the territory of the Republic of Indonesia as determined by the Board of Directors, with the approval of the Board of Commissioners.

## **DURATION OF THE COMPANY**

### **Article 2**

This Company has been established as of 22/07/2005 (the twenty second day of July year two thousand five) and has obtained the status as a legal entity as of 26/07/2005 (the twenty sixth day of July year two thousand five) and shall be established for an unlimited period of time.

## **PURPOSES AND OBJECTIVES AND BUSINESS ACTIVITIES**

### **Article 3**

1. The purposes and objectives of the Company are to establish and develop the market for secondary mortgage facility in the framework of increasing the capacity and sustainability of mortgage financing affordable to the public.
2. To achieve the purposes and objectives as referred to above, the Company shall carry out the following business activities:
  - a. to buy collections of financial assets from *KPR* mortgage lenders, in the form of receivables obtained from the channelling of *KPR* including the mortgage security attached to them and to issue the Asset Backed Securities in the form of Participation Documents;
  - b. to keep collections of financial assets and to issue Participation Documents in the event such market is not conducive yet;
  - c. to appoint SPVs to buy financial assets from the Initial Creditor and to issue the Asset Backed Securities in the form of Debt Instruments.
3. In addition to the business activities as stated in paragraph 2, the Company shall also carry out other activities as follows:
  - a. to extend loans to a mortgage lender of Home Ownership Financing (*Kredit Pemilikan Rumah*) ("*KPR*") to finance *KPRs* which qualify the Company's requirements;
  - b. to issue Debt Instruments;

- c. to provide guarantee and credit enhancement;
- d. to perform a function as a Global Coordinator;
- e. to perform a function as a Securitization Administrator;
- f. to undertake direct investments in any company which business activities are directly related with the market of secondary mortgage facility;
- g. to place funds in the form of State Obligations, Bank Indonesia Certificates, Deposits and other financial instruments as determined by the Minister of Finance;
- h. to purchase Asset Backed Securities;
- i. other business activities which are in accordance with the purposes and objectives of the Company.

## **CAPITAL**

### **Article 4**

1. The authorized capital of the Company shall amount to Rp. 8,000,000,000,000.00 (eight trillion Rupiah) divided into 8,000,000 (eight million) shares, each with a nominal value of Rp. 1,000,000.00 (one million Rupiah).
2. From the authorized capital has been subscribed by and issued to the State of the Republic of Indonesia in the amount of 3,000,000 (three million) shares or a total aggregate nominal value of Rp 3,000,000,000,000.00 (three trillion Rupiah).
3. The amount of 100% (one hundred percent) from the nominal value of each issued share as referred to in paragraph 2, or a total aggregate of Rp 3,000,000,000,000.00 (three trillion Rupiah) has been fully paid up by the State of the Republic of Indonesia in the manner as follows:
  - a. the amount of Rp 1,000,000,000,000.00 (one trillion Rupiah) has been fully paid up by the State of the Republic of Indonesia pursuant to the Government Regulation Number 5 Year 2005 (two thousand five) regarding the Capital Investment of the State of the Republic of Indonesia for the Establishment of Perusahaan Perseroan

- (Persero) in the Field of Secondary Mortgage Facility as amended by the Government Regulation Number 75 Year 2011 (two thousand eleven);
- b. the amount of Rp 1,000,000,000,000.00 (one trillion Rupiah) has been fully paid up by the State of the Republic of Indonesia pursuant to the Government Regulation Number 71 Year 2011 (two thousand eleven) regarding the Increase in Capital Investment of the State of the Republic of Indonesia in the Share Capital of Perusahaan Perseroan (Persero) PT Sarana Multigriya Finansial; and
  - c. the amount of Rp 1,000,000,000,000.00 (one trillion Rupiah) has been fully paid up by the State of the Republic of Indonesia pursuant to the Government Regulation Number 99 Year 2014 (two thousand fourteen) regarding the Increase in Capital Investment of the State of the Republic of Indonesia in the Share Capital of Perseroan (Persero) PT Sarana Multigriya Finansial;
4. The unsubscribed shares shall be issued according to the requirement of the Company on the conditions, amount, and price based on the approval of the General Meeting of Shareholders upon the proposal made by the Board of Directors after obtaining recommendations from the Board of Commissioners provided that such price shall not be below par.
  5. The Shareholders whose names are registered in the Shareholders Register, shall have a pre-emptive right to subscribe on the shares to be issued within 14 (fourteen) days as of the date of offer and the Shareholders shall be entitled to subscribe proportionately to the number of shares they own.
  6. In the event the shares which will be issued for the increase of capital, constitute shares which classification has not been issued, those entitled to buy shall be all Shareholders in proportion to the amount of shares owned.
  7. Before the period of 14 (fourteen) days ends, if there still remain shares not subscribed by the Shareholders with the same classification, the Board of Directors shall be entitled to offer such remaining shares to other Shareholders who are still interested.

8. If after lapse of such 14 (fourteen) days as of the offer to such Shareholders there still remain shares unsubscribed by the Shareholders, the Board of Directors shall offer a certain amount of such shares to the employees of the Company who are interested within the period of 14 (fourteen) days by observing the prevailing provisions.
9. The offer as stated in paragraph 6 does not apply in the event that the issuance of shares is:
  - a. addressed to the employees of the Company, such as the issued shares in the framework of ESOP (Employee Stocks Option Program) of the Company;
  - b. addressed to the holder of the debt instrument or other instruments which can be converted into shares, issued with the approval of the General Meeting of Shareholders; or
  - c. carried out in the framework of a reorganization and/ or a restructuring, such as merger, dissolution, take over, compensation of receivables or divestment, approved by the General Meeting of Shareholders.
10. In the event the shareholders as referred to in paragraph 5, paragraph 6, paragraph 7 and the employees as referred to in paragraph 8 do not exercise the rights to purchase and pay in full for the purchased shares within 14 (fourteen) days as of the date of the offer, the Company can offer the remaining unsubscribed shares to other parties.
11. Those meant by other parties in paragraph 10, are banks, insurance companies, pension funds, or other formal financial institutions.

## **SHARES**

### **Article 5**

1. All shares issued by the Company are shares in the name of the holder.
2. The company only acknowledges 1 (one) person or 1 (one) legal entity as the holder of 1 (one) share.
3. In the event a share is transferred due to inheritance or due to any reasons the share becomes the property of more than 1 (one) person, those having joint ownership shall be

obliged to appoint one among them and the appointed person shall be recorded as their representative in the Shareholders Register, who is entitled to exercise the rights conferred by law upon such share.

4. As long as the provision in paragraph 3 has not been complied with, the rights conferred by law on such share cannot be exercised, whereas any dividend payment on such share shall be suspended.
5. A Shareholder by law shall abide by the Articles of Association of the Company and subject to all resolutions adopted at the General Meeting of Shareholders and regulations.

## **SHARE CERTIFICATE**

### **Article 6**

1. For each share can be issued 1 (one) share certificate, followed by a set of dividend marks and a talon to receive a set of new dividend.
2. The share certificates are numbered in sequence, whereas the dividend marks and talon have the same numbers with the share certificates.
3. A collective share certificate can be issued as an ownership evidence of 2 (two) or more shares held by one Shareholder.
4. On each share certificate at least the following items shall be indicated:
  - a. the name and address of the Shareholder;
  - b. the number of share certificate;
  - c. the date of issuance of share certificate;
  - d. the nominal value of the share.
5. On a collective share certificate at least the following items shall be indicated:
  - a. the name and address of the shareholder;
  - b. the number of the collective share certificate;
  - c. the date of issuance of the collective share certificate;
  - d. the nominal value of the shares;
  - e. the amount of the shares.



6. The share certificates and collective share certificates shall be signed by the President Director and President Commissioner, or in the event the President Director is unable to sign, by a Director together with the President Commissioner, and in the event the President Commissioner is unable to sign, by the President Director or a Director together with one member of the Board Commissioners.

## **DUPLICATE SHARE CERTIFICATE**

### **Article 7**

1. In the event a share certificate and/or a dividend mark and/or a talon is damaged or can not be used, upon request of the party concerned, the Company shall issue a duplicate.
2. The original share certificate shall be destroyed and the proceeding thereof shall be recorded in minutes of the Board of Directors to be reported to the subsequent General Meeting of Shareholders.
3. In the event a share certificate and/or a dividend mark and/or a talon is lost, upon written request of the party concerned, the Company shall issue a duplicate share certificate after in the opinion of the Board of Directors, such loss has been adequately proven and supported by a security as deemed necessary by the Board of Directors for each particular case.
4. After the issuance of such duplicate share certificate, the original thereof shall cease to be valid toward the Company.
5. All expenses incurred in connection with the issuance of such duplicate share certificate shall be borne by the Shareholder concerned.
6. The provisions as referred to in paragraph 1 to paragraph 5 shall mutatis mutandis also be applicable to the issuance of collective duplicate share certificates.

## **SHAREHOLDER REGISTER AND SPECIAL REGISTER**

### **Article 8**

1. The Company shall prepare and keep a Shareholder Register and a Special Register at the place of domicile of the Company.

2. In the Shareholder Register shall be recorded:
  - a. the names and addresses of the Shareholders;
  - b. the amount, the number and the date of acquisition of such shares owned by the Shareholders and the respective classification when issued more than one share classification;
  - c. the amount paid up on each share;
  - d. the names and addresses of a person or a legal entity who have the pledge rights on such share or as a receiver of the fiduciary security of such share and the date of such pledge rights is acquired or the date of registration of such fiduciary security;
  - e. notes on the payment of shares in a form other than money;
  - f. any changes in the share ownership; and
  - g. other information deemed necessary by the Board of Directors.
3. In the Special Register shall be recorded any information regarding the share ownership of members of the Board of Directors and the Board of Commissioners including their members of family in the Company and/or in other Companies and the date of acquisition of such share.
4. The shareholders shall notify any changes of address by a letter attached with a receipt to the Board of Directors.
5. As long as such notification has not been carried out, all invitations and notifications to the shareholders shall be valid if addressed to the last recorded address of the shareholder in the Shareholder Register.
6. The Board of Directors shall prepare and keep the Shareholder Register and the Special Register at the place of domicile of the Company.
7. Each shareholder is entitled to access the Shareholder Register and the Special Register during office hours of the Company.

#### **TRANSFER OF SHARES**

**Article 9**

1. The transfer of right on a share shall be based on a deed of transfer of right.
2. The deed of transfer of shares as referred to in paragraph 1 or its true copy shall be submitted to the Company.
3. A shareholder who wishes to transfer the right on his share shall first offer in writing to the other Shareholder(s) by specifying the price and conditions of the sale and shall notify the Board of Directors in writing about such offer.
4. The other shareholders shall be entitled to purchase the offered shares as referred to in paragraph 3 within a period of 30 (thirty) days as of the date of such offer in proportion to their shareholdings in the Company.
5. In the event the provision as referred to in paragraph 4 cannot be carried out by the Company, the Shareholder can offer and sell their share(s) to the employees preceded to the offer to other parties at the same price and on the same conditions within 30 (thirty) days with due observance to the prevailing provisions.
6. The Shareholder who offers the share(s) as referred to in paragraph 3, shall be entitled to revoke such offer after the lapse of the period as referred to in paragraph 4.
7. The requirement to offer to other Shareholders can only be carried out once.
8. A transfer of shares shall be permitted only if all provisions in the Articles of Association have been complied with.
9. From the date of notice to a General Meeting of Shareholders until the date of such meeting, any transfer of shares shall not be permitted.
10. Any transfer of shares which contradicts with the provisions as referred to in paragraph 1 to paragraph 9 shall have the consequences that the rights conferred by law on such shares cannot be exercised, whereas any dividend payments on such shares shall be suspended.

**BOARD OF DIRECTORS****Article 10**

1. The Company shall be managed and led by a Board of Directors consisting at most 5 (five) Directors, one of them shall be appointed as the President Director.
2. A person who can be appointed as a member of the Board of Directors is an individual who qualifies the criteria of expertise, integrity, leadership, honesty, good behavior, and a high dedication to promote and develop the Company.
3. In addition to the criteria as referred to in paragraph 2, must meet the following requirements:
  - a. an Indonesian Citizen;
  - b. has the capacity to perform legal acts;
  - c. within 5 (five) years before his appointment, has never:
    - i. been declared bankrupt;
    - ii. become a member of the Board of Directors or member of the Board of Commissioners/Supervisory Board found guilty of causing a company or a *Perusahaan Umum (Perum)* declared bankrupt; or
    - iii. been convicted of a criminal offense causing the State to suffer losses and/ or related to the financial sector.
  - d. have knowledge and expertise in the field of economy, finance, banking and/or laws.
4. Qualifying the requirements as referred to in paragraph 3, shall be proven by a statement letter signed by the candidate member of the Board of Directors and such letter shall be kept by the Company.
5. Among the members of the Board of Directors and among the members of the Board of Directors with the members of the Board of Commissioners shall be prohibited to have a family relationship or a relationship tie due to marriage up to the third degree, either vertically or horizontally.
6. The appointment of the Board of Directors which do not fulfill the requirements as referred to in paragraph 4 and paragraph 5, shall be void by law at the time the other member of

the Board of Directors or member of the Board of Commissioners learn and state such requirement is not fulfilled.

## **APPOINTMENT AND DISMISSAL OF THE BOARD OF DIRECTORS**

### **Article 11**

1. The members of the Board of Directors shall be appointed and dismissed by the General Meeting of Shareholders (GMOS).
2. The members of the Board of Directors shall be appointed from the candidates recommended by the Shareholders and such nomination shall be binding to the General Meeting of Shareholders.
3. The members of the Board of Directors shall be obliged to sign a Management Contract before the appointment is determined.
4. The term of office of the Board of Directors is 5 (five) years and can be re-appointed for 1 (one) term of office, without prejudice to the right of the General Meeting of Shareholders to dismiss them at any time.
5. The members of the Board of Directors shall be given salaries including other facilities and/ or allowances including retirement benefits which amounts shall be determined by the General Meeting of Shareholders.
6. In the event the post for a member of the Board of Directors becomes vacant, a General Meeting of Shareholders to fill in such vacancy shall be convened at the latest 30 (thirty) days after the occurrence of such a vacancy.
7. During the vacant post of member of the Board of Directors, the Board of Commissioners shall appoint one of the members of the Board of Directors or other party to carry out temporarily the duty of the vacant member of the Board of Directors with the same obligation and authority.
8. In the event the vacancy of a Director's post is due to the end of the term and the General Meeting of Shareholders has not appointed a new Director, the Director whose term of office has ended, can be determined by the Board of Commissioners to carry out

temporarily the duty of the vacant post of such Director with the same obligation and authority until a member of the Board of Directors is appointed definitively.

9. The duty executor of a vacant post of a Director as referred to in paragraph 7 and paragraph 8, aside from the Directors who are still serving, shall obtain the same salaries and allowances/ facilities with such vacant Director's post not including the retirement benefit.
10. In the event the Company does not even have one member of the Board of Directors, the Board of Commissioners shall be required to perform the duties of the Board of Directors, with the same obligations and authorities until the appointment of a member of the Board of Directors definitively and on the condition that at the latest 30 (thirty) days after such vacancy the Board of Commissioners shall call on a General Meeting of Shareholders to fill in such vacancy.
11. In order to carry out the obligations as referred to in paragraph 10, the Board of Commissioners can act on their behalf or appoint one or more among the members of the Board of Commissioners.
12. The term of a member of the Board of Directors' office shall terminate if he:
  - a. resigns;
  - b. passes away;
  - c. is convicted of a criminal offense;
  - d. cannot be physically present within 3 (three) months consecutively without any justifiable reasons;
  - e. is declared bankrupt or otherwise subject to the Deferment of Debt Payment Obligations (*PKPU*) by the court;
  - f. is dismissed by the resolution of General Meeting of Shareholders; or
  - g. remains incapacitated permanently.

13. A member of the Board of Directors is entitled to resign from the post by a written notification regarding his intention to the Company at the latest 30 (thirty) days prior to the date of his resignation.
14. If in such resignation letter the effective date is stated to be less than 30 days from the date of receipt, such effective date of resignation shall be deemed not stated.
15. With the lapse of time as referred to in paragraph 13 or within 30 (thirty) days as of the receipt of a resignation letter, in the event the effective date is not stated, and there is no decision, such Director shall be dismissed from his post on the requested date as referred to above or by the lapse of 30 (thirty) days as of the receipt of such resignation letter without the approval from the General Meeting of Shareholders.
16. A member of the Board of Directors who resigns before or after the end of his term of office, including a termination due to resignation, shall still be responsible for all acts since the date of his appointment until the date his termination is decided or the effective date of the termination of his office which accountability has not been accepted by the General Meeting of Shareholders.
17. In the event a member of the Board of Directors resigns or is dismissed before the end of his term, the term of office of his successor shall be the remaining term of the member of the Board of Directors replaced.
18. In the event of any additional member of the Board of Directors, the term of office of that particular member of the Board of Directors shall end at the same time as the term of office of the existing members of the Board of Directors.
19. The members of the Board of Directors shall be prohibited to :
  - a. have a concurrent position at any State-owned Enterprises, Regional-Owned Enterprises, Privately-Owned Enterprises or any other position related with a company management;
  - b. have a concurrent position at a structural and/or functional position in a Central Government and/ or Regional Government institutions/ agencies;

- c. have a concurrent position at other position which can cause a conflict of interest;
  - d. have a concurrent position at other position according to laws;
  - e. become a political party official and/or candidate/member of the legislative; or
  - f. become a candidate of the Head of Local Government.
20. In the event a member of the Board of Directors meets a provision as referred to in paragraph 19, his term of office as a Director shall end by law effective at the time such provision is met.

### **DISMISSAL AT ANY TIME OF THE BOARD OF DIRECTORS**

#### **Article 12**

1. A member of the Board of Directors can be dismissed at any time based on the decision of the General Meeting of Shareholders.
2. The dismissal of a member of the Board of Directors as referred to in paragraph 1, shall be carried out based on facts, such member of the Board of Directors:
  - a. does not fulfill his obligations as agreed in the management contract;
  - b. does not perform his duties well;
  - c. does not carry out the provisions of laws and/ or the provisions in the articles of association;
  - d. engages in an act that causes losses to the Company and/or the state, or
  - e. found guilty by the decision of a court which has a final effect.
3. Other than dismissal of a member of the Board of Directors as referred to in paragraph 2, the Board of Directors can be dismissed by the General Meeting of Shareholders based on other reasons deemed appropriate for the interest and objective achievement of the Company.
4. The dismissal plan of a member of the Board of Directors as referred to in paragraph 1 shall be notified to the member of the Board of Directors concerned orally or in writing by the General Meeting of Shareholders or the Board of Commissioners or other party appointed/authorized by the General Meeting of Shareholders.



5. The decision to dismiss due to any reasons as referred to in paragraph 2 sub (a), sub (b), sub (c), and sub (d) and paragraph 3 shall be determined after the member of the Board of Directors concerned has been given the opportunity to defend himself.
6. Self-defense as referred to in paragraph 5 shall be submitted in writing to the General Meeting of Shareholders or other party appointed/authorized within 14 (fourteen) days as of the notification as referred to in paragraph 4 is received by the member of the Board of Directors concerned.
7. In the event the dismissed member of the Board of Directors has defended himself or stated to have no objections to the dismissal plan upon notification, the time provision as referred to in paragraph 6 shall be deemed to have been fulfilled.
8. As long as the dismissal plan is still in process, the member of the Board of Directors concerned shall be obliged to perform his duties properly.
9. The dismissal due to any reasons as referred to in paragraph 2 sub (d) and sub (e) constitute a dishonorable dismissal.

## **DUTIES AND POWERS OF THE BOARD OF DIRECTORS**

### **Article 13**

1. The main duties of the Board of Directors are:
  - a. to preside and perform management of the Company for the interest and purposes of the Company and to act as the leader in such management;
  - b. to control, maintain and manage the assets of the Company.
2. In performing the duties, the Board of Directors shall devote full attention and dedication to the duties, obligations and objectives achievement of the Company.
3. Each member of the Board of Directors shall in good faith and in full responsibility perform the duties for the interest and business of the Company with due observance of the laws.
4. Each member of the Board of Directors shall be fully responsible personally in the event the concerned member is found guilty or negligent in carrying out his duties for the interest and business of the Company.

5. The Board of Directors shall be entitled to represent the Company in or outside a court and to perform any acts and good deeds concerning either management or ownership and to bind the Company to other parties and/or other parties to the Company subject to limitations as stipulated in the Articles of Association.
6. Any acts of the Board of Directors below shall require a written approval from the Board of Commissioners to:
  - a. release and write off any movable assets with economic life prevailing in the industry generally up to 5 (five) years and the supplies of non perishable goods up to a certain value as determined by the General Meeting of Shareholders;
  - b. set up a joint operation with a validity period of more than 1 (one) year;
  - c. determine and adjust the organizational structure until 1 (one) level below the Board of Directors.
7. Not later than 14 (fourteen) days from the receipt of a request or an explanation and complete documents from the Board of Directors, the Board of Commissioners shall provide a decision.
8. Any legal act to transfer, dispose of, or encumber all or a substantial part of the Company's assets (which is not a merchandise) either in one transaction or in a series of separate or inter-related transactions after hearing the opinion and suggestion from the Board of Commissioners shall obtain the approval of the General Meeting of Shareholders which is attended by or represented by the shareholders holding at least  $\frac{3}{4}$  (three-fourths) of the total issued shares with valid voting rights and approved by at least  $\frac{3}{4}$  (three-fourths) of the total votes legally cast at the General Meeting of Shareholders.
9. Any legal act to transfer or encumber as security for a loan or to dispose any rights of the assets of the Company as referred to in paragraph 8 shall be announced in 2 (two) daily newspapers in Indonesian published and widely/ nationally circulated in the territory of the Republic of Indonesia at the latest 30 (thirty) days as of such legal act is carried out.

10. Any acts specified below can only be performed by the Board of Directors after obtaining an approval from the General Meeting of Shareholders and such approval shall be granted after hearing the written opinion and suggestion from the Board of Commissioners with due observance of the prevailing provisions namely:
  - a. to encumber fixed assets for a withdrawal of long term/meridium term credit;
  - b. to carry out capital investments in other company,
  - c. to establish a subsidiary company and/or a joint venture company,
  - d. to release capital investments in a subsidiary company and/or a joint venture company,
  - e. to undertake a merger, dissolution, take over, divestment, and liquidation of a subsidiary and/or a joint venture company,
  - f. to bind the Company as a guarantor (*borg or avalist*),
  - g. to perform a joint co-operation and other joint operation agreement with a value or a term period exceeding the approval of the General Meeting of Shareholders,
  - h. to delete uncollectible receivables which have been written off,
  - i. to release and write off fixed assets of the Company, except the movable fixed assets with economic life prevailing in the industry generally up to 5 (five) years,
  - j. to perform any other acts which have not been stipulated in the Work Plan and the Budget of the Company.
11. In the event within 14 (fourteen) days from the receipt of a request or an explanation/additional data from the Board of Directors, the Board of Commissioners has not given any written opinion or suggestion, the General Meeting of Shareholders can adopt a resolution without any written opinion or suggestion from the Board of Commissioners.
12. The General Meeting of Shareholders can delegate the power to the Board of Commissioners to determine the approval for any acts by the Board of Directors as referred to in paragraph 10.

13. The General Meeting of Shareholders can stipulate the limitations aside from the limitations as referred to in paragraph 6, paragraph 8, and paragraph 10, with due observance of the Articles of Association and/or the laws.
14. The management policies shall be stipulated in the meeting of the Board of Directors.
15. The President Director is entitled and authorized to act for and on behalf of the Board of Directors and to represent the Company on the condition that all acts performed have been approved by the Board of Directors and shall be immediately reported to the Meeting of the Board of Directors and the Board of Commissioners at the latest 15 (fifteen) days after such acts are performed.
16. In the absence or impediment of the President Director, which is not required to be proven to any third parties, one of the Directors appointed by the President Director shall be entitled to act on behalf of the Board of Directors.
17. In the event that the President Director does not make any appointment, one of the Directors appointed by and among the members of the Board of Directors present shall be authorized to act on behalf of the Board of Directors.
18. In the event the appointment as referred to in paragraph 17 is not carried out, one of the Directors who has served the longest term as a member of the Board of Directors shall be authorized to act on behalf of the Board of Directors.
19. In the event the Board of Directors who has served the longest term as a member of the Board of Directors is more than 1 (one) person, the Director as referred to in paragraph 3 shall be the oldest in age who shall be authorized to act on behalf of the Board of Directors.
20. In the event the members of the Board of Directors only consist of 2 (two) persons, so there is only one member of the Board of Directors, one of the members of the Board of Commissioners appointed by the Meeting of the Board of Commissioners, can perform the function of the Board of Directors temporarily until the President Director can resume to carry out the function.

21. For a certain act, the Board of Directors shall be entitled to appoint one person or more as the representative/proxy, by conferring authorization to perform such act as stipulated in the power of attorney.
22. The distribution of duties and authorities for each member of the Board of Directors shall be determined by the General Meeting of Shareholders and such power can be delegated by the General Meeting of Shareholders to the Board of Commissioners.

## **RIGHTS AND OBLIGATIONS OF THE BOARD OF DIRECTORS**

### **Article 14**

In relation with the main duties of the Board of directors as referred to in Article 13 :

1. The Board of Directors shall be entitled to:
  - a. determine the policies in leading and managing the Company;
  - b. arrange the rules regarding human resources of the Company including salary determination, retirement benefit or pension plan and other income for the employees of the Company based on the laws and the resolutions of the General Meeting of Shareholders;
  - c. appoint and dismiss employees of the Company pursuant to the human resources policy of the Company and the laws;
  - d. arrange the delegation of authorities of the Board of Directors to represent the Company in and outside a Court to a member or several members of the Board of Directors appointed particularly for such delegation or to an employee or employees of the Company either individually or together or to other person;
  - e. write off uncollectible receivables in certain value which do not require an approval from the General Meeting of Shareholders or the Board of Commissioners which later on shall be reported and held accountable in the General Meeting of Shareholders;
  - f. perform other acts, either concerning the management or ownership, pursuant to the provisions stipulated in the Articles of Association and resolved by the General Meeting of Shareholders based on the laws.

- g. appoint a Corporate Secretary.
2. The Board of Directors shall be obliged without prejudice to the responsibility of the management of the Company in general to:
- a. endeavor and ensure the implementation of business and activities of the Company in accordance with the purposes and objectives and business activities;
  - b. prepare in due course the development plan of the Company, Long Term Plan of the Company, Work Plan and Annual Budget of the Company, including other plans related with the implementation of business and activities of the Company and to present to the Board of Commissioners and the shareholders to be later presented to the General Meeting of Shareholders for an approval;
  - c. prepare and maintain the bookkeeping and administration of the Company in accordance with the prevailing standard for a company;
  - d. prepare the accounting system based on the Financial Accounting Standard and based on the principles of internal control, particularly the functions of managing, recording, safekeeping, and monitoring;
  - e. provide accountability and all information regarding the condition and performance of the Company in the form of annual report including the annual statements to the General Meeting of Shareholders;
  - f. provide periodic reports in the manner and time based on the prevailing provision and other reports at any time requested by the Shareholder;
  - g. prepare the organization structure of the Company complete with the job descriptions;
  - h. set the guidelines binding for each member of the Board of Directors;
  - i. establish the code of ethics together with the Board of Commissioners applicable for members of the Board of Directors, members of the Board of Commissioners, employees, and supporting organ owned by the Company and shall be posted in the website of the Company;

- j. perform other obligations according to the provisions stipulated in the Articles of Association, resolutions of the General Meeting of Shareholders and laws.

#### **Article 15**

1. The Board of Directors set the annual work plan before the commencement of the coming financial year and also contain the annual budget of the Company for the coming financial year.
2. The work plan as referred to in paragraph 1 shall be presented to the General Meeting of Shareholders and shall require the approval from the General Meeting of Shareholders.
3. In the event the Board of Directors do not present the work plan as referred to in paragraph 2, the work plan of the previous year shall take into effect.
4. The work plan of the previous year shall also apply for the Company which work plan has not obtained the approval from the General Meeting of Shareholders.

#### **MEETING OF THE BOARD OF DIRECTORS**

#### **Article 16**

1. All of the Board of Directors' resolutions shall be adopted in a meeting of the Board of Directors.
2. Resolutions of the Board of Directors can also be adopted outside a meeting of the Board of Directors as long as they are approved in writing and signed by all members of the Board of Directors, concerning the manner of adopted resolution and the matters resolved.
3. A meeting of the Board of Directors shall be convened at any time deemed necessary by one or more members of the Board of Directors or upon a written request of one or more members of the Board of Commissioners or the shareholder(s) representing at least 1/10 (one-tenth) of the total shares with valid voting rights by stating the matters to be discussed.

4. A meeting of the Board of Directors shall be held at the place of domicile of the Company or place of business of the Company or other places in the territory of the Republic of Indonesia as determined by the Board of Directors.
5. Notices for a meeting of the Board of Directors shall be made in writing by the member of the Board of Directors proposing the meeting and in case a meeting is proposed by the shareholder, such notices shall be made by the member of the Board of Directors entitled to represent the Company and submitted within at the latest 3 (three) days prior to the meeting, or in a shorter time for urgent matters.
6. Such notices as referred to in paragraph 5 shall specify the agenda, date, time and place of the meeting.
7. Such prior notice shall not be required if all members of the Board of Directors are present in the meeting.
8. All meetings of the Board of Directors shall be presided by the President Director.
9. In the event the President Director is absent or unable to attend, the meeting of the Board of Directors shall be presided by a Director appointed by and from among those present.
10. A member of the Board of Directors can be represented at a meeting of the Board of Directors only by another member of the Board of Directors by virtue of a written power of attorney specifically for such purpose.
11. A member of the Board of directors can only represent one other member of the Board of Directors.
12. A meeting of the Board of Directors shall be lawful and shall be entitled to adopt binding resolutions if more than  $\frac{1}{2}$  (half) of the members of the Board of Directors are present or represented.
13. All resolutions of the meeting of the Board of Directors shall be adopted on the basis of deliberation.



14. If a consensus based on deliberation is not reached, the resolution shall be adopted by vote casting based on affirmative votes of more than  $\frac{1}{2}$  (half) of the votes legally cast in the meeting.
15. Each member of the Board of Directors present shall have the right to cast 1 (one) vote and 1 (one) additional vote for each member of the Board of Directors represented.
16. In the event the numbers of votes that agree and disagree are equal, the President Director or the chairman of the meeting shall determine by observing the provisions regarding the accountability of the Board of Directors as stipulated in the Articles of Association.
17. Blank votes (abstain) shall be deemed to have agreed on the proposal submitted in the Meeting.
18. Void votes shall be deemed as non existing and not counted in the votes cast in the Meeting.
19. All matters discussed and resolved at the meeting of the Board of Directors shall be drawn up in the form of minutes of the meeting of the Board of Directors signed by the Chairman of the Meeting and by one of the members of the Board of Directors appointed by and among the members of the Board of Directors present.

## **CONFLICT OF INTEREST**

### **Article 17**

1. In the event the Company has a conflict of interest with the personal interest of a member of the Board of Directors, with the approval from the Board of Commissioners, the Company shall then be represented by another member of the Board of Directors.
2. In the event the Company has a conflict of interest with all members of the Board of Directors, the Company shall then be represented by the President Commissioner or by a person appointed by the Board of Commissioners.

3. In the absence of the Board of Commissioners, the General Meeting of Shareholders shall appoint a person or more to represent the Company in performing the duties as referred to in paragraph 1.

## **BOARD OF COMMISSIONERS**

### **Article 18**

1. The Company shall be supervised by the Board of Commissioners consisting of at most 3 (three) persons, and one of whom shall be elected as the President Commissioner, and at least 30% (thirty percent) of the members of the Board of Commissioners of the Company shall be appointed as the Independent Commissioners.
2. A person who can be appointed as a member of the Board of Commissioners is an individual who has integrity, dedication, understand matters of a company management related to one of the management functions, possess sufficient knowledge in the field of company business, and can provide sufficient time to perform his duties.
3. In addition to the criteria as referred to in paragraph 2, a member of the Board of Commissioners must meet the following requirements:
  - a. an Indonesian Citizen;
  - b. has the capacity to perform legal acts;
  - c. within 5 (five) years before his appointment, has never:
    - i. been declared bankrupt; or
    - ii. become a member of the Board of Directors or member of the Board of Commissioners or member of the Supervisory Board found guilty of causing a company or a *Perusahaan Umum (Perum)* declared bankrupt; or
    - iii. been convicted of a criminal act which causes any losses to the finance of the State and/ or related to the financial sector.
  - d. possess experience and expertise in the field of economy, finance, banking and/or laws.

4. Qualifying the requirements as referred to in paragraph 3, shall be proven by a statement letter signed by the candidate member of the Board of Commissioners and such letter shall be kept by the Company.
5. Among the members of the Board of Commissioners themselves and among the members of the Board of Commissioners with the members of the Board of Directors shall be prohibited to have a family relationship or a relationship by marriage up to the third degree, either horizontally or vertically.
6. The appointment of the Board of Commissioners which do not fulfill the requirements as referred to in paragraph 4 and paragraph 5 shall be void by law effective when the other member of the Board of Commissioners or member of the Board of Directors learn about such non compliance.

## **APPOINTMENT AND DISMISSAL OF THE BOARD OF COMMISSIONERS**

### **Article 19**

1. The members of the Board of Commissioners shall be appointed and dismissed by the General Meeting of Shareholders.
2. The members of the Board of Commissioners shall be appointed from the candidates proposed by the Shareholders and such nomination shall be binding to the General Meeting of Shareholders.
3. The term of office of the Board of Commissioners is 5 (five) years and can be re-appointed for 1 (one) term of office, without prejudice to the right of the General Meeting of Shareholders to dismiss them at any time.
4. The members of the Board of Commissioners shall be provided some honorarium and retirement benefit according to the prevailing regulations, the amount of which shall be determined by the General Meeting of Shareholders.
5. The distribution of work among the members of the Board of Commissioners shall be set by the Board Of Commissioners themselves, and to expedite their duties, the Board of Commissioners can be assisted by a Secretary of the Board of Commissioners appointed

by the Board of Commissioners based on the suggestion of the Shareholders at the expense of the Company.

6. In the event the post for a member of the Board of Commissioners becomes vacant, a General Meeting of Shareholders to fill in such vacancy shall be convened within 30 (thirty) days as of the occurrence of such vacancy.
7. During the vacant post of member of the Board of Commissioners, the Board of Commissioners shall appoint another member of the Board of Commissioners or other party to temporarily carry out the duty of the vacant member of the Board of Commissioners with the same obligation and authority.
8. In the event the vacancy post of a member of the Board of Commissioners is due to the end of the term of office and the General Meeting of Shareholders has not appointed a new member of the Board of Commissioners, the member of the Board of Commissioners whose term of office, has ended can be decided by the Board of Commissioners to temporarily perform the duty of the vacant post with the same obligation and authority until the definitive member of the Board of Commissioners is appointed.
9. In the event the Company does not even have one member of the Board of Commissioners, the General Meeting of Shareholders to fill in such vacancy shall be convened at the latest 30 (thirty) days after the occurrence of such vacancy.
10. During the vacancy of the function of the Board of Commissioners due to the end term of office, the General Meeting of Shareholders can appoint another party to carry out the duty of the Board of Commissioners until the definitive members of the Board of Commissioners are appointed.
11. In the event the vacancy of the post is due to the expiry of the post, such member of the Board of Commissioners whose term of office has ended can be determined by the General Meeting of Shareholders to perform his duties as a member of the Board of Commissioners with the same authority and obligation until a definitive member of the Board of Commissioners is appointed.

12. The duty executor of the vacant post of the member of the Board of Commissioners as referred to in paragraph 7, 8 and 11 besides the member of the Board of Commissioners still in charge, shall earn the same salaries and allowances/ facilities as the vacant post of the member of the Board of Commissioners, not including the retirement benefit.
13. The term of office of a member of the Board of Commissioners shall end :
  - a. upon the expiry of his term;
  - b. upon his resignation;
  - c. if he passes away;
  - d. if he is dismissed based on a resolution of a meeting of Shareholders due to the following reasons :
    - i. not able to carry out his duties properly;
    - ii. violates the provisions in the articles of association and/or the laws;
    - iii. has been declared guilty based on a court decision having a final effect.
  - e. has been declared bankrupt and is subject to the Deferment of the Debt Payment Obligation (*PKPU*) by the court; or
  - f. has been permanently incapacitated.
14. A member of the Board of Commissioners is entitled to resign from his post by a written notification of his intention to the Company with a copy to the Board of Directors and another member of the Board of Commissioners at the latest 30 (thirty) days prior to the date of his resignation.
15. If the letter of resignation states that the effective date is less than 30 (thirty) days from the date the letter is received, it shall be deemed not to have stated such effective date of resignation.
16. By the lapse of such period as referred to in paragraph 15 or within 30 (thirty) days as of the letter of resignation is received, in case the effective date of resignation is not stated, no resolution, the member of the Board of Commissioners concerned resigns from his post

on the date as requested above or with the lapse of 30 (thirty) days as of the resignation letter is received without requiring the approval of the General Meeting of Shareholders.

17. A member of the Board of Commissioners who resigns prior to or after the expiry of his term of office, including a termination due to resignation, shall remain responsible for all his acts as of the date of his appointment until the confirmation date of his resignation or the effective date of the termination of his office which accountabilities have not been accepted by the General Meeting of Shareholders.

### **DISMISSAL AT ANY TIME OF THE BOARD OF COMMISSIONERS**

#### **Article 20**

1. A member of the Board of Commissioners can at any time be dismissed by a resolution of the General Meeting of Shareholders.
2. The dismissal of a member of the Board of Commissioners as referred to in paragraph 1 is carried out based on the reasons that such member of the Board of Commissioners:
  - a. is not able to carry out his duties properly;
  - b. does not carry out any provisions of the laws and/or any provisions in the articles of association;
  - c. commits an act indicating to have caused losses in the Company; and/ or
  - d. has been declared guilty by a court decision having a final effect.
3. Aside from the reason to dismiss a member of the Board of Commissioners as referred to in paragraph 2, a member of the Board of Commissioners can be dismissed by the General Meeting of Shareholders based on other reasons deemed appropriate for the interest and the objective achievement of the Company.
4. The plan to dismiss a member of the Board of Commissioners as referred to in paragraph 1 shall be notified either orally or in writing by the General Meeting of Shareholders or another party appointed/ authorized by the General Meeting of Shareholders.

5. The resolution to dismiss due to any reasons as referred to in paragraph 2 sub (a), sub (b), and sub (c) and paragraph 3 shall be determined after such member of the Board of Commissioners is given the opportunity to defend himself.
6. The self defense as referred to in paragraph 5 shall be submitted in writing to the General Meeting of Shareholders or another party appointed/ authorized within 14 (fourteen) days as of the notice as referred to in paragraph 4 has been received by the member of the Board of Commissioners concerned.
7. In the event the dismissed member of the Board of Commissioners has defended himself or states to have no objections against the dismissal plan at the time of notice, then the time provision as referred to in paragraph 6 is deemed to have been fulfilled.
8. As long as the dismissal plan is still in process, the member of the Board of Commissioners concerned shall be obliged to carry out his duties as appropriate.
9. A dismissal due to any reasons as referred to in paragraph 2 sub (c) and sub (d) shall constitute a dishonorable dismissal.
10. In the event a member of the Board of Commissioners resigns or is dismissed before the end of his term, the term of office of his successor shall be the remaining term of office of the member of the Board of Commissioners replaced.
11. In case there is additional member of the Board of Commissioners, the term of office of that particular member of the Board of Commissioners shall end at the same time as the term of office of the existing members of the Board of Commissioners.
12. A member of the Board of Commissioners shall be prohibited to have a concurrent position as :
  - a. a member of the Board of Directors of any State-Owned Enterprises, Regional-Owned Enterprises, Privately-Owned Enterprises;
  - b. any other positions according to the provision of laws;
  - c. any other positons potentially causing a conflict of interest;
  - d. a political party official and/ or candidate/ member of the legislative; or

- e. a candidate of the Head of Local Government.

## **DUITES AND AUTHORITIES OF THE BOARD OF COMMISSIONERS**

### **Article 21**

1. The Board of Commissioners shall be obliged in good faith and with full responsibility to carry out their duties for the interest and business of the Company.
2. The Board of Commissioners has the duties:
  - a. to supervise the management of the Company carried out by the Board of Directors;
  - b. to give advice to the Board of Directors in carrying out the management activities of the Company;
  - c. to carry out the interest of the Company by considering the interest of the Shareholders and is responsible to the Company which in this case is represented by the General Meeting of Shareholders;
  - d. to examine and analyze the annual report prepared by the Board of Directors and signed such report;
  - e. to render its opinion and proposal to the General Meeting fo Shareholders regarding the work plan and the Company's annual budget proposed by the Board of Directors.
3. The members of the Board of Commissioners jointly as well as severally shall be entitled at any time to enter the premises and/or other places used and/or controlled by the Company and shall be entitled to examine the books, documentary evidence, stock of goods, to examine and verify the cash condition for verification purposes and any other valuable documents and to know all activities carried out by the Board of Directors.
4. To assist the implementation of their duties, the Board of Commisisoners can appoint a Secretary of the Board of Commissioners at the expense of the Company.
5. The Board of Commissioners can receive the assistance from experts in carrying out their duties for a limited period of time at the expense of the Company.



6. All required expenses in the framework of the implementation of the duties of the Board of Commissioners shall be charged to the Company and clearly stated in the Work Plan and the Company's Budget.
7. The members of the Board of Commissioners shall be entitled to request for a clarification of all matters to the Board of Directors and the Board of Directors shall be obliged to provide a clarification.
8. The Board of Commissioners by an ordinary majority of votes shall be entitled at any time to dismiss temporarily one or more members of the Board of Directors if they act in contravention to the articles of association or neglect their obligations or are indicated to cause losses to the Company or there is a compelling reason deemed appropriate by the Company.
9. A temporary dismissal shall be carried out on the following conditions:
  - a. the resolution of the Board of Commissioners to temporarily dismiss a member of the Board of Directors shall be according to the procedure of the resolution adoption by the Board of Commissioners.
  - b. such temporary dismissal shall be notified in writing to the person concerned accompanied by the reason causing the dismissal with a copy to the General Meeting of Shareholders and the Board of Directors.
  - c. the notice as referred to under sub (b) shall be sent at the latest 2 (two) days after the temporary dismissal has been confirmed.
  - d. the member of the Board of Directors temporarily dismissed shall not be authorized to manage the Company and to represent the Company in as well as outside the court.
  - e. at the latest within a period of 30 (thirty) days after the notice of the temporary dismissal, the Board of Commissioners shall be obliged to convene a General Meeting of Shareholders which shall resolve whether to cancel or to confirm the

decision to dismiss temporarily after the member of the Board of Directors concerned is given the opportunity to defend himself.

- f. the meeting as referred to under sub (e) shall be chaired by one of the Shareholders appointed from and among those Shareholders present.
  - g. in the event the shareholder of the Company is a sole Shareholder, such decision can be confirmed without convening a physical meeting (on paper).
  - h. within a period of 30 (thirty) days as referred to in sub (e) has passed and no General Meeting of Shareholders or the General Meeting of Shareholders can not adopt a resolution, such temporary dismissal shall be void by law.
  - i. the temporary dismissal can not be extended or reconfirmed based on the same reason if the temporary dismissal has been declared void by law as referred to under sub (h).
10. In the event the Company does not have any member of the Board of Commissioners, at the latest within a period of 30 (thirty) days as of the occurrence of such vacancy, a General Meeting of Shareholders shall be convened to appoint a new Board of Commissioners.

## **OBLIGATIONS OF THE BOARD OF COMMISSIONERS**

### **Article 22**

Without prejudice to the duties of the Board of Commissioners to supervise and give advice to the Board of Directors, the Board of Commissioners shall be obliged to :

- 1. provide their opinion and suggestion to the General Meeting of Shareholders concerning the development plan of the Company, the long term plan of the Company, work plan and annual budget of the Company and any amendments and additions of the periodical reports and any other reports of the Board of Directors.
- 2. monitor the implementation of the work plan and budget of the Company and submit the evaluation result and opinion to the General Meeting of Shareholders.

3. follow the development of the Company's activities in case there is an indication of a decline and to report to the General Meeting of Shareholders accompanied by proposals regarding any remedial actions which must be made.
4. give opinions and suggestions to the General Meeting of Shareholders concerning any other problems deemed important for the management of the Company.
5. set the guidelines binding for each member of the Board of Commissioners.
6. Establish the codes of ethics jointly with the Board of Directors which apply to all members of the Board of Directors, members of the Board of Commissioners, employees, supporting organ owned by the Company and shall be posted in the website of the Company.
7. carry out any other duties according to the resolution of the General Meeting of Shareholders and the laws.

## **MEETING OF THE BOARD OF COMMISSIONERS**

### **Article 23**

1. All resolutions of the Board of Commissioners shall be adopted in a meeting of the Board of Commissioners.
2. Resolutions of the Board of Commissioners can also be adopted outside a meeting of the Board of Commissioners as long as approved in writing and signed by all member of the Board of Commissioners, concerning the manner of adopted resolution and the matters resolved.
3. The Board of Commissioners shall convene a meeting at least once a month or at any time as deemed appropriate by the President Commissioner or at the proposal of at least 1/3 (one third) of the members of the Board of Commissioners or at a written request from the Shareholders who own the majority of shares by stating the matters to be discussed.
4. At such a meeting, the Board of Commissioners can invite the Board of Directors.

5. A meeting of the Board of Commissioners shall be convened at the place of domicile of the Company or place of business of the Company or at another place within the territory of the Republic of Indonesia as determined by the Board of Commissioners.
6. Notices for a meeting of the Board of Commissioners shall be made in writing by the President Commissioner or by a member of the Board of Commissioners appointed by the President Commissioner and sent at the latest within 5 (five) days prior to the meeting or in a shorter time in case of an urgent situation.
7. Notices for a meeting as referred to under sub 6 shall state the agenda, date, time and place of the meeting.
8. A prior notice for a meeting shall not be not required if all members of the Board of Commissioners attend the meeting.
9. All meetings of the Board of Commissioners shall be chaired by the President Commissioner.
10. In the event the President Commissioner is absent or is unable to attend, the meeting of the Board of Commissioners shall be chaired by another member of the Board of Commissioners appointed by the President Commissioner.
11. If the President Commissioner does not make an appointment, the meeting of the Board of Commissioners shall be chaired by a member elected by and among the members of the Board of Commissioners present at the meeting.
12. A member of the Board of Commissioners can be represented in a meeting only by another member of the Board of Commissioners based on a written power of attorney specifically given for such purpose.
13. A member of the Board of Commissioners can only represent one other member of the Board of Commissioners.
14. A meeting of the Board of Commissioners is declared lawful and entitled to adopt binding resolutions if attended or represented by more than  $\frac{1}{2}$  (half) of the members of the Board of Commissioners or their representatives.

15. All resolutions in the meeting of the Board of Commissioners shall be adopted on the basis of deliberation.
16. If a resolution based on deliberation is not reached, the resolution shall be adopted on vote casting on the basis of affirmative votes of more than  $\frac{1}{2}$  (half) of the votes legally cast in the meeting.
17. Each member of the Board of Commissioners is entitled to cast one vote added by 1 (one) vote for each member of the Board of Commissioners represented.
18. In the event the numbers of votes that agree and disagree are equal, the President Commissioner or the chairman of the meeting shall determine the proposal which shall be deemed refused, except regarding a person which shall be determined by a closed ballot.
19. Blank votes (abstain) shall be deemed to have agreed on the proposal submitted in the Meeting.
20. Void votes shall be deemed as non existing and shall not be counted in the number of votes cast in the Meeting.
21. All matters discussed and resolved in the meeting of the Board of Commissioners shall be drawn up in the form of minutes of the meeting of the Board of Commissioners signed by the Chairman of the Meeting of the Board of Commissioners and by one of the members of the Board of Commissioners appointed by and among the members of the Board of Commissioners present.

## **INTERNAL CONTROL UNIT**

### **Article 24**

1. The Company shall establish an Internal Control Unit.
2. The Internal Control Unit as referred to in paragraph 1 shall be headed by one leader responsible to the President Director.
3. The Internal Control Unit has the duties :

- a. to assist the President Director in carrying out the operational and financial examination of the Company, to evaluate the control, management and implementation at the Company and to give remedial solutions;
  - b. to provide information regarding the result of examination or result of duty implementation of the Internal Control Unit as referred to under sub (a) to the President Director; and
  - c. monitor follow up actions on the result of examination which has been reported.
4. The President Director shall submit the examination results of the Internal Control Unit as referred to in sub 3 to all members of the Board of Directors.
  5. The Board of Directors shall observe and immediately take the required steps regarding all matters set out in the report of the examination results drawn up by the Internal Supervising Unit.
  6. At a written request of the Board of Commissioners, the Board of Directors shall provide an examination result or a duty implementation result of the Internal Control Unit as referred to in paragraph 3.
  7. In carrying out its duties, the Internal Control Unit shall ensure the continuity of the duty of other organization unit in the Company according to their respective duties and responsibilities.

## **AUDIT COMMITTEE AND OTHER COMMITTEES**

### **Article 25**

1. The Board of Commissioners shall be obliged to establish an audit committee which work collectively and has the function to assist the Board of Commissioners in carrying out their duties.
2. The establishment of the Audit Committee shall be done according to laws.
3. The Audit Committee has the duties to :

- a. assist the Board of Commissioners in ensuring the effectiveness of the internal control system and the effectiveness of work implementation of the external auditor and internal auditor;
  - b. evaluate the implementation of activities and audit results carried out by the Internal Control Unit;
  - c. carry out a study on the implementation of examination by the external auditor;
  - d. give a recommendation concerning the perfection of the management control system and its implementation;
  - e. ensure that all information issued by the company have adequate review procedures;
  - f. carry out identification of all matters requiring the attention of the Board of Commissioners and other duties of the Board of Commissioners; and
  - g. carry out other duties according to laws and/ or as determined by the Board of Commissioners.
4. The Board of Commissioners shall be obliged to carry out the function of nomination and remuneration.
  5. In carrying out the function of nomination and remuneration the Board of Commissioners shall establish a committee of nomination and remuneration.
  6. The establishment of the nomination and remuneration committee shall be carried out according to laws.
  7. The nomination and remuneration committee have the duties to:
    - a. related with the nomination function:
      - i. to give a recommendation to the Board of Commisisoners regarding :
        1. the composition of the function of the members of the Board of Directors and/or members of the Board of Commissioners;
        2. the policy and criteria required in the nomination process; and

3. the work evaluation policy for the members of the Board of Directors and the Board of Commissioners.
    - ii. to assist the Board of Commissioners in carrying out the performance evaluation of the members of the Board of Directors and Board of Commissioners;
    - iii. to give a recommendation to the Board of Commissioners regarding the competence development program of the members of the Board of Directors and/ or the members of the Board of Commissioners;
    - iv. to give a proposed candidate who meets the qualifications as a member of the Board of Directors and/ or a member of the Board of Commissioners to be submitted to the General Meeting of Shareholders;
  - b. related with the remuneration function:
    - i. to set a remuneration structure for members of the Board of Directors and/or Board of Commissioners;
    - ii. to formulate a policy regarding the remuneration for members of the Board of Directors and/or Board of Commissioners;
    - iii. to determine the amount of remuneration for members of the Board of Directors and/or Board of Commissioners;
8. The Board of Commissioners who carry out the nomination and remuneration function shall be obliged to convene a meeting with an agenda regarding nomination and/or remuneration at least once in 4 (four) months.
  9. The duties of the Board of Commissioners who carry out the nomination and remuneration function are the same as the duties of nomination and remuneration committee as referred to in paragraph 7.
  10. The Board of Commissioners can establish another committee to assist the Board of Commissioners in carrying out their duties.



11. The establishment and implementation of duties of other committees shall be carried out according to laws.

## **BOOK YEAR**

### **Article 26**

1. The book year of the Company is a calendar year and at the end of the month of December of each year the book of the Company is closed.
2. The Board of Directors shall prepare the annual report and submit to the General Meeting of Shareholders according to rules and regulations signed by all members of the Board of Directors, after examination and signed by all members of the Board of Commissioners at the latest within 5 (five) months as of the closing of the Company's book.
3. The annual report should at least contain :
  - a. a financial statement consisting of a balance sheet of the preceding year and a profit and loss statement of such book year, a cash flow report, and a change of equity report (if any), and the notes and clarifications of the financial statement;
  - b. a report concerning the condition and performance of the Company including the results achieved;
  - c. the main activities of the Company and any changes during the book year.
  - d. specification of any problems occurring during the book year which affect the activities of the Company.
  - e. a report regarding the supervision duty carried out by the Board of Commissioners for the preceding book year;
  - f. the names of members of the Board of Directors and Board of Commissioners.
  - g. salaries and other allowances for all members of the Board of Directors and honorarium and allowances for members of the Board of Commissioners for the preceding book year.

4. The financial statements as referred to in paragraph 3 sub (a) shall be prepared according to the Financial Accounting Standard which shall be given by the Board of Directors to a public accountant to be audited.
5. As of the date of notice for an Annual General Meeting of Shareholders until the day until the day the meeting is closed, such financial statement shall be made available at the Office of the Company to be sent to the Shareholders for examination.
6. The General Meeting of Shareholders shall give approvals on the annual report including the ratification of the financial statements audited by a public accountant and the report of the supervision by the Board of Commissioners.
7. The financial statements ratified by the General Meeting of Shareholders shall be submitted to the Minister of Law and Human Rights.
8. At the latest 14 (fourteen) days prior to the date of the Annual General Meeting of Shareholders, the financial statements shall be made available at the Office of the Company for examination by the Shareholders.

## **GENERAL MEETING OF SHAREHOLDERS**

### **Article 27**

1. The General Meeting of Shareholders of the Company are :
  - a. Annual General Meeting of Shareholders;
  - b. Other General Meeting of Shareholders which in the Articles of Association are referred to as the Extraordinary General Meeting of Shareholders i.e. a General Meeting of Shareholders convened at any time based on necessity.
2. A reference to the General Meeting of Shareholders in the Articles of Association are both meetings, i.e. the Annual General Meeting of Shareholders and Extraordinary General Meeting of Shareholders unless stated otherwise.

## **ANNUAL GENERAL MEETING OF SHAREHOLDERS**

### **Article 28**

1. The Annual General Meeting of Shareholders is convened each year covering :
  - a. The Annual General Meeting of Shareholders to approve the annual report and to ratify the financial report;
  - b. The Annual General Meeting of Shareholders to ratify the Work Plan and the Company's Budget.
2. The Annual General Meeting of Shareholders as referred to in paragraph 1 sub (a) shall be convened at the latest within 6 (six) months after the end of the book year.
3. At the Annual General Meeting of Shareholders as referred to in paragraph 2 :
  - a. the Board of Directors shall submit the annual financial statements consisting of the balance sheet and profit and loss statement from the preceding book year audited by a public accountant and a clarification of such document to be ratified by the meeting;
  - b. the Board of Directors shall submit the annual report regarding the condition and the performance of the Company, the results achieved, the forecast regarding the development of the Company in the future, the business activities of the Company and the changes during the book year including the specification of any problems occurring during the book year which affects the activities of the Company to obtain the approval of the meeting,
  - c. the utilization of profit of the Company shall be determined;
  - d. the appointment of a public accountant to audit the ongoing book of the Company based on the proposal of the Board of Commissioners.
  - e. other matters which have been submitted can also be resolved without prejudice to the provision in the articles of association.
4. The ratification of the annual statement including the ratification of the financial statement and the supervisory duty report of the Board of Commissioners by the Annual General Meeting of Shareholders shall constitute the acquittal and full discharge of responsibilities (acquiescentia et decharge) to the members of the Board of Directors and Board of

Commissioners regarding the management and supervision carried out during the preceding book year to the extent such actions are reflected in the annual statement.

5. The Annual General Meeting of Shareholders to ratify the work plan and the budget of the Company for the coming year shall be convened at the latest on the thirtieth day of the first month as if the commencement of the new book year.
6. The Board of Directors shall be obliged to send the proposal of the work plan and annual budget of the Company to the Board of Commissioners and the Shareholders for ratification to the Annual General Meeting of Shareholders at the latest 60 (sixty) days prior to the commencement of the new book year with due observance of the laws.
7. The financial statement as referred to in paragraph 2 and the Work Plan and the Budget of the Company as referred to in paragraph 6 shall be made available at the Office of the Company at the latest 14 (fourteen) days prior to the Annual General Meeting of Shareholders is convened in the interest of the Shareholders.
8. In the agenda of the Annual General Meeting of Shareholders can also be included the proposal submitted by one or more shareholders representing at least 1/10 (one-tenth) of the total shares with valid voting rights provided that such proposal must be received by the Board of Directors at the latest 21 (twenty one) days prior to the date the Annual General Meeting of Shareholders is convened by observing the prevailing regulations.
9. If until the time limit as referred to in paragraph 5, the work plan and the annual budget of the Company have not been ratified by the Annual General Meeting of Shareholders, the work plan and annual budget that prevail shall be those submitted for the book year concerned by observing the prevailing regulations.
10. The Board of Directors shall be obliged to notify and to convene the Annual General Meeting of Shareholders at a written request of one or more Shareholders representing at least 1/10 (one tenth) of the issued shares of the Company with valid voting rights.
11. If the Board of Directors fails to convene the Annual General Meeting of Shareholders at the specified time, by observing the provision of paragraph 9, the shareholder is entitled to

call on such Annual General Meeting of Shareholders by himself at the Company's expense after obtaining the approval from the Head of the District Court whose jurisdiction covers the Company's domicile.

12. The implementation of the meeting as referred to in paragraph 11 shall observe the decision of the Head of the District Court granting such an approval.

## **EXTRAORDINARY GENERAL MEETING OF SHAREHOLDERS**

### **Article 29**

1. The Extraordinary General Meeting of Shareholders is convened at any time deemed necessary by the Board of Directors and/or Board of Commissioners and/or the shareholder.
2. The Board of Directors shall call on and convene the Extraordinary General Meeting of Shareholders upon a written request from the Board of Commissioners or from one or more Shareholders representing at least 1/10 (one-tenth) of the issued shares with valid voting rights, and in such letter must also state the matters to be discussed.
3. If the Board of Directors or Board of Commissioners fail to convene the Extraordinary General Meeting of Shareholders within 15 (fifteen) days after receipt of the request, the person signing the request shall be entitled to call on the meeting by himself at the expense of the Company after obtaining the approval from the Head of the District Court whose jurisdiction covers the domicile of the Company.
4. The implementation of the meeting as referred to in paragraph 3, shall observe the decision of the Head of the District Court granting such an approval.

## **PLACE AND NOTICE OF THE GENERAL MEETING OF SHAREHOLDERS**

### **Article 30**

1. All General Meeting of Shareholders shall be convened at the place of domicile of the Company or at the place where the Company carries out the business.

2. Notices for the General Meeting of Shareholders shall be carried out by registered letters with receipts, sent to the latest address recorded in the Shareholders Register Book and aside from the registered letters, can also be done through 2 (two) daily newspapers in Indonesian published and widely/ nationally circulated in the territory of the Republic of Indonesia, at least 14 (fourteen) days prior to the meeting.
3. Notices for a General Meeting of Shareholders shall state the day, date, hour and place of the meeting and in short the matters to be discussed with a note that the matters to be discussed in the meeting have been made available at the Office of the Company from the day the notice is carried out until the date of the meeting.
4. Notices of the meeting shall also be carried out by the Board of Directors without prejudice to the provisions of the articles of association.
5. If all shareholders are present and/ or represented in the General Meeting of Shareholders, a prior notice shall not be required and the meeting can be convened anywhere in the territory of the Republic of Indonesia and entitled to adopt valid resolutions.
6. A General Meeting of Shareholders can also be convened by a teleconference media, video conference or any other electronic media facilities which enable all participants of the General Meeting of Shareholders to see one another and directly hear and participate in the meeting.
7. Every General Meeting of Shareholders as referred to in paragraph 6 shall be made minutes of the meeting which shall be approved and signed by all participants of the General Meeting of Shareholders.

## **CHAIRMANSHIP AND MINUTES OF THE GENERAL MEETING OF SHAREHOLDERS**

### **Article 31**

1. Unless provided otherwise in the articles of association, the General Meeting of Shareholders shall be chaired by a shareholder elected by and among the shareholders present at the meeting.
2. All matters discussed and resolved in the meeting shall be recorded in minutes and shall for its ratification, be signed by the chairman of the meeting and one of the participants of the meeting appointed by and among those present and the content of the minutes serves as a valid evidence towards all shareholders and Third Parties.
3. The minutes as referred to in paragraph 2 shall not be required to be in the form of minutes drawn up in a notarial deed.

## **QUORUM, VOTING RIGHTS AND RESOLUTION**

### **Article 32**

1.
  - a. A General Meeting of Shareholders can be convened if attended by the Shareholders representing more than  $\frac{1}{2}$  (half) of all shares with valid voting rights issued by the Company unless otherwise provided for in the articles of association;
  - b. If the quorum as referred to in paragraph 1 sub a above is not reached, a notice for a second General Meeting of Shareholders can be sent by stating that the first General Meeting of Shareholders has been convened and no quorum has been reached;
  - c. The notice for the General Meeting of Shareholders as referred to in paragraph 1 sub b shall be sent at the latest 7 (seven) days prior to the General Meeting of Shareholders not including the date of the notice and the date of the meeting;
  - d. The second General Meeting of Shareholders shall be convened at the earliest 10 (ten) days and at the latest 21 (twenty one) days as of the first General Meeting of Shareholders;

- e. The second General Meeting of Shareholders shall be lawful and entitled to adopt binding resolutions if attended by shareholders representing at least 1/3 (one third) of the issued shares with valid voting rights;
  - f. If the quorum in the second General Meeting of Shareholders is not reached at the Company's request the quorum shall be decided by the Head of the District Court whose jurisdiction covers the place of domicile of the Company;
  - g. The decision of the Head of the District Court as referred to in sub (f) shall be final and permanent.
2. A shareholder can be represented by another shareholder or another person by a power of attorney.
  3. The Chairman of the meeting is entitled to request that the power of attorney to represent a shareholder, be shown to him at the meeting.
  4. In the meeting each share gives the right to the owner to cast 1 (one) vote.
  5. The Board of Directors, members of the Board of Commissioners and the Company's employees can act as proxies in the meeting but they do not have any rights to cast votes.
  6. The casting of votes regarding a person shall be done by an unsigned closed ballot and with regard to other matters, orally except if the leadership of the meeting provides otherwise without any objections raised by the shareholders present at the meeting.
  7. Blank votes (abstain) shall be deemed to approve the resolution of the meeting.
  8. Void votes shall be deemed as non existing and shall not be counted in deciding the votes cast in the meeting.
  9. All resolutions shall be adopted based on deliberation.
  10. If a resolution based on deliberation is not reached, the resolution shall be adopted on vote casting on the basis of affirmative votes of more than ½ (half) of the votes legally cast in the meeting.
  11. In the event the numbers of votes that agree and disagree are equal, the proposal shall be deemed refused, except regarding a person which shall be determined by a closed ballot.



12. A Shareholder can also adopt valid resolutions without convening a General Meeting of Shareholders provided that all shareholders have been notified in writing and all shareholders have approved the proposal in writing and have signed the proposal.
13. The resolution as referred to in paragraph 12 has that same effect as a resolution legally adopted in the General Meeting of Shareholders.

## **UTILIZATION OF PROFIT**

### **Article 33**

1. The net profit of the Company in a book year as stated in the balance sheet and profit and loss statement and ratified by the Annual General Meeting of Shareholders shall be utilized according to the manner determined in the General Meeting of Shareholders.
2. The net profit as referred to in paragraph 1 shall be distributed for reserves and the balance thereof shall be re-invested in the capital of the Company.
3. If the profit and loss statement in a book year indicates a loss which can not be covered by the reserve fund, such loss shall remain recorded and included in the profit and loss statement of the coming year.
4. The Company shall be deemed to have no profit as long as the recorded loss in the profit and loss statement has not been fully covered, without prejudice to the laws.

## **UTILIZATION OF RESERVES**

### **Article 34**

1. A part of the net profit made available for the reserves shall be decided by the General Meeting of Shareholders based on the proposal of the Board of Directors by observing the laws.
2. The allocation for reserves as referred in paragraph 1 shall be set at least 20% (twenty percent) of the issued and paid up capital and shall only be used to cover the losses suffered by the Company.
3. The Board of Directors shall manage the reserves so that it earns income.

4. The management of the reserves as referred to in paragraph 3 shall be approved by the Board of Commissioners and shall be carried out in a manner not interfering the main activities of the Company by observing the laws.
5. Each income as a result of the management of the reserves shall be included in the profit and loss statement of the Company.
6. The profit utilization of the Company including the amount set aside for the reserves as referred to in Article 33 shall be resolved by the General Meeting of Shareholders.
7. The General Meeting of Shareholders can resolve that a part or all of the net profit of the Company be used as dividends, or any other distributions such as bonus for the Board of Directors and Board of Commissioners, bonus for employees or the allocation of the net profit in the reserves of the Company which inter alia is used for the Company's expansion.

## **AMENDMENTS OF ARTICLES OF ASSOCIATIONS**

### **Article 35**

1. Amendments of the articles of associations shall be resolved by the General Meeting of Shareholders attended by Shareholders representing at least 2/3 (two-third) of all issued shares with valid voting rights and the resolution is approved by at least 2/3 (two-third) of all votes of the shareholders present at the meeting.
2. Amendments of the articles of associations shall be drawn up in a notarial deed and in Indonesian.
3. Amendments of the articles of associations concerning the change of name and/or the place of domicile of the Company, the purposes and objectives, the main activities, the period of establishment of the Company, the authorized capital, the reduction of the issued and paid up capital and the change of status of the Company from a private to become a public company or vice versa shall require the approval of the Minister of Law and Human Rights of the Republic of Indonesia.

4. Amendments of the articles of associations except those matters as referred to in paragraph 2 shall be sufficient to be notified to the Minister of Law and Human Rights of the Republic of Indonesia at the latest 30 (thirty) days as of the date of the resolution of the General Meeting of Shareholders regarding such amendments.
5. If in the meeting as referred to in paragraph 1 the quorum is not reached, not earlier than 10 (ten) days and at the latest 21 (twenty one) days as of the first meeting, a second meeting can be convened with the same conditions and agenda as in the first meeting except regarding the period of notice in which it must be sent at the latest 7 (seven) days prior to said second meeting not including the date of the notice and the date of the meeting, said meeting must be attended by shareholders representing at least  $\frac{3}{5}$  (three-fifth) of the issued shares with valid voting rights and the resolution is approved by at least  $\frac{2}{3}$  (two-third) of the votes legally cast in the meeting.
6. Resolutions concerning a reduction in capital shall be notified in writing to all creditors of the Company and published by the Board of Directors in a daily newspaper in Indonesian and in the State Gazette of the Republic of Indonesia at the latest 7(seven) days as of the date of resolution regarding the reduction of capital.

## **MERGER, AMALGAMATION, TAKE OVER AND DIVESTMENT**

### **Article 36**

1. Merger, amalgamation, take over and divestment of the Company can only be carried out based on a resolution of the General Meeting of Shareholders attended by shareholders representing at least  $\frac{3}{4}$  (three-fourth) of the total issued shares with valid voting rights and the resolution is approved by at least  $\frac{3}{4}$  (three-fourth) of the votes legally cast in the meeting.
2. If the required quorum for a meeting as referred to in paragraph 1 is not reached, within at least 10 (ten) days and at the latest 21 (twenty one) days as of the first meeting, a second meeting can be convened with the same conditions and agenda as required in the first meeting except that the period of notice shall be carried out at the latest 7 (seven) days

prior to the second meeting not including the date of the notice and the date of the meeting, said meeting must be attended by Shareholders representing at least  $\frac{2}{3}$  (two-third) of the total issued shares with valid voting rights and the resolution is approved by at least  $\frac{3}{4}$  (three-fourth) of the votes legally cast in the meeting.

3. The Board of Directors shall be obliged to publish in 1 (one) daily newspaper regarding the merger, amalgamation, takeover and divestment plan and publish in writing to the the employees of the Company which will carry out the merger, amalgamation, takeover and divestment at the latest 30 (thirty) days prior to the notice for a General Meeting of Shareholders

## **DISSOLUTION AND LIQUIDATION**

### **Article 37**

1. Subject to the provision of laws, the dissolution of the Company can only be carried out based on the resolution of the General Meeting of Shareholders attended by shareholders representing at least  $\frac{3}{4}$  (three-fourth) of all shares with valid voting rights and the resolution is approved by all votes of the Shareholders legally cast in the meeting.
2. In the event the Company is dissolved due to :
  - a. dissolved pursuant to a resolution of the General Meeting of Shareholders; or
  - b. declared dissolved based on a decision of the District Court; or
  - c. the revocation of a bankruptcy pursuant to a decision of a commercial court which has a final effect, the bankruptcy assets of the Company are not sufficient to pay for the bankruptcy expenses; or
  - d. the bankruptcy assets of the Company are in a state of insolvency as referred to in Law Number 37 Year 2004 (two thousand four) regarding Bankruptcy and Deferment of Debt Payment Obligation, a liquidation shall be carried out by a liquidator appointed by the General Meeting of Shareholders or a curator appointed by the court.
3. The dissolution of the Company is decided by the Government Regulation.

4. In the event the Company is dissolved, the Company may not perform legal acts except if required to settle its assets in a liquidation process.
5. The liquidator shall be obliged to register in the Register of the Company, to publish it to the creditors in the State Gazette and in a daily newspaper published and circulated in the place of domicile of the Company and to notify the Minister of Law and Human Rights of the Republic of Indonesia at the latest 30 (thirty) days as of the dissolution of the Company.
6. The remaining balance of the liquidation calculation shall be distributed to the shareholders of the Company according to the nominal value of the shares owned and have been fully paid.
7. The articles of associations and any amendments thereof shall remain valid until the date the liquidation calculation is ratified by the General Meeting of Shareholders and a settlement and full discharge have been given to the liquidators(s).

#### **PLACE OF DOMICILE**

##### **Article 38**

Matters concerning the Company, the Shareholders shall be deemed to have its domicile at the address as recorded in the Shareholders Register Book as referred to in Article 8.

#### **CLOSING PROVISIONS**

##### **Article 39**

All matters which are not or are not sufficiently provided for in these articles of association shall be decided in the General Meeting of Shareholders.

-Finally, the appearer acting in his aforementioned capacity declared that.

The composition of the Board of Commissioners and Board of Directors of the Company are as follows.

-President Commissioner also acting as

Independent Commissioner : mister HERRY PURNOMO;

-Independent Commissioner : mister AGUS RIJANTO SEDJATI;

-Commissioner : missus MARIATUL AINI;

BOARD OF DIRECTORS :

President Director : mister RAHARJO ADISUSANTO;

Director : mister SUTOMO;

Director : mister TRISNADI YULRISMAN;

The Board of Director and

jointly as well as severally with right of substitution are authorized to file a request to the competent authorities, to appear wherever required, to provide information, to draw up, to have drawn up, to sign the required letters, in general to execute all required and necessary acts needed and useful to settle such matters without exception.

-The appears hereby state to warrant the truthfulness of their identities according to the identification cards submitted to me Notary and are fully responsible therefore and the appearers further declared to have fully understood the content of this deed.

-The appearers are known to me, Notary, from the identity cards submitted to me Notary.

Of all what have been stated above :

**THIS DEED**

-Has been drawn up as a minute and read out and signed in Jakarta on the day and date as referred to in the beginning of this deed in the presence of :

1. Missus INDAH FATMAWATI, Sarjana Hukum, born in Jakarta on dated 28-07-1959 (the twenty eighth of July year of one thousand nine hundred and fifty nine), an Indonesian Citizen, residing in South Jakarta, Tebet Timur Dalam VI K/4, Rukun Tetangga 003, Rukun Warga 006, Kelurahan Tebet Timur, Kecamatan Tebet.

-Holder of the Identification Card number: 3174016807590001 valid until dated 28-07-2017 (the twenty eighth of July year of two thousand and seventeen).

2. Missus DIYAH SUWATI, born in Solo on 26-10-1964 (twenty sixth of October year of one thousand nine hundred and sixty four), an Indonesian Citizen, residing in Tangerang, Jalan

Talas II, Pondok Cabe Ilir, Rukun Tetangga 02, Rukun Warga 01, Kelurahan Pondok Cabe Ilir, Kecamatan Pamulang.

-Holder of the Identification Card number: 367406610640002 valid until dated 26-10-2017 (twenty sixth of October year of two thousand and seventeen).

-Temporarily in Jakarta.

Both are the Assistants to the Notary, as witnesses.

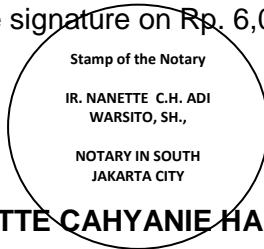
-Immediately after this deed has been read out by me Notary to the appearers and witnesses, it was signed by the appearers, the witnesses and me, Notary.

-Executed with three deletions with substitutions.

The original of this deed has been dully signed.

ISSUED AS A COPY WITH THE SAME TENOR

Illegible signature on Rp. 6,000 stamp duty



**Ir. NANETTE CAHYANIE HANDARI ADI WARSITO, SH.**

Notary in Jakarta