

ARTICLE OF ASSOCIATION PT GARUDA INDONESIA (PERSERO) Tbk



Articles of Association

PT GARUDA INDONESIA (PERSERO) Tbk

NAME AND LEGAL DOMICILE

Article 1

1. This Limited Liability Company shall bear name **PERUSAHAAN PERSEROAN (PERSERO) PT PERUSAHAAN PENERBANGAN GARUDA INDONESIA Tbk** abbreviated as **PT GARUDA INDONESIA (PERSERO) Tbk**, hereinafter referred to as the **“Company”**, having its domicile and head office in Central Jakarta;
2. The Company may establish branch offices or representative offices elsewhere, within or outside the territory of the Republic of Indonesia as determined by the Board of Directors subject to the approval of the Board of Commissioners, which approval is not required for any sales/marketing office network.

EXISTENCE OF THE COMPANY

Article 2

The Company was established on 4-3-1975 (the fourth day of March nineteen seventy-five) for an indefinite period of time and had obtained the status of legal entity by virtue of Decree of the Minister of Justice of the Republic of Indonesia dated 23-6-1975 (the twenty-third day of June nineteen seventy-five) number Y.A. 5/225/8.

PURPOSES AND OBJECTIVES AND BUSINESS ACTIVITIES

Article 3

1. The purposes and objectives of the Company are to carry on business in the field of commercial air transportation services, and to optimize the utilization of the resources owned by the Company to produce goods and/or to render services which are of high and competitive quality in achieving/pursuing the profits so as to improve the values of the Company by applying the principles of Limited Liability Company through business activities related to processing industry, information and communication, professional, scientific and technical activities, education, human healthcare activities (including trading thereof), warehousing and storage, real

estate and capital leasing and operating leasing, travel agency, tour organizer and other reservation services.

2. In order to achieve the purposes and objectives mentioned above, the Company may undertake the main business activities as follows:

a. Commercial Air Transportation:

- a.1 Domestic scheduled commercial air transportation for passengers or passengers and goods;
- a.2 Overseas scheduled commercial air transportation for passengers or passengers and goods;
- a.3 Overseas unscheduled commercial air transportation for passengers or passengers and goods;
- a.4 Other overseas unscheduled commercial air transportation;
- a.5 Other air transportation for passengers;
- a.6 Domestic scheduled commercial air transportation for goods;
- a.7 Overseas scheduled commercial air transportation for goods;
- a.8 Domestic unscheduled commercial air transportation for passengers or passengers and goods;
- a.9 Domestic unscheduled commercial air transportation for goods;
- a.10 Multimodal transport;
- a.11 Airport activity;
- a.12 Cargo handling (loading and unloading of goods);
- a.13 Air transport support services.

b. Processing Industry:

- b.1 Repair of measuring instruments, test equipment and navigation and controller equipment;
- b.2 Aircraft repair;

- c. Information and communication:
 - c.1 Information technology activities and other computer services;
 - c.2 Other computer programming activities;
 - c.3 Development of trading application via the internet (e-commerce);
 - c.4 Portal and/or digital platform for commercial purposes.
 - d. Professional, scientific and technical activities:
 - d.1 Transportation consulting activities;
 - d.2 Other management consulting activities;
 - e. Education:
 - e.1 Private non-academic higher education programs;
 - e.2 Other private education;
 - e.3 Flight crew education and special air transportation services flight crew education;
 - f. Human healthcare activities (including trading thereof):
 - f.1 Private polyclinic activities;
 - f.2 Other hospital activities;
 - f.3 Retail of pharmaceutical goods in pharmacies;
3. In addition to the main business activities referred to in paragraph (2), the Company may also undertake other supporting business activities for the purpose of optimizing the utilization of the owned resources for:
- a. Warehousing and Storage:
 - a.1 Warehousing and storage;
 - a.2 Cold storage activity;
 - a.3 Bonded warehousing or bonded area activities;
 - a.4 Other warehousing and storage;
 - b. Real estate:

Own or leased real estate;

- c. Leasing and operating leasing, travel agency and other business supporting activities:
 - c.1 Tourism information services;
 - c.2 Travel agency activities;
 - c.3 Lease and operating lease of air transports.

CAPITAL

ARTICLE 4

1. The authorized capital of the Company shall be **Rp.47,527,754,002,302.-** (forty-seven trillion five hundred twenty-seven billion seven hundred fifty-four million two thousand three hundred and two Rupiah), divided into **207,752,981,875** (two hundred seven billion seven hundred fifty-two million nine hundred eighty-one thousand eight hundred and seventy-five) shares consisting of:
 - a. **1** (one) Series A Golden Share having a nominal value of **Rp.459.-** (four hundred and fifty-nine Rupiah) or a total nominal value of **Rp.459.-** (four hundred and fifty-nine Rupiah);
 - b. **25,886,576,253** (twenty-five billion eight hundred eighty-six million five hundred seventy-six thousand two hundred and fifty-three) Series B shares, each having a nominal value of **Rp.459.-** (four hundred and fifty-nine Rupiah) or a total nominal value of **Rp.11,881,938,500,127.-** (eleven trillion eight hundred eighty-one billion nine hundred thirty-eight million five hundred thousand one hundred and twenty-seven Rupiah);
 - c. **181,866,405,621** (one hundred eighty-one billion eight hundred sixty-six million four hundred five thousand six hundred and twenty-one) Series C shares, each having a nominal value of **Rp.196.-** (one hundred and ninety-six Rupiah) or a total nominal value of **Rp.35,645,815,501,716.-** (thirty-five trillion six hundred forty-five billion eight hundred fifteen million five hundred one thousand seven hundred and sixteen Rupiah).

2. Of the aforesaid authorized capital **44.03%** (forty-four point zero-three percent) or **91,480,783,837** (ninety-one billion four hundred eighty million seven hundred eighty three thousand eight hundred and thirty-seven) shares having a total nominal value of **Rp.24,738,403,186,854.-** (twenty-four trillion seven hundred thirty-eight billion four hundred three million one hundred eighty-six thousand eight hundred and fifty-four Rupiah) have been issued and paid-up, consisting of:
 - a. **1** (one) Series A Golden Share, having a total nominal value of **Rp.459.-** (four hundred and fifty-nine Rupiah);
 - b. **25,886,576,253** (twenty-five billion eight hundred eighty-six million five hundred seventy-six thousand two hundred and fifty-three) Series B Shares, having a total nominal value of **Rp.11,881,938,500,127.-** (eleven trillion eight hundred eighty-one billion nine hundred thirty-eight million five hundred thousand one hundred and twenty-seven Rupiah);
 - c. **65,594,207,583** (sixty-five billion five hundred ninety-four million two hundred seven thousand five hundred and eighty-three) Series C Shares, having a total nominal value of **Rp.12,856,464,686,268.-** (twelve trillion eight hundred fifty-six billion four hundred sixty-four million six hundred eighty-six thousand two hundred and sixty-eight Rupiah).
3. **100%** (one hundred percent) of the nominal value of all issued shares or in a total amount of **Rp.24,738,403,186,854.-** (twenty-four trillion seven hundred thirty-eight billion four hundred three million one hundred eighty-six thousand eight hundred and fifty-four Rupiah) have been paid up in full by each shareholder of the Company.
4. Subject to the provisions of the prevailing laws and regulations including those applicable to the Capital Market, payment of share may be made in a monetary form or in any other form. The payment of share in any form other than the monetary one, in the forms of both tangible and intangible assets shall comply with the following stipulations:
 - a. assets used as the payment of the capital shall be announced to the public at the time of serving the notice to call for a General Meeting of Shareholders (GMS) held for such payment;

- b. the assets used as the payment of the capital shall be appraised by an Appraiser registered with the Financial Services Authority and they shall not be mortgaged or pledged or used as collateral;
 - c. the approval of the GMS at which a quorum is present as required by Article 25 paragraph (1) shall be obtained;
 - d. in case the assets used as the payment of the capital are in the form of shares of a limited liability company conducting a Public Offering or a public company listed on the Stock Exchange, the price of such shares shall be determined on the basis of a reasonable market value; and
 - e. in case such payment comes from the Company's retained earnings, share *agios* (premiums on capital stock in excess of par value), net profits, and/or other elements of equity, then the retained earnings, share *agios*, net profits, and/or other elements of equity shall have been set out in the last Annual Financial Statement audited by an Accountant registered with the Financial Services Authority, with unqualified opinion.
5. The shares in portfolio shall be issued by the Board of Directors in accordance with the Company's needs of capital at such time, in such manner, at such price and upon such terms as the Meeting of the Board of Directors may determine subject to the approval of the GMS with due observance to the provisions contained in the Articles of Association and the prevailing Legislations as well as regulations applicable to the Indonesian Capital Market, provided that the price of the share to be issued shall not be below par value thereof.
6. Any increase of the capital through the issue of Equity Securities (Equity Security means a Security convertible into another share or a Security carrying the right to acquire a share from the Company as issuer), shall be made with the following stipulations:
- a. Any increase of the capital through the issue of Equity Securities available for subscription shall be made by giving the Rights Issue (hereinafter referred to as Rights Issue) to the shareholders whose names are registered in the Company's register of shareholders on the date designated by the GMS

approving the issue of Equity Securities in a quantity proportionate to the number of shares registered in the Company's register of shareholders and held by the respective shareholders on such date, and the Company shall announce its plan to increase the capital through the granting of the Rights Issue to the shareholders concerned in compliance with the regulations applicable to the Capital Market.

- b. Subject to the regulations applicable to the Capital Market, Equity Securities may be issued without giving the shareholders the Rights Issue if such issue is:
 - b.1 intended for the Company's employees;
 - b.2 intended for the holders of bonds or other Securities convertible into shares issued with the approval of the GMS;
 - b.3 made for the purpose of reorganization and/or restructuring already approved by the GMS;
 - b.4 made pursuant to the regulations applicable to the Capital Market which allow increase of capital without the Rights Issue.
- c. Rights Issue shall be transferable or tradable within a period of time specified in the legislations as well as regulations applicable to the Capital Market.
- d. Equity Securities to be issued by the Company and not subscribed by the holders of the Rights Issue shall be allocated to all shareholders who subscribe additional Equity Securities, provided that if the quantity of Equity Securities being subscribed exceeds that of Equity Securities to be issued, the Equity Securities not subscribed shall be allocated in proportion to the amount of the Rights Issue exercised by respective shareholders who subscribe additional Equity Securities.
- e. In case the remaining Equity Securities are not subscribed by the Shareholders as referred to in paragraph (6) letter d of this Article and there are standby buyers, the remaining Equity Securities shall be allocated to a certain party who acts as standby buyer with the same price and terms.

- f. The shares in portfolio may be issued by the Board of Directors to the holders of the Securities convertible into the shares or Securities carrying the rights to obtain shares, by virtue of the resolution of the preceding GMS approving the issue of such Securities.
 - g. The increase of the paid-up capital shall be effective after the increase is paid up, and the shares so issued carry the same rights as the shares having the same classification, being issued by the Company, without prejudice to the Company's responsibility to give notice to the Minister in charge of Laws.
7. The Company's authorized capital may only be increased by virtue of a resolution of the GMS. The amendment to the Articles of Association for the purpose of change of the authorized capital shall be subject to the approval of the Minister in charge of Laws, with the following stipulations:
- a. The increase of the authorized capital resulting in the decrease of the issued and paid-up capital to lower than **25%** (twenty-five percent) of the authorized capital may be made to the extent that:
 - a.1. the approval of the GMS to increase the authorized capital has been obtained;
 - a.2. the approval of the Minister in charge of Laws has been obtained;
 - a.3. the increase of the issued and paid-up capital to at least **25%** (twenty-five percent) shall be made no later than a period of 6 (six) months upon obtaining the approval of the Minister in charge of Laws;
 - a.4. In the event that the increase of the paid-up capital as referred to in Article 4 paragraph (7) point a.3 is not reached fully, the Company shall further amend its Articles of Association in order to make the authorized capital and the paid-up capital in compliance with the provisions of the Law on Limited Liability Company (the Company Law), within a period of 2 (two) months upon failure to comply with the period of time as referred to in Article 4 paragraph (7) letter a point a.3;

- a.5. the approval of the GMS as referred to in Article 4 paragraph (7) letter a point a.1, including the approval to amend the Articles of Association as referred to in Article 4 paragraph (7) letter b has been obtained.
- b. The amendment to the Articles of Association for the purpose of the increase of the authorized capital shall become effective upon the capital being paid up, resulting in the amount of paid-up capital becoming at least **25%** (twenty-five percent) of the authorized capital and carrying the same rights as the other shares issued by the Company, with due observance to the relevant provisions contained herein, without prejudice to the duty of the Company to obtain the approval of the amendment to the Articles of Association from the Minister in charge of Laws in connection with the increase of the paid-up capital.
8. Any increase of the capital by way of issuing Equity Securities may deviate from any of the provisions above, if the laws and regulations, particularly those applicable to the Capital Market and the regulations of the Stock Exchange on which the Company's shares are listed provide otherwise.
9. The GMS as referred to in this article shall be attended by the holder of Series A Golden Share and the resolutions of the GMS shall be subject to the approval of the holder of the Series A Golden Share.

SHARES

Article 5

1. The shares of the Company shall be registered shares and issued in the name of the holder being registered in the Register of Shareholders, consisting of:
- Series A Golden Share which shall be owned only by the Republic of Indonesia; and
 - Series B Shares which may be held by the Republic of Indonesia and/or the Community;

- Series C Shares which may be held by the Republic of Indonesia and/or the Community.
- 2.** Unless otherwise expressly defined in these Articles of Association, “shares” shall mean Series A Golden Share, Series B Shares and Series C Shares, and “shareholders” shall mean the holder of Series A Golden Share, the holders of Series B Shares and the holders of Series C Shares.
- 3.** The Company only acknowledges one individual person or one legal entity as the party authorized to exercise the rights legally pertaining to the shares.
- 4.**
 - a.** Unless otherwise herein provided, the holder of Series A Golden Share, the holders of Series B Shares and the holders of Series C Shares shall have equal rights and each 1 (one) share gives the holder right to 1 (one) vote.
 - b.** As provided in these Articles of Association, Series A Golden Share is a share that is exclusively owned by the Republic of Indonesia and gives the holder the privileges as the holder of Series A Golden Share.
 - c.** The holder of Series A Golden Share has the privileges as follows:
 - c.1** The right to approve the following businesses transacted at the GMS:
 - c.1.1** To approve any amendment to the Articles of Association;
 - c.1.2** To approve any change of Capital;
 - c.1.3** To approve any appointment and dismissal of members of the Board of Directors and the Board of Commissioners;
 - c.1.4** To approve any amalgamation, merger, acquisition, demerger and dissolution;
 - c.1.5** To approve remuneration of members of the Board of Directors and the Board of Commissioners;

6. In case of the failure of the co-holders of the share to notify the Company in writing of the appointment of their joint proxy, the Company shall treat the shareholder whose name is registered in the Company's Register of Shareholders as the only rightful owner of the share(s).
7. Each shareholder of the Company shall by law comply with the Company's Articles of Association and all resolutions legally adopted in the GMS and with the applicable laws and regulations.
8. The laws and regulations concerning the Capital Market and the regulations of the Stock Exchange on which the Company's shares are listed shall apply to all of the Company's shares.

SHARE CERTIFICATE

Article 6

1. Evidence of ownership of share is as follows:
 - a. In case the shares of the Company are not in the Collective Custody of the Custody and Settlement Institution, the Company shall give the shareholder the evidence of ownership of share or collective share certificate.
 - b. In case the shares of the Company are in the collective Custody of the Custody and Settlement Institution, the Company shall issue a certificate or give written confirmation to the Custody and Settlement Institution as registry proof that such shares are registered in the Company's Register of Shareholders.
2. The Company shall issue share certificate in the name of the holder whose name is registered in the Company's Register of Shareholders, pursuant to the laws and regulations applicable to the Capital Market and the regulations of the Stock Exchange on which the Company's shares are listed.
3. The Company may issue a collective share certificate as evidence of ownership of 2 (two) or more shares by one shareholder.
4. Share certificates shall at least contain:
 - a. The name and address of the Shareholder;

- b. The serial number of the share certificate;
 - c. The date of the issuance of the share certificate
 - d. The nominal value of the share.
5. Collective share certificate shall at least contain:
 - a. The name and address of the Shareholder;
 - b. The serial number of the collective share certificate;
 - c. The date of the issuance of the collective share certificate;
 - d. The nominal value of the share and collective value of the shares;
 - e. The quantity of the shares and the serial number of the relevant certificate.
6. All share certificates and/or collective share certificates and/or convertible bonds and/or warrants and/or other securities convertible into shares shall be signed by the President Director and the President Commissioner, or in the event that the President Commissioner is absent or hindered by any reasons whatsoever, it being unnecessary to provide proof of such impediment to any third party, such instruments shall be signed by the President Director and one of the members of the Board of Commissioners, or when the President Director and the President Commissioners are absent or hindered by any reasons, it being unnecessary to provide proof of such impediment to any third party, the instruments shall be signed by one of the Directors and one of the members of the Board of Commissioners. Their signatures may be directly printed on each of the foregoing instruments, with due observance to the laws and regulations applicable to the Capital Market and the regulations of the Stock Exchange on which the Company's shares are listed.
7. In the event that the Company does not issue share certificates, the ownership of shares may be proven by a certificate of share ownership issued by the Company or the Share Registrar.
8. All share certificates and/or collective share certificates issued by the Company may be pledged by observing the laws and regulations applicable to the Capital Market and the Company Law.

DUPLICATES OF SHARE CERTIFICATES

ARTICLE 7

1. In case a share certificate is defaced, such a share certificate may be replaced if, and with the following conditions:
 - a. the party submitting a written request for replacement of the defaced share certificate is the owner of the share;
 - b. the Company has received the defaced share; and
 - c. the original of the defaced share certificate shall be returned and may be exchanged for a new share certificate having the same serial number as that of the original of the share certificate;
 - d. The Company shall destroy the original of the defaced share certificate after the replacement thereof.
2. In case a share certificate is lost, the lost share certificate may be replaced if:
 - a. The party submitting a request for replacement of the lost share certificate is the owner of the share certificate;
 - b. The Company has received the police report issued by the Police Department of the Republic of Indonesia on the loss of the share certificate;
 - c. The person submitting the request for replacement of the lost share certificate shall give a warranty as the Board of Directors may consider adequate; and
 - d. The plan to issue a duplicate of the lost share certificate has been announced at the Stock Exchange on which the Company's shares are listed, within 14 (fourteen) days at the latest before the issuance thereof.
3. Once the duplicate share is issued, the lost original share certificate shall be rendered null and void to the Company.
4. All expenses incurred for issuing a duplicate of share certificate shall be borne the Shareholder concerned.

5. The foregoing provisions on the issuance of duplicates of share certificates shall also be applicable to the issuance of duplicates of collective share certificates and duplicates of Equity Securities.

COLLECTIVE CUSTODY

ARTICLE 8

1. Shares in the Collective Custody shall be subject to the provisions of this article, namely:
 - a. the shares in the Collective Custody of the Custody and Settlement Institution shall be recorded in the Company's Register of Shareholders in the name of the Custody and Settlement Institution;
 - b. the shares in the Collective Custody of the Custodian Bank or the Securities Company, which are recorded in the securities account at the Custody and Settlement Institution in the name of the Custodian Bank or the Securities Company are intended in favor of the holders of the accounts at the Custodian Bank or the Securities Company;
 - c. if the shares in the Collective Custody of the Custodian Bank form a part of the Securities Portfolio of Mutual Funds in the form of collective investment contract and not included in the Collective Custody of the Custody and Settlement Institution, the Company shall record the shares in the Company's Register of Shareholders in the name of the Custodian Bank in favor of the holder of the investment unit of the Mutual Fund in the form of the aforesaid collective investment contract;
 - d. the Company shall issue a certificate or confirmation to the Custody and Settlement Institution as referred to in letter a of this paragraph or to the Custodian Bank as referred to in letter c of this paragraph, as a proof of registration in the Company's Register of Shareholders;
 - e. the Company shall transfer the shares in the Collective Custody, which are registered in the name of the Custody and Settlement Institution or the Custodian Bank for the Mutual Funds in the form of a collective investment

contract, in the Company's Register of Shareholders to be in the name of the party appointed by the Custody and Settlement Institution or by the Custodian Bank;

- f. the request for transfer shall be submitted by the Custody and Settlement Institution or by the Custodian Bank to the Company or to the Share Registrar appointed by the Company;
- g. the Custody and Settlement Institution, the Custodian Bank or the Securities Company shall issue confirmation to the account holders as a proof of recording in the securities account;
- h. in the Collective Custody all shares of the similar kind and classification being issued by the Company are equivalent to and exchangeable for each other;
- i. the Company shall refuse the registration of share in the Collective Custody if the share certificate is lost or destroyed, unless the Party requesting for such a transfer can give an adequate proof and/or warranty that the Party concerned is the right shareholder and the share certificate is really lost or destroyed;
- j. the Company shall refuse the registration of shares in the Collective Custody if the share is pledged or seized by virtue of a court order, or confiscated for the purpose of a court trial of a criminal case;
- k. the Securities account holder whose securities are registered in the Collective Custody is entitled to attend and/or to cast a vote at the GMS in proportion to the shares he/she owns in the securities account;
- l. the Custodian Bank and the Securities Company shall submit to the Custody and Settlement Institution a list of securities accounts and amounts of the Company's shares owned by the respective account holders with the Custodian Bank and the Securities Company to be handed over to the Company not later than 1 (one) working day before the call for the GMS;
- m. the Investment Manager shall be entitled to attend and cast a vote at the GMS in relation to the Company's shares included in the Collective Custody of

the Custodian Bank which are a part of the portfolio of the Mutual Fund Securities in the form of a collective investment contract and not included in the Collective Custody of the Custody and Settlement Institution, provided that the Custodian Bank shall notify the name of the Investment Manager not later than 1 (one) working day before the call for the GMS.

- n. the Company shall deliver the dividends, bonus shares or other rights relating to the ownership of the shares in the Collective Custody to the Custody and Settlement Institution, and thereafter the Custody and Settlement Institution deliver the dividends, bonus shares or other such rights to the Custodian Bank and the Securities Company in favor of the respective account holders at the Custodian Bank and the Securities Company;
 - o. the Company must deliver to the Custodian Bank the dividends, bonus shares or other rights relating to the ownership of the shares in the Collective Custody of the Custodian Bank, which is a part of the Securities Portfolio of Mutual Funds in the form of a collective investment contract and not included in the Collective Custody of the Custody and Settlement Institution;
 - p. the time limit for the holders of securities account who are entitled to obtain the dividends, bonus shares or other right relating to the ownership of the shares in the Collective Custody shall be determined by the GMS, provided that the Custodian Bank and the Securities Company shall submit a list of securities account holders and amount of the Company's share owned by the respective securities account holders to the Custody and Settlement Institution not later than the date being the basis of determining the shareholders who are entitled to obtain the dividends, bonus shares and other such rights, which list shall then be submitted to the Company not later than 1 (one) working day after the date being the basis of determining the shareholders who are entitled to obtain the dividends, bonus shares and other such rights.
2. The provisions concerning the Collective Custody shall be subject to the laws and regulations applicable to the Capital Market and the regulations of the Stock Exchange on which the Company's shares are listed.

REGISTER OF SHAREHOLDERS AND SPECIAL REGISTER

ARTICLE 9

1. The Board of Directors shall establish and keep a Register of Shareholders and a Special Register and make them available at the Company's domicile.
2. The Register of Shareholders shall at least contain:
 - a. The names and addresses of the Shareholders;
 - b. The quantity, serial number and date of acquisition of the shares owned by the Shareholders;
 - c. Amount paid up in respect of each share;
 - d. The names and addresses of individuals or legal entities holding a pledge on or a fiduciary guarantee of the shares and the date on which the right of pledge was obtained or the date on which the fiduciary guarantee was registered;
 - e. Information of payment of shares in any form otherwise than money (cash); and
 - f. Such other information as the Board of Directors may deem necessary.
3. The information about the ownership of shares in the Company and/or any other companies and/or change therein by the members of the Board of Directors and the Board of Commissioners and by the members of their families and the date of the acquisition of such shares shall be recorded in the Special Register.
4. The Shareholders shall give the Company's Board of Directors a written notice of any change of their addresses, the receipt of which shall be provided. As long as such notice has not been given, all calls and notices to the Shareholders shall be valid if they are made to the addresses of the respective Shareholders most recently recorded in the Register of Shareholders.
5. The Board of Directors shall properly keep and maintain the Register of Shareholders and the Special Register.

6. Each Shareholder shall have the right to examine the Register of Shareholders and the Special Register at the office of the Company or at the office the Share Registrar appointed by the Company during the normal office hours.
7. The Company's Board of Directors may appoint and authorize the Share Registrar to record the shares in the Register of Shareholders and the Special Register. Any recording or registration in the Register of Shareholders including recording of sales, transfers of ownership, encumbrances, pledges or fiduciary guarantees, in relation to the shares of the Company, or the rights to or interests in the shares shall be made pursuant to these Articles of Association and the laws and regulations applicable to the Capital Market.
8. The provisions of this article shall be in force as long as they are not in contradiction with the laws and regulations applicable to the Capital Market and the regulations of the Stock Exchange on which the Company's shares are listed.
9. In case of any sale, transfer of ownership, encumbrance, pledge or fiduciary guarantee, or otherwise in relation to the shares of the Company, or the rights to or interests in the shares, the person concerned shall report the same in writing to the Board of Directors or the party appointed by the Board of Directors for its recording and registration in the Register of Shareholders, in accordance with these Articles of Association with due observance to the laws and regulations applicable to the Capital Market and the regulations of the Stock Exchange on which the Company's shares are listed in Indonesia.

TRANSFER OF RIGHTS IN SHARES

ARTICLE 10

1. In case of the change of the ownership of a share, the original owner being registered in the Register of Shareholders shall still be considered as the owner of the share until the name of the new owner is recorded in the Register of Shareholders with due observance to the laws and regulations applicable to the Capital Market and the regulations of the Stock Exchange at the place on which the Company's shares are listed.

2. a. Unless otherwise provided in the laws and regulations, particularly those applicable to Capital Market, and in the Company's Articles of Association, the transfer of rights in shares shall be proven by a document signed by or in the name of the party transferring the right and by or in the name of the party receiving the transferred rights in the relevant share. The document on the transfer of rights in shares shall take the form as determined or approved by the Board of Directors.
 - b. The transfer of rights in the shares included in the Collective Custody shall be made by the transfer from one securities account to another securities account at the Custody and Settlement Institution, the Custodian Bank, or the Securities Company. The document on the transfer of rights in shares shall take the form as determined by and/or acceptable to the Board of Directors provided that the document on the transfer of the rights in the shares listed on the Stock Exchange shall comply with the regulations applicable to the Stock Exchange on which the shares listed, subject to the laws and regulations in effect at the place on which the Company's shares are listed and the relevant prevailing laws and regulations.
3. The Board of Directors may, at their own discretion and by giving reasons therefor, refuse to register the transfer of the rights in shares in the Company's Register of Shareholders if the relevant provisions of these Articles of Association are not complied with, or if any requirement specified in the permits issued to the Company or any other matter required by the competent authorities is not satisfied.
4. If the Board of Directors refuses to register the transfer of the rights in shares, the Board of Directors shall send a notice of refusal to the party who intends to transfer his/her rights in shares not later than 30 (thirty) calendar days upon receipt by it of the request for registration with due observance to the laws and regulations applicable to the Capital Market and the regulations of the Stock Exchange at the place on which the Company's shares are listed.
5. Regarding the Company's shares listed on the Stock Exchange on which they are listed, any refusal to register the transfer of right shall be in compliance with the regulations of the Stock Exchange on which the Company's shares are listed.

6. Any person who acquires the right in a share due to the death of a shareholder or other cause resulting in the ownership of a share passing to any other person by law may offer his/her title deeds, as the Board of Directors may require, and request the Board of Directors in writing to register him/her as the holder of the share. The registration may only be made if properly accepted by the Board of Directors by virtue of the title deeds and subject to the provisions in these Articles of Association.
7. All restrictions, limitations, and provisions contained in the Articles of Associations governing the rights to transfer of rights in shares and registration of transfer of rights in shares shall apply mutatis mutandis to any transfer of rights in accordance with paragraph (6) of this Article,
8. The shareholders as referred to in Article 20 paragraph (4) letter a shall not be allowed to transfer their shares for at least 6 (six) months as of the date of the GMS if their request for GMS is fulfilled by the Board of Directors or the Board of Commissioners or by the order of the court.
9. The form of and procedure for the transfer of the rights in the shares traded at the Stock Exchange shall conform to the laws and regulations applicable to the Capital Market, and to the regulations of the Stock Exchange on which the Company's shares are listed, except that the right in Series A Golden Share may not be transferred to any other person.

BOARD OF DIRECTORS

ARTICLE 11

1. The Company shall be managed and directed by a Board of Directors, which number of members shall be adjusted to the Company's needs, but it shall comprise at least 2 (two) persons, one of them shall be appointed to be President Director and, if necessary, one of them shall be appointed as Vice President Director.
2. Members of the Board of Directors shall comply with:
 - a. the Company Law;
 - b. laws and regulations applicable to the Capital Market; and

- c. laws and regulations applicable to the Company and those related to the business activities of the Company.
3. Those who may be appointed to be the members of the Board of Directors are individual persons who are qualified at the time of their appointment and during their term of office:
- a. have good behavior, moral and integrity;
 - b. are capable of taking legal actions;
 - c. within a period of 5 (five) years before the appointment and during the term of office they have not:
 - 1) been declared bankrupt;
 - 2) become the members of the Board of Directors and/or the members of the Board of Commissioners who are declared guilty of causing a company to be declared bankrupt;
 - 3) been sentenced for committing a crime that causes loss to the state finances and/or loss to the financial sector;
 - 4) become the members of the Board of Directors and/or the members of the Board of Commissioners:
 - a) who have not ever held the Annual GMS;
 - b) whose statement of accountability as the members of the Board of Directors and/or the members of the Board of Commissioners has not been approved by the GMS or who have not ever submitted to the GMS any statement of accountability as the members of the Board of Directors and/or the members of the Board of Commissioners; and
 - c) who have caused a company that has obtained permit, approval from, or been registered with the Financial Services Authority not to meet its obligation to submit annual report and/or financial statement to the Financial Services Authority;

- d) who are committed to complying with the laws and regulations; and
- e) who have knowledge and/or expertise in the fields as required by the Company; and
- f) who fulfill other requirements as specified in paragraph 2 of this article,

during their term of office;

4. Fulfillment of the requirements as referred to in paragraphs (2) and (3) of this article shall be proven by a written statement signed by the candidate member of the Board of Directors and the statement shall be submitted to the Company. The statement shall be reviewed and documented by the Company.
5. The Company shall hold a GMS if it is intended to replace any unqualified member of the Board of Directors.
6. Any appointment of a member of the Board of Directors which is not in accordance with the requirement as referred to in paragraph (2) shall be, by law, nullified as of the other members of the Board of Directors or the Board of Commissioners become aware of such non-compliance with such requirement, based on a valid evidence, and a written notice regarding such matter shall be given to the relevant member of the Board of Directors in accordance with the prevailing laws and regulations.
7. No later than 2 (two) working days as of the other members of the Board of Directors or the Board of Commissioners becoming aware of the non-compliance of the appointment of such member of the Board of Directors with the requirements, the nullification of such appointment shall be announced in the media with due observance to the laws and regulations applicable to the Capital Market and, no later than 7 (seven) days, notified to the Minister in charge of Laws for its registration in accordance with the laws and regulations.
8. Any legal transaction already conducted for and on behalf of the Company by the unqualified member of the Board of Directors prior to the nullification of his/her

appointment shall remain binding upon and shall be the responsibility of the Company.

9. Any legal transaction conducted for and on behalf of the Company by the unqualified member of the Board of Directors after the nullification of his/her appointment as contemplated in paragraph (6) shall be null and void and shall be the sole responsibility of such member.
10. Members of the Board of Directors shall be appointed and dismissed by the GMS which is attended and approved by the holder of Series A Golden Share, with due observance to the provisions of these Articles of Association. Members of the Board of Directors shall be appointed by the GMS from the candidate or candidates nominated by the holder of Series A Golden Share and/or a shareholder representing at least 10% (ten percent) of the total amount of the Company's issued shares with the valid voting rights, and such nomination shall be binding upon the GMS, provided that the number of members of the Board of Directors nominated by such shareholder representing at least 10% (ten percent) of the total shares in the Company shall be in proportion to his/her shareholding in the Company with respect to the total number of members of the Board of Directors appointed in the GMS. This provision shall also be applicable to the GMS held for revocation or confirmation of dismissal of any member of the Board of Directors.
11. The resolution of the General Meeting of Shareholders regarding the appointment and dismissal of members of the Board of Directors shall also specify the effective date of such appointment and dismissal. In the event the GMS does not specify the effective date of appointment and dismissal of the members of the Board of Directors, then such appointment and dismissal of members of the Board of Directors shall be effective as of the closing of the GMS.
12. a. Members of the Board of Directors shall be appointed for a period of time commencing on the closing of or the date specified by the GMS appointing them and ending at the end of the 5th (fifth) Annual GMS after their appointment, provided that such period shall not exceed 5 (five) years, with due observance to the laws and regulations applicable to the Capital Market,

without prejudice to the right of the GMS to dismiss them at any time before expiry of their term of office.

- b. Such dismissal shall become effective as of the end of the GMS, unless otherwise decided by the GMS.
 - c. Upon expiry of their term of office, the members of the Board of Directors may be reappointed by the GMS for another term of office.
13. The GMS may dismiss the members of the Board of Directors at any time by giving reasons for the dismissal.
14. The reasons for the dismissal of a member of the Board of Directors as referred to in paragraph (13) of this article shall be given if it is evident that the member of the Board of Directors:
- a. has failed to satisfactorily comply with his/her obligations as agreed in the management contract;
 - b. has failed to perform his/her duties properly;
 - c. has violated the provisions of the Articles of Association and/or the laws and regulations;
 - d. is involved in the acts prejudicial to the Company and/or the state;
 - e. commits any act violating the ethics and/or appropriateness which should be respected by a member of the Board of Directors;
 - f. is adjudicated to be at fault on the basis of a court decision which has absolute legal effect;
 - g. resigns from his/her position;
 - h. any other reasons as may be deemed fit by the GMS for the benefit and interest of the Company;
15. Resolution on the dismissal for any of the reasons as referred to in paragraph (14) of this article, except for the reasons as contemplated in paragraph (14) letters f and g, shall be adopted after the Director concerned having been given the opportunity to defend himself/herself.

16. The dismissal for the reason as referred to in paragraph (14) letters d and f of this article shall be deemed as dishonorable dismissal.
17. There shall be no family relationship between the members of the Board of Directors and between the members of the Board of Directors and the members of the Board of Commissioners until the third degree, either lineal or collateral, or relationship by marriage including sons-/daughters-in-law and brothers-/sisters-in-law;
18. In case of any such family relationships as referred to in paragraph (17) of this article, the GMS shall have the authority to dismiss anyone of them.
19. The members of the Board of Directors may be paid salaries and facilities and/or other allowances, including bonuses and post service benefits, the amounts of which shall be determined by the GMS and the authority of the GMS to do so may be delegated to the Board of Commissioners.
20. If at any time and for any reason one of the offices or more in the Board of Directors is vacant,
 - a. the Board of Commissioners shall appoint another member of the Board of Directors to temporarily undertake the duties of the vacant member of the Board of Directors with same power and authorities.
 - b. with due observance to the prevailing regulations, a General Meeting of Shareholders shall be convened to fill the vacant office of the member of the Board of Directors when such vacancy results in the number of members of the Board of Directors being less than 2 (two), one of whom is the President Director, or the Board of Directors having no President Director or any Director required by the prevailing regulations.
 - c. The GMS as referred to in letter b shall be convened no later than 90 (ninety) days upon such vacancy as referred to in letter b.
21. In the event the vacancy arises from the expiry of term of office of a member of the Board of Directors and no replacement for such position has been appointed by the GMS, such member may be appointed by the GMS to undertake his/her duties with

same power and authorities provided that he/she has only been appointed for 1 (one) term of office.

22.
 - a. If at any time and for any reason all the offices of the members of the Board of Directors are vacant, a General Meeting of Shareholders shall be convened to fill the vacant offices of the members of the Board of Directors within no later than 90 (ninety) days upon such vacancies.
 - b. As long as the offices of all of the members of the Board of Directors are still vacant and the General Meeting of Shareholders has not yet filled the vacant offices of the members of the Board of Directors as referred to in letter a, for the time being the Company shall be managed by the Board of Commissioners with the same power and authority.
23.
 - a. A member of the Board of Directors has the right to resign from his/her office prior to the expiry of his/her term of office. In case of resignation of a member of the Board of Directors, such member of the Board of Directors shall notify the Company in writing of his/her intention of resigning from the office.
 - b. The Company shall convene a GMS to decide the resignation of the member of the Board of Directors within no later than 90 (ninety) days after receipt of the letter of resignation.
 - c. The Company shall disclose to the public and notify the Financial Services Authority no later than 2 (two) working days as of:
 - (i) receipt by it of the letter of resignation from the member of the Board of Directors as referred to in letter a of this paragraph;
 - (ii) and the result of the GMS as referred to in letter b of this paragraph.
 - d. Before his/her resignation becomes effective, such member of the Board of Directors shall still have the obligation of discharging his/her duties and responsibilities pursuant to the Articles of Association and the laws and regulations.

- e. The member of the Board of Directors who resigns from his/her office as referred to in the foregoing paragraphs may be requested to submit a statement of accountability in respect of his/her actions taken as of the date of his/her appointment until the date of approval of his/her resignation by the GMS.
 - f. A Director who resigns from his/her office will have been released from his/her responsibilities after obtaining the discharge of responsibilities from the Annual GMS.
 - g. In the event that the resignation of a member of the Board of Directors results in the number of members of the Board of Directors being less than 2 (two), the resignation shall be valid if it has been approved by the GMS, and a new member of the Board of Directors has been appointed in order to maintain the minimal number of members of the Board of Directors as required.
24. The office held by the member of the Board of Directors shall terminate if any of the following occurs:
- a. His/her resignation becomes effective as referred to in paragraph (23) letter f;
 - b. He/she dies;
 - c. His/her term of office has expired;
 - d. He/she is dismissed on the basis of a resolution of the General Meeting of Shareholders;
 - e. He/she is declared bankrupt by virtue of a final judgment of the Court of Commerce or placed under guardianship by virtue of a court order; or
 - f. He/she no longer meets the requirements for a member of the Board of Directors as specified in the Articles of Association and the laws and regulations;
25. The provision as referred to in paragraph (24) letter f shall include, without limitation, concurrent assumption of prohibited positions.

26. Any member of the Board of Directors who is dismissed before or after the expiry of his/her term of office for any reason other than death shall submit his/her statements of accountability in respect of any actions for which the accountability has not been received by the GMS.
27. A member of the Board of Directors may at any time be suspended by the Board of Commissioners by giving the reason thereof if such member of the Board of Directors has acted in violation of these Articles of Association or if there is an indication that he/she has committed an act prejudicial to the Company or he/she has neglected his/her duties, or in case of any urgent reason on the part of the Company, with due observance to the following provisions:
 - a. A decision of the Board of Commissioners regarding the suspension of a member of the Board of Directors shall be notified in writing to the member concerned together with the reasons for imposing the suspension with a copy to the Board of Directors.
 - b. The notice as referred to in letter a shall be given no later than 2 (two) working days after the suspension being decided.
 - c. The member of the Board of Directors who is being suspended shall have no authority to manage the Company in favor of the Company in accordance with the purposes and objectives of the Company and to represent the Company inside and outside the court of justice.
 - d. Within no later than 90 (ninety) days after the suspension a General Meeting of Shareholders shall be convened by the Board of Commissioners to resolve whether the decision on the suspension is revoked or affirmed.
 - e. If upon the lapse of such period the GMS as referred to in letter d is not convened or is unable to adopt a resolution, such suspension shall be cancelled.
 - f. Such limitation of authority as referred to in letter c shall be effective as of the date on which the suspension is decided by the Board of Commissioners until:

- 1) the date on which there is a decision adopted by a GMS that revokes or affirms the suspension as referred to in letter d; or
 - 2) the lapse of the period of time as referred to in letter d.
- g. At the General Meeting of Shareholders as referred to in letter d, the said member of the Board of Director shall be given the opportunity to defend himself/herself.
- h. The suspension shall not be continued or re-imposed with the same reasons, if the suspension has been declared ineffective as referred to in letter e.
- i. In case of the cancellation of the suspension by the GMS or the occurrence of the situation as referred to in letter e, the said member of the Board of Directors shall properly resume the performance his/her duties.
- j. In the event that the GMS affirms such suspension, the relevant member of the Board of Directors shall be permanently dismissed.
- k. If the suspended member of the Board of Directors fails to attend the GMS despite after being properly notified in writing, it shall be deemed that he/she decides not to exercise his/her right to defend himself/herself thereat and, therefore, he/she shall be deemed to accept any resolution adopted by the GMS.
- l. The Company shall disclose to the public and notify the Financial Services Authority regarding:
- 1) its decision to conduct a suspension; and
 - 2) the result of the GMS regarding revocation or affirmation of such suspension as referred to in letter d or information on cancellation of suspension by the Board of Commissioners due to no GMS being held until the lapse of 2 (two)-working day period upon the occurrence thereof as referred to in letter e.
28. A member of the Board of Directors shall not have a double function as:
- a. a member of the Board of Directors of a State-Owned Enterprise, Regional Government Owned Enterprise, Private Company;

- b. a member of the Board of Commissioners and/or Supervisory Board of a State-Owned Enterprise;
 - c. other structural and functional positions in the central and or regional government agencies/institutions;
 - d. a member of the executive committee of a political party, a member of the House of Representatives (DPR), Regional Representative Council (DPD), Regional House of Representatives (DPRD) at Provincial and Regency/Municipal Level and/or a regional head, a regional deputy head;
 - e. a candidate member of DPR, DPD, DPRD at Provincial and Regency/Municipal Level or a candidate regional head/a candidate regional deputy head;
 - f. any other position which may arise conflict of interest; and/or
 - g. any other position as specified in the laws and regulations.
29. Concurrent holding of any position not included in the provision of paragraph (28) of this article shall require approval of the Meeting of the Board of Commissioners.

DUTIES, AUTHORITIES AND OBLIGATIONS OF THE BOARD OF DIRECTORS

ARTICLE 12

1. The Board of Directors shall have the duties of taking all actions relating to and being responsible for the management of the Company in the interest of and in line with the purposes and objectives of the Company, and representing the Company inside and outside the court of justice with respect to all matters and in all events, with the limitations as specified in the laws and regulations, the Articles of Association and/or the Resolutions of the GMS.
2. In performing the duties as referred to in paragraph (1):
 - a. the Board of Directors shall have the following rights and authorities, among others:
 - a.1 to establish the Company's management policies as it may deem fit;
 - a.2 to arrange the delegation of authority of the Board of Directors to represent the Company inside and outside the court of justice to one

or several persons especially appointed for that purpose, including the employees of the Company who shall act individually or collectively and/or to any other party;

- a.3 to administer the regulations regarding the Company's manpower, including determining salaries, pensions or old-age benefits and other income for the employees of the Company pursuant to the prevailing laws and regulations;
- a.4 to appoint and dismiss the employees of the Company pursuant to the Company's manpower policies, and the prevailing laws and regulations;
- a.5 to appoint and dismiss the Company's Corporate Secretary and/or Head of Internal Supervisory Unit upon approval of the Board of Commissioners;
- a.6 to write off any bad debt in accordance with the provisions of these Articles of Association and report the same to the Board of Commissioners for further reporting and accountability in the Annual Report;
- a.7 to cease the collection of interest receivables, penalties, charges and any receivables other than the principal amount for the purpose of restructuring and/or settlement of receivables and to take any other action for settlement of the Company's receivables and report the same to the Board of Commissioners in compliance with the reporting provisions and procedures as determined by the Board of Commissioners.
- a.8 to take all other actions and deeds with regard to both the management and ownership of the Company's assets, to bind the Company to other parties and/or bind other parties to the Company, and to represent the Company inside and outside the court of justice in all matters and in any event, with the limitations as specified in the

laws and regulations, the Articles of Association and/or the resolutions of the General Meeting of Shareholders.

- b. The Board of Directors shall have the obligations to:
 - b.1 manage and ensure the performance of the business and activities of the Company in accordance with the purposes and objectives and business activities of the Company;
 - b.2 timely prepare the Company's Long-Term Development Plan, Business Plan and Corporate Annual Budgeting, and any other work program and modification thereof, and submit them to the Board of Commissioners for approval;
 - b.3 prepare a Register of Shareholders, Special Register, Minutes of General Meeting of Shareholders, and Minutes of the Meeting of the Board of Directors;
 - b.4 prepare Annual Reports containing, among others, Financial Statements, as a form of accountability for the management of the Company, and other financial documents of the Company as required by the Law regarding Corporate Documents;
 - b.5 prepare Financial Statements for the purpose as referred to in point b.4 above in accordance with the Financial Accounting Standard and submit them to a Public Accountant for auditing;
 - b.6 submit the Annual Report upon review by the Board of Commissioners, within no later than 5 (five) months as of the end of the Company's fiscal year, to the General Meeting of Shareholders for approval and ratification;
 - b.7 give explanation to the General Meeting of Shareholders regarding the Annual Report;
 - b.8 submit the Balance Sheet and Statement of Income which have been ratified by the General Meeting of Shareholders to the Minister in charge of Laws in accordance with the laws and regulations;

- b.9 prepare any other report required by the laws and regulations;
- b.10 maintain the Register of Shareholders, Special Register, Minutes of General Meeting of Shareholders, Minutes of Meeting of the Board of Commissioners and Minutes of Meeting of the Board of Directors, Annual Reports and the financial documents of the Company as referred to in points 4 and 5, and other corporate documents;
- b.11 keep at the Company's domicile: the Register of Shareholders, Special Register, Minutes of General Meeting of Shareholders, Minutes of Meeting of the Board of Commissioners and Minutes of Meeting of the Board of Directors, Annual Reports and financial documents of the Company and other corporate documents;
- b.12 establish and maintain the Company's books and administration in accordance with the principles commonly applicable to a company;
- b.13 establish an accounting system in accordance with the Financial Accounting Standard and based on the principles of internal control, in particular the management, recording, keeping, and controlling functions;
- b.14 submit periodical reports in the manner and time pursuant to the prevailing regulations, as well as other reports as may be requested from time to time by the Board of Commissioners and/or the holder of Series A Golden Share, with due observance to the laws and regulations, particularly the regulations applicable to the Capital Market;
- b.5 establish an organization chart of the Company complete with the details and jobs.
- b.6 give explanation on all matters asked about or requested by the Board of Commissioners and the holder of Series A Golden Share, with due observance to the laws and regulations, particularly the regulations applicable to the Capital Market;

- b.17 perform other obligations in accordance with the provisions contained in these Articles of Association, and as determined by the General Meeting of Shareholders.
3. In performing their duties, the Board of Directors shall fully devote its energy, thoughts, attention and dedication to the duties, obligations and achievement of the Company's objectives and purposes.
 4. Each member of the Board of Directors shall in performing his/her duties, comply with the Company's Articles of Association and the laws and regulations, and shall be obligated to implement the principles of professionalism, efficiency, transparency, independency, accountability, responsibility and appropriateness.
 5. Each member of the Board of Directors shall perform his/her duties and responsibilities as referred to in paragraph (1) of this Article in good faith and with full responsibility, and with due care and diligence, in the interest of the Company and for the sake of the Company's business, with due observance to the prevailing laws and regulations.
 6.
 - a. Each member of the Board of Directors shall jointly and severally be responsible for the losses sustained by the Company if he/she has been at fault or in failure in performing his/her duties.
 - b. A member of the Board of Directors shall not be held liable for any loss sustained by the Company as referred to in letter a if such member of the Board of Directors can prove that:
 - b.1 the loss is not caused by his/her fault or failure;
 - b.2 he/she has performed the management in good faith, responsibly and prudently in the interest of the Company and in accordance with the purposes and objectives of the Company;
 - b.3 he/she has no conflict of interest, directly and indirectly, in the act of managing which results in loss; and
 - b.4 he/she has taken necessary measures to prevent loss from arising or continuing.

7. The following actions of the Board of Directors are subject to the approval of the Board of Commissioner in writing:
 - a. To dispose of/transfer ownership of and/or place guarantee for any debt over the Company's assets at a value exceeding the limit specified by the Board of Commissioners, except for assets recorded as inventory, with due observance to the laws and regulations applicable to capital market;
 - b. To form cooperation with other enterprises or parties, in the form of joint operation (KSO), lease of assets, Business Cooperation (KSU), license cooperation, Build, Operate and Transfer/BOT, Build, Transfer and Operate/BTO, Build, Operate and Own/BOO and other agreements having the same characteristics for a term or at a value exceeding that specified by the Board of Commissioners;
 - c. To determine and change the logo of the Company;
 - d. To establish an organization structure up to 1 (one) level below the Board of Directors;
 - e. To form a foundation, organization and/or association that is directly or indirectly related to the Company which has a financial impact on the Company;
 - f. To charge the Company with the fixed and routine costs for the activities of the foundation, organization and/or association, which are directly or indirectly related to the Company;
 - g. To nominate the representatives of the Company to become candidate members of the Board of Directors and the Board of Commissioners of the subsidiaries, who would give significant contribution to the Company and/or have strategic value as defined by the Board of Commissioners;
 - h. To make equity participation, release any part of equity participation, including change of capital structure at a certain value as determined by the Board of Commissioner in other company, subsidiary, and/or joint venture

for any purpose other than restructuring of receivables with due observance to the laws and regulations applicable to the Capital Market;

- i. To establish a subsidiary and/or joint venture with a certain value as determined by the Board of Commissioners with due observance to the laws and regulations applicable to the Capital Market;
- j. To bring about merger, consolidation, acquisition, separation and dissolution of a subsidiary and joint venture with a certain value as determined by the Board of Commissioners with due observance to the laws and regulations applicable to the Capital Market;
- k. To bind the Company to be a guarantor (*borg* or *avalist*) with a certain value as determined by the Board of Commissioners with due observance to the laws and regulations applicable to the Capital Market;
- l. To receive and provide medium/long-term loans with a certain value as determined by the Board of Commissioners with due observance to the laws and regulations applicable to the Capital Market;
- m. To give short/medium/long-term non-operational loans, except for those to a subsidiary which should be sufficient only to be reported to the Board of Commissioners;
- n. To write the bad debts and dead stocks having a value exceeding the limit specified by the Board of Commissioner off the Company's books of accounts;
- o. To no longer request for payment of the bad debts which have been written off, in a value exceeding the limit specified by the Board of Commissioners from time to time;
- p. To take any actions which have not been determined in the Company's Business Plan and Budget (RKAP);
- q. Transactions carried out outside the Company's main business activities in accordance with the capital market regulation, with any of the affiliated parties of the Company at a value of more than 20% (twenty percent) of the

Company's total equity (or, in case of negative equity, 10% (ten percent) of the Company's assets) based on the Company's latest audited financial statement, unless such affiliated transactions are not categorized as an affiliated transaction and conflict of interest transaction under the capital market regulation;

-The limitations and/or criteria in respect of actions as referred to in letters (a), (b), (g), (h), (i), (j), (k), (l), (m), and (n) of this paragraph shall be determined by the Board of Commissioners upon obtaining approval from the Holder of the Series A Golden Share.

-The Board of Commissioners' approval of actions as referred to in letters (a), (b), (g), (h), (i), (j), (k), (l), (m), and (n) of this paragraph with a certain value and period shall be given by the Board of Commissioners upon obtaining approval from the Holder of the Series A Golden Share.

-The action of the Board of Directors as referred to in letter (b) of this paragraph, to the extent required for the performance of main business activities in the ordinary course of business, with due observance to the prevailing laws and regulations, does not require approval of the Board of Commissioners and/or the GMS.

-The actions of the Board of Directors as referred to in letters (b), (g), (h), (i), (j), and (k) of this paragraph, to the extent required for participation in tenders and/or performance of projects and/or fulfillment of requirements and/or performance of main business activities in the ordinary course of business, with due observance to the prevailing laws and regulations, do not require approval of the Board of Commissioners and/or the GMS.

8. No later than 30 (thirty) days upon receipt by it of the request or explanation and complete documents from the Board of Directors, the Board of Commissioners shall give the decision as referred to in paragraph (7) of this Article.
9. The Board of Directors shall have the approval of the General Meeting of Shareholders to:
 - a. transfer the Company's assets; or

- b. place the Company's asset as a security for the Company's debt;
which is more than 50% (fifty percent) of the total net assets of the Company either in a single transaction or several independent or related transactions;
10. a. The Board of Directors may only perform the following acts after obtaining written response from the Board of Commissioners and approval from the GMS:
 - a.1 To undertake material transactions as specified in the laws and regulations applicable to the Capital Market.
 - a.2 To undertake transactions having a conflict of interest as specified in the laws and regulations applicable to the Capital Market.
 - a.3 To undertake other transactions so as to comply with the laws and regulations applicable to the Capital Market.
 - b. if, within 30 (thirty) days following the receipt of application or explanation and documents from the Board of Directors, the Board of Commissioners does not provide written response, the GMS may adopt resolution without such written response from the Board of Commissioners.
11. The General Meeting of Shareholders may reduce the limitations imposed on the actions of the Board of Directors as specified in these Articles of Association or determine to impose other limitations on the Board of Directors in addition to those specified herein.
 12. The management policy shall be determined in the Meeting of the Board of Directors.
 13. For the purpose of conducting the management of the Company, each member of the Board of Directors shall be entitled and authorized to act for and on behalf of the Board of Directors and to represent the Company in accordance with the Company's management policy and authority as determined in the resolution of the Board of Directors.
 14. Unless specified otherwise in the Company's management policy as referred to in paragraph (13), the President Director shall be entitled and authorized to act for and

on behalf of the Board of Directors and to represent the Company inside and outside the Court of Justice.

15.
 - a. In the event of the absence or disability of the President Director due to any reason whatsoever, it being unnecessary to prove such impediments to any third party, the Vice President Director shall be authorized to act for and on behalf of the Board of Directors and to perform the duties of the President Director or one of the other members of the Board of Directors appointed in writing by the President Director shall be authorized to act for and on behalf of the Board of Directors and to perform the duties of the President Director and/or the Vice President Director if the Vice President Director is absent or unable to present at the same time.
 - b. In the event of the absence or disability of the Vice President Director due to any reason whatsoever, it being unnecessary to prove such impediments to any third party, one of the other members of the Board of Directors appointed in writing by the Vice President Director shall be authorized to perform the duties of the Vice President Director or to act for and on behalf of the Board of Directors and to perform the duties of the President Director and/or the Vice President Director if the President Director is absent or unable to present first.
 - c. If no Vice President Director is appointed by the GMS, then in case of absence or disability of the President Director due to any reason whatsoever, it being unnecessary to prove such impediments to any third party, the member of the Board of Directors appointed in writing by the President Director shall be authorized to act for and on behalf of the Board of Directors and to perform the duties of the President Director.
16. In case of no appointment by the President Director, the member of the Board of Directors whose term of office is the longest shall be entitled and authorized to act for and on behalf of the Board of Directors and to perform the duties of the President Director.

17. The Board of Directors shall, for a certain action and at its responsibility, be entitled to appoint one or more persons as its representative(s) or attorney(s) by conferring power for certain action on him/them which shall be set forth in a power of attorney.
18. The division of the duties and authorities of the members of the Board of Directors shall be determined by the General Meeting of Shareholders. If the General Meeting of Shareholders does not determine the division of the duties and authorities of the members of the Board of Directors, such duties and authorities shall then be determined by the resolution of the Board of Directors.
19. In managing the Company, the Board of Directors shall perform any instruction given by the General Meeting of Shareholders to the extent such instruction is not in contravention of the laws and regulations and/or the Articles of Association.
20. A member of the Board of Directors has no right to represent the Company if:
 - a. The member of the Board of Directors and the Company are engaged in a lawsuit in which they oppose each other; or
 - b. There is a conflict of interest between the member of the Board Directors and the Company.
21. In case of the conflict of interest as referred to in paragraph (20), the ones entitled to represent the Company shall be:
 - a. Any other member of the Board of Directors who is not in a conflict of interest with the Company;
 - b. The Board of Commissioners if all of the members of the Board of Commissioners are in a conflict of interest with the Company; or
 - c. Another party appointed by the General Meeting of Shareholders if all of the members of the Board of Directors and the Board of Commissioners are in a conflict of interest with the Company.

MEETING OF THE BOARD OF DIRECTORS

Article 13

1. Meeting of the Board of Directors shall be convened regularly at least 1 (one) time every month.
2. The Board of Directors shall hold a Meeting of the Board of Directors together with the Board of Commissioners on a regular basis at least 1 (one) time every 4 (four) months.
3. Meeting of the Board of Directors may be convened at any time:
 - a. as may be deemed necessary by one or more members of the Board of Directors;
 - b. at the written request of one or more members of the Board of Commissioners.
4. Notice to call for a Meeting of the Board of Directors shall be served by the member of the Board of Directors authorized to represent the Board of Directors as contemplated in the provisions of Article 12 hereof.
5.
 - a. Notice to call for Meeting of the Board of Directors shall be in writing and served on or personally delivered to each member of the Board of Directors against proper receipt, or through registered mail or courier service or via telex, facsimile or electronic mail (e-mail) no later than 5 (five) days prior to the meeting date, excluding the notice date and the meeting date or within a shorter time period for an urgent matter.
 - b. The aforesaid notice shall not be required for any meeting scheduled under the resolution of the previous Meeting of the Board of Directors or if all members of the Board of Directors are to be present at the meeting.
6. The notice to call for Meeting of the Board of Directors shall indicate the agenda, date, time and place of the Meeting. Meeting of the Board of Directors may be held at the Company's domicile or any other place within the territory of the Republic of Indonesia or at the place of the Company's business activities.
7. All Meetings of the Board of Directors shall be chaired by the President Director or, in case of absence or disability of the President Director, the Vice President Director or, in case of absence or disability of the President Director and the Vice President

Director at the same time, the Director appointed in writing by the President Director or, in case of absence or disability of the President Director and the Vice President Director at the same time and if no such appointment has been made by the President Director, the Director appointed by the Vice President Director.

8. If no Vice President Director is appointed by the GMS, then in case of absence or disability of the President Director, one of the members of the Board of Directors appointed in writing by the President Director shall preside over the Meeting of the Board of Directors.
9. In case of no appointment by the President Director, the member of the Board of Directors whose term of office is the longest shall preside over the Meeting of the Board of Directors.
10. In the event that there is more than 1 (one) member of the Company's Board of Directors whose term of office is the longest, the Director as referred to in paragraph (9) whose age is the oldest shall preside over the Meeting of the Board of Directors.
11. A member of the Board of Directors may be represented at the Meeting of the Board of Directors only by another member of the Board of Directors by virtue of power of attorney. One member of the Board of Directors may only represent one other member of the Board of Directors.
12. A member of the Board of Directors who is unable to attend a Meeting of the Board of Directors may deliver his/her duly signed opinion in writing to the President Director or the Vice President Director or another member of the Board of Directors presiding over such Meeting of the Board of Directors regarding his/her agreement or disagreement with the relevant agenda to be discussed thereat and this opinion shall be deemed as a vote lawfully cast at such Meeting of the Board of Directors.
13. The Meeting of the Board of Directors shall be lawful and entitled to adopt valid and binding resolutions if attended in person or by proxy by more than 1/2 (a half) of all members of the Board of Directors.
14. In the event there is more than one proposal and none of them receives more than 1/2 (half) of the votes, voting will be repeated, so that one of the proposals will obtain more than 1/2 (half) of the votes legally cast at the meeting.

15. All resolutions of the Meeting of the Board of Directors shall be adopted on the basis of the principle of the deliberation to reach a consensus. In case of failure to adopt a resolution on the basis of the principle of deliberation to reach a consensus, the resolution shall be adopted by a simple majority votes, approved by more than 1/2 (one-half) of the total votes legally cast at the relevant meeting.
16. At the Meeting of the Board of Directors, each member of the Board of Directors has the right to cast 1 (one) vote and 1 (one) additional vote for another member of the Board of Directors whom he/she represents.
17. Blank votes shall be considered as approving the meeting's resolutions. Void votes shall be deemed to be non-existent and shall not be counted in the calculation of the number of vote cast.
18. Unless the Chairman of the Meeting decides otherwise without the objection of those present at the Meeting, voting concerning an individual shall be carried out by unsigned, folded ballot papers, while voting concerning other matters shall be conducted orally.
19.
 - a. The result of the Meeting of the Board of Directors as referred to in paragraph (1) of this Article shall be set out in the Minutes of Meeting. The Minutes of Meeting shall be prepared by one of those present at the Meeting of the Board of Directors appointed by the Chairman of Meeting and then signed by all members of the Board of Directors present thereat and distributed to all members of the Board of Directors.
 - b. The result of the Meeting of the Board of Directors as referred to in paragraph (2) of this Article shall be set out in the Minutes of Meeting. The Minutes of Meeting shall be prepared by one of those present at the meeting appointed by the Chairman of Meeting and then signed by all members of the Board of Directors and the Board of Commissioners present thereat and distributed to all members of the Board of Directors and the Board of Commissioners.
 - c. In the event there is any member of the Board of Directors and/or any member of the Board of Commissioners not signing the result of the Meeting

of the Board of Directors as referred to in letters a and b, any such member shall provide his/her reason in writing and in a separate letter attached to the Minutes of Meeting of the Board of Directors.

- d. The Minutes of Meeting of the Board of Directors as referred to in letters a and b shall be documented by the Company.
 - e. The Minutes of Meeting of the Board of Directors shall serve as valid evidence for the members of the Board of Directors and any third party regarding the resolution/s adopted at the Meeting.
20. a. The Board of Directors may also adopt valid and binding resolutions without convening a Meeting of the Board of Directors, provided that all members of the Board of Directors have been notified in writing of the proposals to be discussed and all such members have given and signed their written approval to the proposal.
- b. The resolution adopted in such a manner shall have the same effect as that of the resolution lawfully adopted at a Meeting of the Board of Directors.
21. In the event that a member of the Board of Directors is unable to be physically present at the meeting, he/she may attend the meeting through teleconference, videoconference, or other electronic media, in accordance with the prevailing regulations.
22. Each member of the Board of Directors, personally or otherwise, directly or indirectly, has an interest in a transaction, contract or proposed contract to which the Company is a party, shall be required to declare his/her interest at a Meeting of the Board of Directors and shall not be entitled to participate in voting with respect to matters related to such transaction or contract.

BOARD OF COMMISSIONERS

Article 14

1. a. The Company shall be supervised by a Board of Commissioners, which number of members shall be adjusted to the Company's needs, but it shall

comprise at least 3 (three) persons, one of them shall be appointed to be President Commissioner;

- b. The Board of Commissioners shall consist of Commissioners and Independent Commissioners. The number of Independent Commissioners shall be in compliance with the prevailing laws and regulations.
2. The Board of Commissioners shall constitute a council and none of such members may act individually, but only by virtue of the decision of the Board of Commissioners.
 3. Members of the Board of Commissioners must comply with:
 - a. the Company Law;
 - b. the laws and regulations applicable to the Capital Market; and
 - c. any other laws and regulations applicable to and related to the business activities of the Company.
 4. Those who may be appointed to be the members of the Board of Commissioners are individual persons who are qualified at the time of their appointment and during their term of office:
 - a. have good behavior, moral and integrity;
 - b. are capable of taking legal actions;
 - c. within a period of 5 (five) years before the appointment and during the term of office they have not:
 - 1) been declared bankrupt;
 - 2) become the members of the Board of Directors and/or the members of the Board of Commissioners who are declared guilty of causing a company to be declared bankrupt;
 - 3) been sentenced for committing a crime that causes loss to the state finances and/or loss to the financial sector;
 - 4) become the members of the Board of Directors and/or the members of the Board of Commissioners:

- a) who have not ever held the Annual GMS;
 - b) whose statement of accountability as the members of the Board of Directors and/or the members of the Board of Commissioners has not been approved by the GMS or who have not ever submitted to the GMS any statement of accountability as the members of the Board of Directors and/or the members of the Board of Commissioners; and
 - c) who have caused a company that has obtained permit, approval from, or been registered with the Financial Services Authority not to meet its obligation to submit annual report and/or financial statement to the Financial Services Authority
 - d. who have commitment to comply with the laws and regulations;
 - e. who have knowledge and/or expertise in the fields as required by the Company; and
 - f. who fulfill other requirements as specified in paragraph (3) of this Article, during their term of office.
5. Fulfillment of the requirements as referred to in paragraph (4) shall be proven by a written statement signed by the candidate member of the Board of Commissioners and the statement shall be submitted to the Company. The statement shall be reviewed and documented by the Company.
6. The Company shall hold a GMS if it is intended to replace any unqualified member of the Board of Commissioners.
7. Any appointment of a member of the Board of Commissioners which is not in accordance with the requirement as referred to in paragraph (3) of this Article shall be, by law, nullified as of the other members of the Board of Commissioners or the Board of Directors become aware of such non-compliance with such requirement, based on a valid evidence, and a written notice regarding such matter shall be given

to the relevant member of the Board of Commissioners in accordance with the prevailing laws and regulations.

8. No later than 2 (two) working days as of the other members of the Board of Commissioners or the Board of Directors becoming aware of the non-compliance of the appointment of such member of the Board of Commissioners with the requirements, the nullification of such appointment shall be announced by the other members of the Board of Commissioners in the media with due observance to the laws and regulations applicable to the Capital Market and, no later than 7 (seven) days, notified to the Minister in charge of Laws for its registration in accordance with the Laws and Regulations.
9. Any legal transaction already conducted for and on behalf of the Company by the unqualified member of the Board of Commissioners prior to the nullification of his/her appointment shall remain binding upon and shall be the responsibility of the Company.
10. Any legal transaction conducted for and on behalf of the Company by the unqualified member of the Board of Commissioners after the nullification of his/her appointment as contemplated in paragraph (7) of this Article shall be null and void and shall be the sole responsibility of such member.
11. In addition to fulfilling the requirements as referred to in paragraphs (3) and (4), the appointment of a member of the Board of Commissioners shall be made by considering the integrity, dedication, understanding of managerial issues of the company related to any one of the managerial functions, adequate knowledge of the Company's business, and ability to provide sufficient time to perform the duties assigned and any other requirements in accordance with the laws and regulations.
12. Members of the Board of Commissioners shall be appointed and dismissed by the GMS which is attended and approved by the holder of Series A Golden Share. Members of the Board of Commissioners shall be appointed by the GMS from the candidate or candidates nominated by:
 - a. the holder of Series A Golden Share;

- b. a shareholder representing at least 10% (ten percent) of the total number of the Company's issued shares with the valid voting rights, provided that such shareholder shall be entitled to nominate only 1 (one) candidate member of the Board of Commissioners; and/or
- c. a group of shareholders jointly representing at least 10% (ten percent) of the total number of the Company's issued shares with the valid voting rights to nominate 1 (one) candidate member of the Board of Commissioners for each group, provided that the maximum number of candidates nominated shall be 2 (two) persons and none of the shareholders within the group shall be entitled to exercise its nomination right more than once. The nomination right shall be effective only if at least 20% (twenty percent) of the Company's shares are still held by the shareholders, namely those not affiliated with the holder of Series A Golden Share and those individually holding not more than 5% (five percent) of the total number of the Company's issued shares with the valid voting rights;

such nomination shall be binding upon the GMS and the holder of Series A Golden Share;

- 13. The resolution of the GMS regarding the appointment and dismissal of members of the Board of Commissioners shall also specify the effective date of such appointment and dismissal. In the event the GMS does not specify the effective date of appointment and dismissal of the members of the Board of Commissioners, then such appointment and dismissal of members of the Board of Commissioners shall be effective as of the closing of the GMS.
- 14. a. Members of the Board of Commissioners shall be appointed for a period of time commencing on the date specified by the GMS appointing them and ending at the end of the 5th (fifth) Annual GMS after their appointment, provided that such period shall not exceed 5 (five) years, with due observance to the laws and regulations applicable to the Capital Market, without prejudice to the right of the GMS to dismiss them at any time before expiry of their term of office.

- b. Upon expiry of their term of office, the members of the Board of Commissioners may be reappointed by the GMS for another term of office.
15. The GMS may dismiss the members of the Board of Commissioners at any time by giving reasons for the dismissal.
16. The reasons for the dismissal of a member of the Board of Commissioners as referred to in paragraph (15) shall be given if it is evident that the member of the Board of Commissioners:
 - a. has failed to perform his/her duties properly;
 - b. has violated the provisions of the Articles of Association and/or the laws and regulations;
 - c. is involved in the acts prejudicial to the Company and/or the state;
 - d. commits any act violating the ethics and/or appropriateness which should be respected by a member of the Board of Commissioners;
 - e. is adjudicated to be at fault on the basis of a court decision which has absolute legal effect;
 - f. resigns from his/her position.
17. In addition to the reasons for dismissal of members of the Board of Commissioners as referred to in paragraph (16) letters a to f, members of the Board of Commissioners may be dismissed by the GMS due to any other reasons as may be deemed fit by the GMS for the benefit and interest of the Company.
18. Resolution on the dismissal with any of the reasons as referred to in paragraph (16) letters a, b, c, d and paragraph (17) shall be adopted after the Commissioner concerned having been given the opportunity to defend himself/herself at the GMS.
19. The dismissal with the reason as referred to in paragraph (16) letters c and e of this Article shall be deemed as dishonorable dismissal.
20. The plan to dismiss a member of the Board of Commissioners as referred to in paragraph 16 of this Article shall be notified to the relevant member orally or in writing by the Shareholders.

21. There shall be no family relationship between the members of the Board of Commissioners and between the members of the Board of Commissioners and the members of the Board of Directors until the third degree, either lineal or collateral, or relationship by marriage including sons-/daughters-in-law and brothers-/sisters-in-law.
22. In case of any such family relationships as referred to in paragraph (21), the GMS shall have the authority to dismiss anyone of them.
23. The division of the duties of the members of the Board of Commissioners shall be determined among themselves, and for the effective performance of its duties, the Board of Commissioners may be assisted by the Secretary of the Board of Commissioners appointed by the Board of Commissioners.
24. If at any time and for any reason one of the offices or more in the Board of Commissioners is vacant:
 - a. a GMS shall be convened to fill the vacant office of the member of the Board of Commissioners when such vacancy results in the number of Commissioners being less than 2 (two), one of whom is the President Commissioner, or the Board of Commissioners having no President Commissioners.
 - b. The GMS as referred to in letter a shall be convened no later than 90 (ninety) days upon such vacancy as referred to in letter a.
25. If at any time and for any reason all the offices of the members of the Company's Board of Commissioners are vacant, the Holder of Series A Golden Share may appoint a person to temporarily undertake the duties of the Board of Commissioners with the same power and authority, provided that a GMS shall be convened to fill the vacant offices of the members of the Board of Commissioners within no later than 90 (ninety) days upon such vacancies.
26.
 - a. A member of the Board of Commissioners has the right to resign from his/her office by notifying the Company in writing of his/her intention of resigning from the office.

- b. The Company shall convene a GMS to decide the resignation of the member of the Board of Commissioners within no later than 90 (ninety) days after receipt of his/her letter of resignation.
 - c. The Company shall disclose to the public and notify the Financial Services Authority no later than 2 (two) working days of resignation of any of its members of the Board of Commissioners upon receipt of relevant letter of resignation as referred to in letter a and the result of the GMS as referred to in letter b.
 - d. Before his/her resignation becomes effective, the member of the Board of Commissioners shall still have the obligation of discharging his/her duties and responsibilities pursuant to the Articles of Association and the laws and regulations.
 - e. The member of the Board of Commissioners who resigns from his/her office as referred to in the foregoing paragraphs may be requested to submit a statement of accountability in respect of his/her actions taken as of the date of his/her appointment until the date of approval of his/her resignation by the GMS.
 - f. A Commissioner who resigns from his/her office will have been released from his/her responsibilities after obtaining the discharge of responsibilities from the Annual GMS.
 - g. In the event that the resignation of a member of the Board of Commissioners results in the number of members of the Board of Directors being less than 2 (two), the resignation shall be valid if it has been approved by the GMS, and a new member of the Board of Commissioners has been appointed in order to maintain the minimal number of members of the Board of Commissioners as required.
27. The office held by the member of the Board of Commissioners shall terminate if any of the following occurs:
- a. His/her resignation becomes effective as referred to in paragraph (26) letter b;

- b. He/she dies;
 - c. His/her term of office has expired;
 - d. He/she is dismissed on the basis of a resolution of the GMS; or
 - e. He/she is declared bankrupt by virtue of a final judgment of the Court of Commerce or placed under guardianship by virtue of a court order; or
 - f. He/she no longer meets the requirements for a member of the Board of Commissioners as specified in the Articles of Association and the laws and regulations.
28. The provision as referred to in paragraph (27) letter f shall include, without limitation, concurrent assumption of prohibited positions.
29. Any member of the Board of Commissioners who is dismissed before or after the expiry of his/her term of office for any reason other than death shall submit his/her statements of accountability in respect of any actions for which the accountability has not been received by the GMS.
30. A member of the Board of Commissioners shall not have a double function as:
- a. a member of the Board of Directors of a State-Owned Enterprise, Regional Government Owned Enterprise, Private Company;
 - b. a member of the executive committee of a political party and/or a candidate member/a member of the House of Representatives (DPR), Regional Representative Council (DPD), Regional House of Representatives (DPRD) at Provincial and Regency/Municipal Level and/or a candidate regional head/a candidate regional deputy head;
 - c. any other position as specified in the laws and regulations; and/or
 - d. any other position which may arise conflict of interest.
31. The members of the Board of Commissioners may be paid honorariums and allowances/facilities, including bonuses and post service benefits, the amounts and types of which shall be determined by the GMS with due observance to the laws and regulations.

DUTIES, AUTHORITIES AND OBLIGATIONS OF THE BOARD OF COMMISSIONERS

Article 15

1. The Board of Commissioners shall have the duties of conducting supervision over the management policies, the performance of management in general concerning either the Company or the Company's business carried out by the Board of Directors, as well as giving advices to the Board of Directors including the supervision over the implementation of the Long-Term Plan of the Company, the Working Plan and Budget of the Company and the provisions of the Articles of Association and the resolutions of GMS, as well as the prevailing statutory regulations, for the interest of and in accordance with the purpose and objective of the Company.
2. In discharging the duties referred to in paragraph (1):
 - a. The Board of Commissioners has the authority to:
 - a.1 check books, letters, and other documents, to verify the financial position and otherwise and to inspect securities and assets of the Company;
 - a.2 enter the yards, buildings, and offices used or controlled by the Company;
 - a.3 request for explanation to the Board of Directors and/or other officers regarding any matter related to the management of the Company;
 - a.4 have knowledge of any and all acts and deeds taken and to be taken by the Board of Directors;
 - a.5 request the Board of Directors and/or other officers under the control of the Board of Directors with the knowledge of the Board of Directors to attend the meeting of the Board of Commissioners;
 - a.6 appoint and dismiss a Secretary of the Board of Commissioners;
 - a.7 suspend any member of the Board of Directors in accordance with the provisions of the articles of association;

- a.8 establish Audit Committee, Remuneration and Nomination Committee, Risk Monitoring Committee, and other committees if it is deemed necessary and in view of the financial capability of the Company;
- a.9 employ experts for certain matters and time period at the expense of the Company, if required;
- a.10 take any act concerning the management of the Company in certain circumstances for a certain period in accordance with the provisions of the Articles of Association;
- a.11 approve the appointment and dismissal of the Corporate Secretary and/or Head of Internal Supervisory Unit;
- a.12 attend the meeting of the Board of Directors and to give opinions regarding the matters transacted thereat;
- a.13 to exercise other supervisory authorities to the extent not contrary to the laws and regulations, these articles of association, and/or resolutions of GMS;
- b. The Board of Commissioners shall have the following obligations:
 - b.1 to give advices to the Board of Directors in the management of the Company;
 - b.2 to review and approve the Company's Annual Working Plan and Budget and any other work plans prepared by the Board of Directors, in accordance with the provisions of these Articles of Association;
 - b.3 to follow the progress of the Company's activities, to give suggestion and opinion to the GMS regarding any matter as may be deemed significant for the management of the Company;
 - b.4 to report to the Holder of Series A Golden Share in case of declining performance of the Company;
 - b.5 to suggest a Public Accountant that will audit the Company's books to the GMS;

- b.6 to inspect and review the periodic reports and annual reports prepared by the Board of Directors and to sign the annual reports;
- b.7 to give explanation, opinion and suggestion to the GMS regarding Annual Reports, if required;
- b.8 to prepare minutes of meeting of the Board of Commissioners and to keep the copies thereof;
- b.9 to report to the Company its share ownership and/or its family's share ownership to the Company and any other company;
- b.10 to give report of supervisory duties conducted during the past fiscal year to the GMS;
- b.11 to give explanation on all matters asked about or requested by the holder of Series A Golden Share, with due observance to the laws and regulations, particularly those applicable to the Capital Market;
- b.12 to perform other obligations regarding supervision and suggestion, to the extent not contrary to the laws and regulations, these Articles of Association, and/or resolutions of GMS.

3. In performing its duties the Board of Commissioners shall:

- a. Comply with these Articles of Association and the prevailing laws and regulations, and implement the principles of professionalism, efficiency, transparency, independency, accountability, responsibility and appropriateness;
- b. Act in good faith, prudentially and with full responsibility in performing its supervisory and advisory duties toward the Board of Directors in the interest and for the purpose of and for achieving the objectives of the Company.

4. In certain circumstances, the Board of Commissioners shall convene the Annual GMS and any other GMS in accordance with its authorities as specified in the laws and regulations and these Articles of Association.

5. a. Each member of the Board of Commissioners shall jointly and severally be responsible for the losses sustained by the Company if he/she has been at fault or in failure in performing his/her duties.
- b. A member of the Board of Commissioners shall not be held liable for any loss sustained by the Company as referred to in letter a if such member of the Board of Commissioners can prove that:
 - b.1 the loss is not caused by his/her fault or failure;
 - b.2 he/she has performed the supervision in good faith, responsibly and prudently in the interest of the Company and in accordance with the purposes and objectives of the Company;
 - b.3 he/she has no conflict of interest, directly and indirectly, in the supervisory act which results in loss; and
 - b.4 he/she has taken necessary measures to prevent loss from arising or continuing.

MEETING OF THE BOARD OF COMMISSIONERS

Article 16

1. All decisions of the Board of Commissioners shall be made at the meeting of the Board of Commissioners.
2. Meeting of the Board of Commissioners shall be convened at least 1 (one) time every 2 (two) months.
3. The Board of Commissioners shall hold a meeting with the Board of Directors on a regular basis at least 1 (one) time every 4 (four) months.
4. Meeting of the Board of Commissioners may be held at any time upon a request of 1 (one) or more member of the Board of Commissioners or the Board of Directors, or upon a request of 1 (one) or more shareholders jointly representing at least 1/10 (one-tenth) of the total number of shares with valid voting rights, by stating the matters to be transacted at the meeting.

5. Notice to call for Meeting of the Board of Commissioners shall be made by the President Commissioner or, in case of disability of the President Commissioner, it being unnecessary to provide proof of such impediment to any third party, the Vice President Commissioner. In case of disability of the Vice President Commissioner due to any reason whatsoever, it being unnecessary to provide proof of such impediment to any third party, the notice to call for meeting shall be made by a member of the Board of Commissioners.
6.
 - a. Notice to call for Meeting of the Board of Commissioners shall be in writing and served on or personally delivered to each member of the Board of Commissioners against proper receipt, or through registered mail or courier service or via telex, facsimile or electronic mail (e-mail) no later than 5 (five) days prior to the meeting date, excluding the notice date and the meeting date or within a shorter time period for an urgent matter.
 - b. The aforesaid notice shall not be required for any meeting scheduled under the resolution of the previous Meeting of the Board of Commissioners.
7. The notice to call for Meeting of the Board of Commissioners as referred to in paragraph (5) shall indicate the agenda, date, time and place of the Meeting. Meeting of the Board of Commissioners may be held at the Company's domicile or any other place within the territory of the Republic of Indonesia or at the place of the Company's business activities.
8. All meetings of the Board of Commissioners shall be chaired by the President Commissioner.
9.
 - a. In case of absence or disability of the President Director, the meeting of the Board of Commissioners shall be chaired by the Vice President Commissioner or, in case of absence or disability of the President Commissioner and the Vice President Commissioner at the same time, the Commissioner appointed in writing by the President Commissioner or, in case of absence or disability of the President Commissioner and the Vice President Commissioner at the same time and if no such appointment has been made by the President

Commissioner, the Commissioner appointed by the Vice President Commissioner.

- b. If no Vice President Commissioner is appointed by the GMS, then in case of absence or disability of the President Commissioner, one of the members of the Board of Commissioners appointed in writing by the President Commissioner shall preside over the Meeting of the Board of Commissioners.
10. In case of no appointment by the President Commissioner, the member of the Board of Commissioners whose term of office is the longest shall preside over the Meeting of the Board of Commissioners. The Meeting of the Board of Commissioners shall be lawful and entitled to adopt valid and binding resolutions if attended in person or by proxy by more than 1/2 (a half) of all members of the Board of Commissioners.
12. In the event that there is more than one member of the Company's Board of Commissioners whose term of office is the longest, the Commissioner as referred to in paragraph (10) of this Article whose age is the oldest shall preside over the Meeting of the Board of Commissioners.
13. In the event there is more than one proposal and none of them receives more than 1/2 (half) of the votes, voting will be repeated, so that one of the proposals will obtain more than 1/2 (half) of the votes legally cast at the meeting.
14. At the Meeting of the Board of Commissioners, each member of the Board of Commissioners has the right to cast 1 (one) vote and 1 (one) additional vote for another member of the Board of Commissioners whom he/she represents.
15. Blank votes shall be considered as approving the meeting's resolutions. Void votes shall be deemed to be non-existent and shall not be counted in the calculation of the number of vote cast.
16. Unless the Chairman of the Meeting decides otherwise without the objection of those present at the Meeting, voting concerning an individual shall be carried out by unsigned, folded ballot papers, while voting concerning other matters shall be conducted orally.

17. All resolutions of the Meeting of the Board of Commissioners shall be adopted on the basis of the principle of the deliberation to reach a consensus. In case of failure to adopt a resolution on the basis of the principle of deliberation to reach a consensus, the resolution shall be adopted by a simple majority votes, approved by more than 1/2 (one-half) of the total votes legally cast at the relevant meeting.
18.
 - a. The result of the Meeting of the Board of Commissioners as referred to in paragraph (2) of this Article shall be set out in the Minutes of Meeting. The Minutes of Meeting shall be prepared by one of those present at the Meeting of the Board of Commissioners appointed by the Chairman of Meeting and then signed by all members of the Board of Commissioners present thereat and distributed to all members of the Board of Commissioners.
 - b. The result of the Meeting of the Board of Commissioners as referred to in paragraph (3) of this Article shall be set out in the Minutes of Meeting. The Minutes of Meeting shall be prepared by one of those present at the meeting appointed by the Chairman of Meeting and then signed by all members of the Board of Commissioners and the Board of Directors present thereat and distributed to all members of the Board of Commissioners and the Board of Directors.
 - c. In the event there is any member of the Board of Commissioners and/or any member of the Board of Directors not signing the result of the meeting of as referred to in letters a and b, any such member shall provide his/her reason in writing and in a separate letter attached to the minutes of meeting.
 - d. The minutes of meeting as referred to in letters a and b shall be documented by the Company.
 - e. The Minutes of Meeting of the Board of Commissioners shall serve as valid evidence for the members of the Board of Commissioners and any third party regarding the resolution/s adopted at the Meeting.
19.
 - a. The Board of Commissioners may also adopt valid and binding resolutions without convening a Meeting of the Board of Commissioners, provided that all members of the Board of Commissioners have been notified in writing of

the proposals to be discussed and all such members have given and signed their written approval to the proposal.

- b. The resolution adopted in such a manner shall have the same effect as that of the resolution lawfully adopted at a Meeting of the Board of Commissioners.
20. In the event that a member of the Board of Commissioners is unable to be physically present at the meeting, he/she may attend the meeting through teleconference, videoconference, or other electronic media, in accordance with the prevailing regulations.
 21. Each member of the Board of Commissioners, personally or otherwise, directly or indirectly, has an interest in a transaction, contract or proposed contract to which the Company is a party, shall be required to declare his/her interest at a Meeting of the Board of Directors and shall not be entitled to participate in voting with respect to matters related to such transaction or contract.
 22. A member of the Board of Commissioners may be represented at the Meeting of the Board of Commissioners only by another member of the Board of Commissioners by virtue of power of attorney specifically issued for such purpose.
 23. One member of the Board of Commissioners may only represent one other member of the Board of Commissioners.

WORK PLAN AND ANNUAL BUDGET

Article 17

1. The Board of Directors shall draw up the Company's Annual Work Plan and Budget every fiscal year, which shall at least contain:
 - a. mission, business target, business strategy, policy, and work/activity program;
 - b. the Company's budget broken down into each budget of work/activity program;
 - c. financial projections of the Company and its subsidiaries; and
 - d. other matters which require the resolutions of the Board of Commissioners.

2. The Board of Commissioners shall prepare a work program of the Board of Commissioners which shall form an integral and inseparable part of the Company's Annual Work Plan and Budget prepared by the Board of Directors as referred to in paragraph (1).
3. The draft Annual Work Plan and Budget which have been signed by the Board of Directors shall be submitted to the Board of Commissioners at the latest 30 (thirty) days before the commencement of the new fiscal year or within any other period as specified by the laws and regulations for approval of the Board of Commissioners.
4. The draft Annual Work Plan and Budget of the Company shall be approved by the Board of Commissioner no later than 30 (thirty) days after the current fiscal year (the fiscal year of the relevant Annual Work Plan and Budget of the Company) or within any period specified by the laws and regulations.
5. In the event the Company's draft Annual Work Plan and Budget have not been submitted by the Board of Directors and/or the Company's Work Plan and Budget has not been approved within the time period as referred to in paragraph (4), the Company's Work Plan and Budget of the previous fiscal year shall apply.

FISCAL YEAR AND ANNUAL REPORT

Article 18

1. The fiscal year of the Company shall commence on the 1st (first) day of January and end on the 31st (thirty-first) day of December in the same year. At the end of December each year, the Company's books shall be closed.
2. The Board of Directors shall prepare the Annual Report containing at least:
 - a. summary of significant financial data;
 - b. information of shares (if any);
 - c. report of the Board of Directors;
 - d. report of the Board of Commissioners;
 - e. the Company's profile;
 - f. management analysis and discussion;

- g. the Company's corporate governance;
 - h. the Company's corporate social and environmental responsibility;
 - i. audited annual financial statements;
 - j. statement of the members of the Board of Directors and the Board of Commissioners regarding responsibility for Annual Report.
3. The Board of Commissioners shall prepare a report regarding the supervisory duties conducted by the Board of Commissioners during the past fiscal year which forms form an integral part of the annual report prepared by the Board of Directors as referred to in paragraph (2).
 4. The draft Annual Report including the financial statements audited by the public accountant, signed by all members of the Board of Directors shall be submitted to the Board of Commissioners for review and signing prior to its submission to the Annual General Meeting of Shareholders for approval and ratification.
 5. The Annual Report as referred to in paragraph (2) of this Article, which has been signed by all members of the Board of Directors and all members of the Board of Commissioners shall be submitted by the Board of Directors to the Annual General Meeting of Shareholders no later than 5 (five) months after the end of the Fiscal Year with due observance to the prevailing regulations.
 6. In the event there is any member of the Board of Directors or Board of Commissioners who fails to sign the annual report, such relevant member shall specify the reasons in writing, or such reason shall be specified by the Board of Directors in a separate letter attached to the annual report.
 7. In the event there is any member of the Board of Directors or Board of Commissioners who fails to sign the annual report as referred to in paragraph (5) and to specify the reasons in writing, it shall be deemed that the relevant member has approved the annual report.
 8. The approval to the Annual Report including the ratification of the financial statements as referred to in paragraph (2) of this Article shall be made by the Annual

General Meeting of Shareholders no later than the 5th (fifth) month of the end of the fiscal year.

9. The approval of the Annual Report, including the ratification of the annual financial statements and the report of supervisory duties of the Board of Commissioners and resolution on the use of profits shall be made by the Annual General Meeting of Shareholders.
10. The approval of the Annual Report including report of supervisory duties of the Board of Commissioners and ratification of financial statements by the Annual General Meeting of Shareholders shall constitute a full release and discharge to the members of the Board of Directors and the Board of Commissioners for the management and supervision performed during the previous fiscal year, to the extent that such actions are reflected in the annual report, including financial statements, report of supervisory duties of the Board of Commissioners, as well as in accordance with the prevailing regulations.
11. The Annual Report, including the Financial Statements as referred to in paragraph (4) of this Article shall be made available at the Head Office of the Company from the notice date to the date of the Annual General Meeting of Shareholders.
12. The Company shall advertise the Financial Statements including the Balance Sheet and Statement of Income in daily newspapers in Indonesian language, having national circulation in accordance with the procedure as specified in the laws and regulations applicable to the Capital Market.

REPORTING

Article 19

1. The Board of Directors shall prepare periodic reports which contain the result of implementation of the Company's Annual Work Plan and Budget.
2. The periodic reports as referred to in paragraph (1) shall include quarterly and annual reports.

3. In addition to the periodic reports referred to in paragraph (2), the Board of Directors may also submit special reports to the Board of Commissioners at any time.
4. The periodic reports and the other reports as referred to in paragraphs (1) and (3) shall be submitted in the form, contents and procedure as specified in the prevailing laws and regulations.
5. The Board of Directors must submit the quarterly reports to the Board of Commissioners no later than 30 (thirty) days after the end of the said quarterly period.

GENERAL MEETINGS OF SHAREHOLDERS

Article 20

1. The General Meeting of Shareholders of the Company shall be:
 - a. The Annual General Meeting of Shareholders as referred to in Article 21 of these Articles of Association.
 - b. Other General Meeting of Shareholders namely the General Meeting of Shareholders which may be held at any time when required as specified in Article 22 of these Articles of Association.
2. Unless otherwise expressly provided in these Articles of Association, the term **“General Meeting of Shareholders”**, **“Meeting”**, or **“GMS”** shall mean both the **“Annual General Meeting of Shareholders”** and the **“other General Meeting of Shareholders”**.

The Board of Directors shall convene the Annual General Meeting of Shareholders and the other General Meeting of Shareholders.

The GMS may be convened at the request of the shareholders subject to the provision of paragraph (4) below.

4. Request for GMS from the Shareholders or the Board of Commissioners.
 - a. The GMS may be convened at the request of:
 - a.1 the Holder of Series A Golden Share;

- a.2 the Board of Commissioners; or
- a.3 one or more Shareholders individually or jointly representing 1/10 (one-tenth) or more of the total voting shares issued by the Company, in compliance with the provisions of these Articles of Association and the laws and regulations.
- b. The request for GMS as referred to in letter a shall be submitted to the Board of Directors through a registered mail by giving the reasons thereof and the copy of such request shall be given to the Board of Commissioners.
- c. The request for a GMS as referred to in letter a of this paragraph shall:
 - c.1 be made in good faith;
 - c.2 consider the interest of the Company;
 - c.3 be along with the reason and material related to the matters to be resolved at a GMS; and
 - c.4 not contravene any prevailing laws and regulations and these Articles of Association.
- d. The request for GMS from the shareholders or the Board of Commissioners as referred to in letter a of this paragraph shall constitute a request requiring a resolution of a GMS and, in the opinion of the Board of Directors, have fulfilled the requirements as set forth in letter c;
- e. The Board of Directors shall announce the GMS to the shareholders no later than 15 (fifteen) days as of the date on which the request for a GMS as referred to in letter a of this paragraph is received by the Board of Directors.
- f. In case of failure of the Board of Directors to announce the GMS as referred to in letter e, the shareholder may submit its request for GMS to the Board of Commissioners.
- g. The Board of Commissioners shall announce the GMS to the shareholders no later than 15 (fifteen) days as of the date of the request for a GMS as referred to in letter f is received by the Board of Commissioners.

- h. In case of failure of the Board of Directors or the Board of Commissioners to announce the GMS within the period as referred to in letters e and g of this paragraph, the Board of Directors or the Board of Commissioners shall announce:
 - h.1 that there is a request for GMS from the shareholder as referred to in letter a of this paragraph; and
 - h.2 the reason for the failure to hold the GMS.
- i. The announcement as referred to in letter h shall be made no later than 15 (fifteen) days upon receipt of the request for GMS from the shareholder as referred to in letters b and f of this paragraph.
- j. The announcement as referred to in letters e, g and h of this paragraph shall be made at least through:
 - j.1 the website of e-RUPS provider;
 - j.2 the website of the Stock Exchange; and
 - j.3 the website of the Companyin Indonesian language and a foreign language, provided that such foreign language used shall be at least English language.
- k. The announcement as referred to in letter j prepared in a language other than Indonesian language shall contain the same information as that of its Indonesian language counterpart.
- l. In case of inconsistency in interpretation between any such foreign language version and the Indonesian language version of the information as referred to in letter j of this paragraph, the Indonesian language version shall prevail.
- m. In case of failure of the Board of Commissioners to announce the GMS as referred to in letter g of this paragraph, the shareholder as referred to in letter a of this paragraph may submit the request for GMS to the chairman of any district court having jurisdiction over the Company's domicile to issue a judgment permitting the holding of the requested GMS.

- n. The shareholder who has obtained the judgment permitting the holding of GMS as referred to in letter m shall:
 - n.1 make announcement, notice to call for GMS, announcement of summary of minutes of GMS, with respect to the GMS held in accordance with the Regulation of the Financial Services Authority.
 - n.2 notify the Financial Services Authority in accordance with the Regulation of the Financial Services Authority of its intention to hold a GMS and the evidence of announcement, evidence of notice for meeting, minutes of GMS, and evidence of announcement of summary of minutes of GMS with respect to the GMS being held.
 - n.3 enclose any document containing the names of shareholders and percentage of their respective shareholding in the Company as approved by the judgment of the court to hold the GMS and the judgment of the court with the notice as referred to in point 2 to the Financial Services Authority in connection with the GMS to be held.
- o. The shareholder as referred to in letter a shall not transfer the shares it holds as specified in Article 10 paragraph (9) of these Articles of Association.
- p. In case of failure of the Board of Directors to make announcement as referred to in letter e of this paragraph regarding the GMS proposed by the Board of Commissioners, the Board of Directors shall, no later than 15 (fifteen) days as of receipt by it of the request for such proposed GMS, announce:
 - p.1 that there is an unfulfilled request for GMS from the Board of Commissioners; and
 - p.2 the reason for the failure to hold the GMS.
- q. In the event that the Board of Directors has made the announcement as referred to in letter p of this paragraph or upon the lapse of such 15 (fifteen) days' period, the Board of Commissioners shall be entitled to hold the GMS itself.

- r. The Board of Commissioners shall announce the GMS to the shareholders no later than 15 (fifteen) days as of the date of announcement as referred to in letter p of this paragraph or the lapse of the 15 (fifteen) days' period as referred to in letter q of this paragraph.
 - s. The Board of Commissioners shall notify the Financial Services Authority of the meeting agenda no later than 5 (five) working days prior to the announcement as referred to in letter r of this paragraph.
 - t. The notice of agenda of GMS requested by the Board of Commissioner shall also inform that the Board of Directors has failed to hold the GMS requested by the Board of Commissioners if the Board of Commissioners holds the GMS so requested itself.
5. The Company may hold a GMS electronically with due observance to the Regulations of the Financial Services Authority regarding Implementation of GMS of Publicly Listed Company by Electronic Means.

ANNUAL GENERAL MEETING OF SHAREHOLDERS

Article 21

- 1. Annual GMS shall be held annually after the end of the fiscal year in accordance with the laws and regulations.
- 2. At the Annual GMS:
 - a. the Board of Directors shall present the annual report as referred to in Article 18 of these Articles of Association;
 - b. the Board of Directors shall submit a proposal for the use of the Net Profits of the Company if the Company has positive balance of net earnings;
 - c. the Public Accountant Office registered with the Financial Services Authority nominated by the Board of Commissioners for auditing the Company's Financial Statements for the current year, including auditing the internal control of the financial reporting activities shall be appointed in accordance with the regulations made applicable by the capital market authority with which the Company's shares are registered and/or listed;

- d. the Board of Directors may propose any other matter for the interest of the Company in accordance with the provisions of these Articles of Association.
3. The approval of the annual report, including ratification of the financial statements and report of supervisory duties of the Board of Commissioners by the General Meeting of Shareholders shall mean the release and discharge of the members of the Board of Directors and the members of the Board of Commissioners from their responsibility for management and supervision conducted in the previous fiscal year, to the extent that such actions are reflected in the annual report and the financial statements, except for any act of embezzlement, fraud and other criminal offenses.

OTHER GENERAL MEETING OF SHAREHOLDERS

Article 22

Other General Meeting of Shareholders may be held at any time if required for the interest of the Company.

PLACE, NOTICE, ANNOUNCEMENT, CALL, AND TIME OF GENERAL MEETING OF SHAREHOLDERS

Article 23

1. The Company shall determine the place and time of a GMS.
2. The General Meeting of Shareholders shall be held in the territory of the Republic of Indonesia and may be convened at:
 - a. the Company's domicile;
 - b. the place where the Company conducts its main business activities;
 - c. the capital city of the province where the Company's domicile or main business activities are located; or
 - d. the province where the domicile of the Stock Exchange on which the Company's shares are listed is located.
3. The Board of Directors shall hold a GMS upon giving prior notice of such meeting to the Financial Services Authority, making prior announcement of the GMS and delivering prior notice to call for the GMS as specified in this article.

4. Notice of GMS to the Financial Services Authority shall be given in compliance with the following provisions:
 - a. The Company shall give prior notice regarding the agenda/s of the GMS to the Financial Services Authority no later than 5 (five) working days prior to the announcement of GMS, excluding the announcement date;
 - b. The meeting agenda as referred to in letter a shall be disclosed clearly and in details;
 - c. In case of change in the meeting agenda as referred to in letter b, the Company shall notify the Financial Services Authority of such change no later than the date of notice to call for GMS;
 - d. The provisions of letters a, b, and c shall apply mutatis mutandis to the notice of GMS by the shareholder who has obtained a judgment of court permitting the holding of a GMS as referred to in Article 20 paragraph (4) letter n of these Articles of Association.
 - e. The notice of agenda of GMS shall also contain the following information:
 - e.1 an explanation that the GMS is held at the request of the shareholder, the name of the requesting shareholder and his/her shareholding in the Company if the Board of Directors or the Board of Commissioners holds the GMS at the request of the shareholders;
 - e.2 the name of the requesting shareholder and his/her shareholding in the Company and the judgment of the chairman of the district court permitting the holding of a GMS if the GMS is held by the shareholder in accordance with the judgment of the chairman of the district court permitting the holding of the GMS; or
 - e.3 an explanation that the Board of Directors fails to hold the GMS requested by the Board of Commissioners, if the Board of Commissioners holds itself the GMS requested by it.
5. The announcement of GMS shall be conducted in compliance with the following provisions:

- a. The Company shall announce the GMS to the shareholders no later than 14 (fourteen) days prior to the date of notice of GMS, excluding the announcement date and the notice date.
- b. The announcement of GMS as referred to in letter a shall at least contain:
 - b.1 requirements with respect to shareholders entitled to attend the GMS;
 - b.2 requirements with respect to shareholders entitled to propose meeting agenda;
 - b.3 the meeting date; and
 - b.4 date of notice to call for GMS.
- c. In the event that the GMS is held at the request of the shareholder or the Board of Commissioners, in addition to setting out the information as referred to in letter b of this paragraph, the announcement of GMS as referred to in letter a of this paragraph shall contain information stating that the Company holds the GMS at the request of the shareholder or the Board of Commissioners.
- d. The announcement of GMS to the shareholders as referred to in letter a of this paragraph shall be made at least through:
 - d.1 the website of e-RUPS provider;
 - d.2 the website of the Stock Exchange; and
 - d.3 the website of the Companyin Indonesian language and a foreign language, provided that such foreign language used shall be at least English language.
- e. The announcement prepared in a foreign language shall contain the same information as that of its Indonesian language counterpart.
- f. In case of inconsistency in interpretation between any such foreign language version and the Indonesian language version of the announced information, the Indonesian language version shall prevail.

and, in the opinion of the Board of Directors, have fulfilled the requirements as set forth in letter c.

- e. The Company shall include the meeting agenda proposed by the shareholder as referred to in letter a of this paragraph in the Meeting agenda contained in the notice to call for GMS.

7. The notice to call for GMS shall be made in compliance with the following provisions:

- a. The Company shall make notice to call for GMS to the shareholders no later than 21 (twenty-one) days prior to GMS, excluding the notice date and the meeting date.

- b. The notice to call for GMS as referred to in letter a shall at least contain the following information:

- b.1 date of GMS;

- b.2 time of GMS;

- b.3 place of GMS;

- b.4 requirements with respect to shareholders entitled to attend the GMS;

- b.5 meeting agendas, including explanation of each of the meeting agendas; and

- b.6 information stating that the materials related to the meeting agendas are available for the shareholders as of date of the notice to call for GMS until the meeting date.

- b.7 information stating that the shareholders may issue a power of attorney through e-RUPS.

- c. The notice to call for GMS to the shareholders as referred to in letter a shall be made at least through:

- c.1 the website of e-RUPS provider;

- c.2 the website of the Stock Exchange; and

- c.3 the website of the Company

in Indonesian language and a foreign language, provided that such foreign language used shall be at least English language.
 - d. The announcement prepared in a foreign language shall contain the same information as that of its Indonesian language counterpart. In case of inconsistency in interpretation between any such foreign language version and the Indonesian language version of the announced information, the Indonesian language version shall prevail.
 - e. The notice to call for GMS for discussing the issues related to conflict of interest shall be served with due observance to the Capital Market regulation.
 - f. Without limiting the remaining provisions hereof, the notice shall be made by the Board of Directors or the Board of Commissioners in the manner as specified in these Articles of Association, with due observance to the Capital Market regulation.
 - g. The provisions of letters a to f of this paragraph shall apply mutatis mutandis to the notice to call for GMS by the shareholder who has obtained a judgment of court permitting the holding of a GMS as referred to in Article 20 paragraph (4) letter n of these Articles of Association.
8. The notice to call for the second GMS shall be made in compliance with the following provisions:
- a. The notice to call for the second GMS shall be made no later than 7 (seven) days prior to the date of the second GMS.
 - b. The notice to call for the second GMS shall contain the information that first GMS had been convened, but the quorum was not present. This provision shall apply without prejudice to the Capital Market regulation and any other laws and regulations and the regulations of the Stock Exchange on which the Company's shares are listed.

- c. The second GMS shall be held not earlier than 10 (ten) days and not later than 21 (twenty-one) days after the date of the first GMS.
 - d. The provision on media and revision of the notice to call for GMS as referred to in paragraph (7) letters c to f and paragraph (11) of this Article shall apply mutatis mutandis to the notice to call for the second GMS.
9. The notice to call for the third GMS shall be made in compliance with the following provisions:
- a. The notice to call for the third GMS at the request of the Company shall be determined by the Financial Services Authority.
 - b. The notice to call for the third GMS shall contain the information that second GMS had been convened, but the quorum was not present.
10. The material of the meeting agendas shall be arranged in compliance with the following provisions:
- a. The Company shall make available the materials of meeting agendas to the shareholders, accessible and downloadable on the websites of the Company and/or e-RUPS.
 - b. The materials of meeting agendas as referred to in letter a shall be available as of the date of notice to call for GMS until the meeting date.
 - c. In the event that any provision of the prevailing laws and regulations requires the Company to make materials of meeting agendas available earlier than the period specified in letter b, such materials shall be made available in accordance with such provision of the prevailing laws and regulations.
 - d. In the event that the GMS is intended only for the Independent Shareholders, the Company shall provide a form duly sealed and signed by the Independent Shareholders before the GMS, setting out that:
 - d.1 the person concerned is truly an Independent Shareholder; and
 - d.2 if the aforesaid statement is found to be incorrect in the future, the person concerned may be subject to a sanction pursuant to the prevailing laws and regulations.

11. Revision of Notice to call for GMS shall be made in compliance with the following provisions:
 - a. The Company shall revise the notice to call for GMS in case of change in the information contained in the issued notice to call for GMS as referred to in paragraph (7) letter b of this Article.
 - b. In the event that the revision of notice to call for GMS as referred to in letter a contains information with respect to change in meeting date and/or additional meeting agenda, the Company shall issue another notice to call for GMS in accordance with the procedure as specified in paragraph (7) of this Article.
 - c. If the revision of notice to call for GMS is related to change in meeting date and/or additional meeting agenda not through the fault of the Company or upon instruction of the Financial Services Authority, the requirement to issue another notice to call for GMS as referred to in paragraph (2) shall not apply, to the extent that it is not required to do so by the Financial Services Authority.

CHAIRPERSON, PROCEDURE AND MINUTES OF

GENERAL MEETING OF SHAREHOLDERS

Article 24

1. The GMS shall be chaired by the Chairman of GMS with the conditions as follows:
 - a. The Chairman of GMS shall be one of the Commissioners appointed by the Board of Commissioners.
 - b. In case all members of the Board of Commissioners are absent or hindered by whatsoever reasons the GMS shall be chaired by one of the Directors appointed by the Board of Directors.
 - c. In case all members of the Board of Commissioners or the Board of Directors are absent or hindered by whatsoever reason as contemplated in letters a and b, the GMS shall be chaired by one of the shareholders attending the GMS appointed from and by those present at the GMS.

- d. In case the Commissioner appointed by the Board of Commissioners to chair the GMS has a conflict of interest in the business to be transacted at the GMS, the GMS shall be presided over by another member of the Board of Commissioners who has no conflict of interest and appointed by the Board of Commissioners.
 - e. In case all members of the Board of Commissioners have a conflict of interest, the GMS shall be presided over by one of the Directors appointed by the Board of Directors.
 - f. In case one of the Directors appointed by the Board of Directors to chair the GMS has conflict of interest in the business to be transacted thereat, the GMS shall be presided over by another member of the Board of Directors having no conflict of interest.
 - g. In case all members of the Board of Directors have the conflict of interest, the GMS shall be presided over by a non-controlling shareholder appointed by the majority of shareholders attending the GMS.
 - h. The Chairman of GMS is authorized to ask those present at the Meeting for evidence of entitlement to be present thereat and/or power of attorney to represent the shareholders.
2. The Company shall hold the GMS with the procedure as follows:
- a. At the GMS, the procedures for the GMS shall be provided to the shareholders present thereat.
 - b. The items of the procedures for the GMS as referred to in letter a shall be read out prior to the commencement of the GMS.
 - c. At the opening of the GMS, the chairman of GMS shall provide explanation to the shareholders, containing at least the following information:
 - c.1 the Company's general condition in brief;
 - c.2 meeting agendas;
 - c.3 mechanism of decision making in connection with the meeting agendas; and

c.4 procedure for the exercise of the shareholders' right to ask question and/or give opinion.

3. The Company shall prepare the minutes of GMS with the conditions as follows:
 - a. Minutes of GMS shall be made in Indonesian language. The Minutes shall serve as lawful evidence for all shareholders and third parties regarding the resolutions and all proceedings taking place at the Meeting.
 - b. Minutes of GMS shall be drawn-up and signed by the chairman of the meeting and at least 1 (one) shareholder appointed from and by those present thereat.
 - c. The signature as referred to in letter b is not required if the minutes of GMS is made in the form of notarial deed of minutes of GMS.
 - d. The Minutes of GMS as referred to in letters a and b of this paragraph shall be submitted to the Financial Services Authority no later than 30 (thirty) days of the meeting date.
 - e. In the event that the date of the submission of the minutes of GMS as referred to letter d falls on a non-business day, the minutes of GMS shall be submitted on the next business day.
4. The Company shall prepare the Summary of Minutes of GMS with conditions as follows:
 - a. The summary of minutes of GMS shall at least contain the following information:
 - a.1 date, place, time, and agenda of the GMS;
 - a.2 members of the Board of Directors and members of the Board of Commissioners attending the GMS;
 - a.3 number of holders of voting shares attending the GMS and the percentage of their shareholding of the total voting shares;
 - a.4 whether or not there is opportunity for the shareholders to ask question and/or give opinion with respect to the meeting agenda;

- a.5 number of shareholders asking question and/or giving opinion with respect to the meeting agenda, if the opportunity for such purpose is given;
 - a.6 mechanism of decision making at the GMS;
 - a.7 voting result, including number of approving, dissenting, and abstain votes for each meeting agenda, if the resolution is adopted by way of voting;
 - a.8 resolutions of the GMS; and
 - a.9 distribution of cash dividend to the shareholders entitled thereto, if there is resolution of the GMS relating to distribution of cash dividend.
- b. The summary of minutes of GMS as referred to in letter a shall be announced to the public at least through:
- b.1 the website of e-RUPS provider;
 - b.2 the website of the Stock Exchange; and
 - b.3 the website of the Company
- in Indonesian language and a foreign language, provided that such foreign language used shall be at least English language.
- c. The announcement prepared in a foreign language shall contain the same information as that of its Indonesian language counterpart.
- d. In case of inconsistency in interpretation between any such foreign language version and the Indonesian language version of the information, the Indonesian language version shall prevail.
- e. The summary of minutes of GMS as referred to letter b of this paragraph shall be announced to the public no later than 2 (two) working days as of the meeting date.
- f. The provisions of paragraph (3) letters d and e as well as paragraph (4) letters b, d, and e of this Article shall apply mutatis mutandis to:

- f.1 the submission to the Financial Services Authority the minutes of GMS and the summary of minutes of GMS announced; and
- f.2 the announcement of the summary of minutes of GMS with respect to the GMS convened by the shareholders who has obtained a judgment of court permitting the holding of a GMS as referred to in Article 20 paragraph (4) letter n of these Articles of Association.

QUORUM, VOTING RIGHTS AND RESOLUTIONS AT GENERAL MEETING OF SHAREHOLDERS

Article 25

1. Except as otherwise stipulated in these articles of association, the quorum of attendance and resolutions of the General Meeting of Shareholders for the business transacted and resolved at the Meeting shall be as follows:
 - a. a GMS may be convened if the Meeting is attended, in person or by proxy, by the shareholders representing more than 1/2 (one-half) of the total voting shares, and the resolutions shall be valid if approved by more than 1/2 (one-half) of the number of voting shares attending the Meeting unless the Laws and/or these of association require a higher quorum;
 - b. if the quorum as referred to in letter a is not reached, the second GMS may be held and shall be entitled to adopt valid and binding resolutions if attended, in person or by proxy, by the shareholders representing at least 1/3 (one-third) of the total voting shares attending the meeting, and the resolution shall be adopted based on affirmative votes of more than 1/2 (one-half) of the number of voting shares attending the Meeting unless the Laws and/or these Articles of Association require a higher quorum;
 - c. in the event the quorum for attendance of the second Meeting as referred to in letter b is not reached, the third GMS may be convened, provided that the third GMS shall be valid and entitled to adopt resolutions only if attended by the number of holders of voting rights required by the Financial Services Authority for quorum of attendance and quorum of resolution at the request of the Company.

2. A GMS for transferring the Company's assets or for giving the Company's asset as a security for a debt which is more than 50% (fifty percent) of the total net assets of the Company, either in a single transaction or several independent or related transactions, shall be convened under the following requirements:
 - a. the Meeting shall be attended by the holder of Series A Golden Shares and other shareholders and/or their proxies representing at least $\frac{3}{4}$ (three-fourths) of the total voting shares, and the resolutions shall be valid if approved by the holder of Series A Golden Shares and other shareholders and/or their proxies jointly representing more than $\frac{3}{4}$ (three-fourths) of the number of voting shares attending the Meeting;
 - b. if the quorum as referred to in letter a is not reached, the second Meeting may be held and shall be entitled to adopt valid and binding resolutions if attended by the holder of Series A Golden Share and other shareholders and/or their legal proxies jointly representing at least $\frac{2}{3}$ (two-thirds) of the total voting shares, and the resolution shall be approved by the holder of Series A Golden Share and other shareholders and/or their legal proxies jointly representing more than $\frac{3}{4}$ (three-fourths) of the number of voting shares attending the Meeting; and
 - c. in the event the quorum for attendance as referred to in letter b is not reached, then the third GMS may be convened, provided that the third GMS shall be valid and entitled to adopt resolutions only if attended by the holder of Series A Golden Share and other shareholders and/or their legal proxies as required by the Financial Services Authority for quorum of attendance and quorum of resolution at the request of the Company.
3. A General Meeting of Shareholders for giving approval to the transaction which bears a conflict of interest shall be convened under the following requirements:
 - a. the shareholders having conflict of interest shall be deemed to have rendered the same resolution as the resolution adopted by the independent shareholders with no conflict of interest;

- b. the General Meeting of Shareholders shall be attended by the independent shareholders representing more than 1/2 (one-half) of total voting shares owned by the independent shareholders and the resolution shall be lawful if approved by independent shareholders representing more than 1/2 (one-half) of total voting shares owned by the independent shareholders;
 - c. in the event the quorum as referred to in letter b is not reached, then a second GMS may be convened and shall be attended by the independent shareholders representing more than 1/2 (one-half) of total voting shares owned by the independent shareholders and the resolution shall be adopted based on affirmative votes of more than 1/2 (one-half) of total shares owned by the independent shareholders that are present at the GMS; and
 - d. in the event the quorum for attendance as referred to in letter c is not reached, the third GMS may be convened provided that such meeting shall be lawful and entitled to adopt resolution if attended by Independent Shareholders of voting shares in the quorum for attendance as required by the Financial Services Authority, upon the request of the Company;
 - e. the resolution of the third GMS shall be lawful if approved by Independent Shareholders representing more than 50% (fifty percent) of shares held by Independent Shareholders present thereat; and
4. A General Meeting of Shareholders for appointment and/or dismissal of members of the Board of Directors and/or the Board of Commissioners, for issuing Equity Securities and/or increasing the issued and paid-up capital shall be convened under the following requirements:
- a. The GMS shall be attended by the holder of Series A Golden Share and other shareholders and/or their legal proxies jointly representing more than 1/2 (one-half) of total voting shares and the resolution shall be lawful if approved by said holder of Series A Golden Share and other shareholders and/or their legal proxies jointly representing more than 1/2 (one-half) of total voting shares attending the Meeting.

- b. In the event the quorum as referred to in letter a of this Article is not reached, then a second Meeting may be convened and shall be attended by the holder of Series A Golden Share and other shareholders and/or their legal proxies jointly representing at least $\frac{1}{3}$ (one-third) of total voting shares and the resolution shall be lawful if approved by the holder of Series A Golden Share and other shareholders and/or their legal proxies jointly representing more than $\frac{1}{2}$ (one-half) of total voting shares attending the Meeting.
 - c. In the event the quorum for attendance for the second GMS as referred to in letter b is not reached, the third GMS may be convened provided that such meeting shall be lawful and entitled to adopt resolution if attended by the holders of voting shares in the quorum for attendance and resolution as required by the Financial Services Authority, upon the request of the Company, provided that such third Meeting shall be attended and approved by the holder of Series A Golden Share.
- 5. A General Meeting of Shareholders for amendment to these Articles of Association shall be convened under the following requirements:
 - a. The amendment to the Articles of Association in respect of the provisions on the authorities of the Board of Directors as referred to in Article 12 paragraph (7), the nomination right as referred to in Article 14 paragraph (12) and the amendment to the Articles of Association as referred to in Article 25 paragraph (5) letter a, shall be resolved by the General Meeting of Shareholders, which is attended by the holder of Series A Golden Share and the other shareholders and/or their legal proxies jointly representing at least $\frac{3}{4}$ (three-fourths) of total voting shares and the resolution shall be lawful if approved by the holder of Series A Golden Share and the other shareholders and/or their legal proxies jointly representing more than $\frac{3}{4}$ (three-fourths) of total voting shares attending the Meeting;
 - b. Any amendment to the Articles of Association in respect of matters not covered in letter a above and any modification required by or necessary to be made in order to be in compliance with the prevailing laws and regulations shall be resolved by the General Meeting of Shareholders, which is attended

by the holder of Series A Golden Share and the other shareholders and/or their legal proxies jointly representing at least $\frac{2}{3}$ (two-thirds) of total voting shares and the resolution shall be lawful if approved by the holder of Series A Golden Share and the other shareholders and/or their legal proxies jointly representing more than $\frac{2}{3}$ (two-thirds) of total voting shares attending the Meeting;

- c. In the event the quorum referred to in letters a and b is not reached, then a second GMS may be convened and shall be attended by the holder of Series A Golden Share and the other shareholders and/or their legal proxies jointly representing at least $\frac{3}{5}$ (three-fifths) of total voting shares and the resolution shall be lawful if approved by the holder of Series A Golden Share and the other shareholders and/or their legal proxies jointly representing more than $\frac{1}{2}$ (one-half) of total voting shares attending the Meeting;
 - d. In the event the quorum for attendance as referred to in letter c is not reached, the third GMS may be convened provided that such meeting shall be lawful and entitled to adopt resolution if attended by holders of voting shares in the quorum for attendance and resolution as required by the Financial Services Authority, upon the request of the Company, provided that such third Meeting shall be attended and approved by the holder of Series A Golden Share.
6. Without prejudice to the prevailing laws and regulations, any Amalgamation, Merger, Acquisition, Separation, Declaration of Bankruptcy and Dissolution of the Company may only be effected by virtue of the resolution of General Meeting of Shareholders under the following requirements:
- a. The GMS shall be attended by the holder of Series A Golden Share and other shareholders and/or their legal proxies jointly representing at least $\frac{3}{4}$ (three-fourths) of total voting shares and the resolution shall be lawful if approved by the holder of Series A Golden Share and other shareholders and/or their legal proxies jointly representing at least $\frac{3}{4}$ (three-fourths) of total voting shares attending the Meeting.

- b. In the event the quorum as referred to in letter a is not reached, then a second GMS may be convened and shall be attended by the holder of Series A Golden Share and other shareholders and/or their legal proxies jointly representing at least $\frac{2}{3}$ (two-thirds) of total voting shares and the resolution shall be lawful if approved by the holder of Series A Golden Share and other shareholders and/or their legal proxies jointly representing more than $\frac{3}{4}$ (three-fourths) of total voting shares attending the Meeting.
 - c. In the event the quorum for attendance as referred to in letter b is not reached, the third GMS may be convened provided that such meeting shall be lawful and entitled to adopt resolution if attended by holders of voting shares in the quorum for attendance and resolution as required by the Financial Services Authority, upon the request of the Company, provided that such third Meeting shall be attended and approved by the holder of Series A Golden Share.
7. Those who may be entitled to attend a GMS shall be the shareholders whose names have been recorded in the Company's Register of Shareholders 1 (one) working day prior to the date of notice to call for GMS with due observance to the laws and regulations and the regulations of the Stock Exchange on which the Company's shares are listed.
8. In case of notice revision as referred to in Article 23 paragraph (11) letter b, the shareholders entitled to attend GMS shall be those whose names are listed in the Company's Register of Shareholders 1 (one) working day prior to such revision.
9. The shareholders shall be entitled to attend the GMS personally or by proxy with due observance to the laws and regulations.
10. At the Meeting, each share shall confer the right upon its owner to cast 1 (one) vote.
11. The Shareholders who have valid voting rights at a GMS but cast blank votes (or abstains) shall be deemed to have cast the same vote as the majority of votes of the other shareholders at the Meeting.
12. At voting, the votes cast by the shareholders shall be applicable to all of their respective shares and the shareholders shall not be entitled to confer power upon

more than one proxy for part of the number of their shares they own with different vote. Such provision shall not be applicable to:

- a. the Custodian Bank or the Securities Company as the Custodian representing their customers as shareholders of the Company.
 - b. the Investment Manager representing the interest in Mutual Fund managed by it.
13. Members of the Board of Directors, members of the Board of Commissioners and employees of the Company may act as proxies at the Meeting, but at voting, such members of the Board of Directors, such members of the Board of Commissioners and/or such employees shall not act as proxies.
 14. The voting shall be conducted verbally, unless otherwise determined by the Chairman of Meeting.
 15. All resolutions shall be adopted in deliberation to reach a consensus.
 16. In case of failure to adopt a resolution on the basis of the principle of deliberation to reach a consensus, the resolution shall be adopted by a simple majority votes as specified in these articles of association.
 17. The adoption of resolutions through a voting as referred to in paragraph (15) shall be made with due observance to the quorum for attendance and the quorum for resolutions at GMS.
 18. At the time of the GMS, the Company may invite any other party related to the Meeting agendas.
 19. The Company shall provide the shareholders with an alternative to confer power electronically on any other person to attend and cast vote in the GMS.
 20. a. The party that can serve as Attorney by virtue of electronic Power of Attorney shall be:
 - a.1 the participant that administers the sub-securities account of the shareholders'
 - a.2 the party provided by the Company; or

- a.3 the party appointed by the shareholder.
- b. The Company shall provide such electronically appointed Attorney as contemplated in letter a point 2 of this paragraph.

THE USE OF NET EARNINGS

Article 26

1. The use of net earnings including the allowance for reserve fund shall be determined by the Annual GMS.
2. The Board of Directors shall submit proposal to the Annual GMS regarding net earnings not yet distributed as set out in balance sheet and profit and loss account submitted for approval of the Annual GMS and in which the undistributed amount of net earnings may be declared for allocation of reserve fund and distribution of dividend to the shareholders, or for other distribution, such as bonuses for the members of the Board of Directors and members of the Board of Commissioners, bonuses for employees, social fund reserve and any other distributable amount, all without prejudice to the rights of the GMS to decided otherwise.
3. The net earnings after deduction for a reserve fund as referred to in paragraph (1) shall be distributed to the Shareholders as dividends unless otherwise specified by the GMS.
4.
 - a. Dividends may only be distributed if allowed by the Company's financial condition in accordance with the resolution adopted at the Annual GMS, which resolution shall also determine the time and method of payment and the form of dividend, with due observance to the laws and regulations applicable to the Capital Market, as well as the regulations of the Stock Exchange on which the Company's shares are listed.
 - b. In case of any resolution of GMS in connection with distribution of cash dividends, the Company shall distribute the cash dividends to the shareholders entitled thereto no later than 30 (thirty) days upon the announcement of the summary of minutes of GMS resolving to approve the distribution of cash dividends.

- c. The dividend on a share shall be paid to the person in whose name such share is registered in the Register of Shareholders on the date specified by the Annual GMS resolving to approve the distribution of dividends.
 - d. The date of payment shall be announced by the Board of Directors to the shareholders.
5. In addition to the use of net earnings as referred to in paragraph (2) of this Article, the GMS may also determine the use of the net earnings for other distribution, such as remuneration of the Board of Directors, the Board of Commissioners, and bonus for employees.
6. Dividend as referred to in paragraph (3) of this Article may only be distributed if the Company has positive balance of earnings.
7. The use of net earnings for remuneration and bonus may be decided to the extent not budgeted and calculated as expenses in the current year.
8. If the Company shows improvement in the performance as indicated by its ability to exceed the targets to be achieved, the Company may, even though no positive balance of net earnings has been realized, provide incentives to the members of the Board of Directors and the Board of Commissioners as well as bonuses to the employees to the extent that they have been budgeted and calculated as expenses.
9. The dividend which is left unclaimed within a period of 5 (five) years after it is made available for payment of past dividend shall be put in a reserve fund specially designated for that purpose.
10. Dividends in such special reserve fund may be claimed by the Shareholder entitled thereto by presenting evidence of its right to such dividends which is acceptable to the Company's Board of Directors provided that the dividend shall not be claimed altogether and may only be claimed upon payment by the said shareholder of the administration fee specified by the Board of Directors.
11. Dividends which have been placed in the special reserve fund as referred to in paragraph (9) and left unclaimed after the lapse of a period of 10 (ten) years shall become the property of the Company.

12. The Company may distribute interim dividend before the end of the fiscal year of the Company by taking into account to the projected earnings and financial capacity of the Company if so requested by the Shareholders representing at least 1/10 (one-tenth) of the total shares issued by the Company.
13. The distribution of interim dividend shall be determined by the resolution of the Board of Directors subject to the approval of the Board of Commissioners, with due observance to paragraph (11).
14. In the event that after the lapse of the fiscal year the Company suffer losses, the interim dividend which has been distributed must be returned by the shareholders to the Company. The Board of Directors and the Board of Commissioners shall be jointly and severally responsible for the loss of the Company, in case of failure of the Shareholders to return the interim dividend as referred to in paragraph (12).

THE USE OF RESERVE FUND

Article 27

1. The Company shall establish mandatory reserve fund and other reserve funds.
2. The allowance for the net earnings for reserve fund as referred to in paragraph (1) shall be applicable only if the Company has positive net earnings.
3. The portion of the net earnings set aside for reserve fund shall be determined by the General Meeting of Shareholders in compliance with the laws and regulations. The allowance of net earnings for reserve fund as referred to in paragraph (1) shall be in the amount of 20% (twenty percent) of the total paid-up and issued capital.
4. The mandatory reserve fund as referred to in paragraph (1) of this Article which has not reached the amount as referred to in paragraph (3) shall only be used to cover losses suffered by the Company which cannot be covered by other reserve funds.
5. In the event that the mandatory reserve fund as referred to in paragraph (1) of this Article exceeds an amount equal to 20% (twenty percent) of the capital, the General Meeting of Shareholders may decide that the excess amount shall be used for the Company's requirements.

6. The Board of Directors shall manage the reserve fund so that it will earn profit in a manner deemed appropriate by it, with due observance to the prevailing laws and regulations.
7. The profit earned from the said reserve fund shall be recorded in the profit and loss account.

AMENDMENT OF THE ARTICLES OF ASSOCIATION

Article 28

1. Amendment to the Articles of Association shall be in compliance with the Company Law and/or the regulations applicable to the Capital Market.
2. Any amendment to the Articles of Association shall be resolved by a GMS, subject to the provisions contained in Article 25 paragraph (5).
3. Agenda concerning amendment to articles of associations must be expressly stated in the notice for General Meeting of Shareholders.
4. Amendments to the provisions of the articles of association concerning name and domicile of the Company, purposes and objectives, business activities, duration of the Company, amount of authorized capital, or reduction in the issued and paid-up capital and change of the status of the Company from a closed company to a public company or vice versa shall require the approval of the Minister as contemplated in the Company Law.
5. Amendments to the Articles of Association in respect of any matter other than those referred to in paragraph (4) shall be reported to the Minister in charge of Laws with due observance to the provisions of the Company Law.
6. Any resolution with regard to the reduction of capital shall be notified in writing to all creditors of the Company and announce by the Board of Directors on a widely circulated Indonesian newspaper at the domicile of the Company no later than 7 (seven) days as of the date of any such resolution.

MERGERS, AMALGAMATIONS, ACQUISITIONS AND SEPARATION

Article 29

1. Any Merger, Amalgamation, Acquisition and Separation shall be determined by the General Meeting of Shareholders in accordance with the provisions set out in Article 25 paragraph (6).
2. Further provisions with regard to Merger, Amalgamation, Acquisition and Separation shall refer to the prevailing laws and regulations, in particular those applicable to the Capital Market.

DISSOLUTION, LIQUIDATION AND TERMINATION OF LEGAL ENTITY STATUS

Article 30

1. The Company may be dissolved by virtue of a resolution of the GMS in accordance with the provisions set out in Article 25 paragraph (6).
2. If the Company is dissolved by virtue of a resolution of the General Meeting of Shareholders or by a court order, a liquidator shall conduct the liquidation of the Company.
3. The liquidator shall be accountable to the GMS or the court ordering him to conduct the liquidation process of the Company.
4. The liquidator shall notify the Minister in charge of Laws of the liquidation process and announce the final result of the liquidation process in a newspaper after the GMS giving the release and discharge to the liquidator or once the Court appointing such liquidation has accepted the accountability report of the liquidator.
5. Provisions regarding dissolution, liquidation and termination of legal entity status of the Company shall refer to the prevailing laws and regulations, in particular those applicable to the Capital Market.

DOMICILE OF SHAREHOLDERS

Article 31

For any matter regarding the Shareholders and the Company, the Shareholders shall be deemed to have domicile at the address as listed in the Register of Shareholders as referred to in Article 9.

CLOSING PROVISIONS

Article 32

Matters not provided for or not otherwise fully covered in these Articles of Association shall be in compliance with the Company Law, rules on Capital Market and any other laws and regulations and/or resolved by the GMS with due observance to the prevailing laws and regulations.

Finally, the appearing person acting in his capacity as stated above declares that the structure of the Company's shareholders shall be as follows:

- **THE REPUBLIC OF INDONESIA**, holding:

(i) **1** (one) Series A Golden Share having an aggregate nominal value of

(four hundred and fifty-nine Rupiah);

(ii) **15,670,777,620** (fifteen billion six hundred seventy million seven hundred seventy-seven thousand six hundred and twenty) Series B Shares, having an aggregate nominal value of

Rp.459.-

(seven trillion one hundred ninety-two billion eight hundred eighty-six million nine hundred twenty-seven thousand and five hundred and eighty Rupiah); and

(iii) **43,367,346,782** (forty-three billion three hundred sixty-seven million three hundred forty-six thousand seven hundred and eighty-two) Series C Shares, having an aggregate nominal value of

Rp.7,192,886,927,580.-

(eight trillion four hundred ninety-nine billion nine hundred ninety-nine million nine hundred sixty-nine thousand two hundred and seventy-two Rupiah);

Rp.8,499,999,969,272.-

- **Public, holding:**

(i) **10,215,798,633** (ten billion two hundred fifteen million seven hundred ninety-eight thousand six hundred and thirty-three) Series B Shares, having an aggregate nominal value of

(four trillion six hundred eighty-nine billion fifty-one million five hundred seventy-two thousand five hundred and forty-seven Rupiah); and

Rp.4,689,051,572,547.-

(ii) **22,226,860,801** (twenty-two billion two hundred twenty-six million eight hundred sixty thousand eight hundred and one) Series C Shares, having an aggregate nominal value of

(four trillion three hundred fifty-six billion four hundred sixty-four million seven hundred sixteen thousand nine hundred and ninety-six Rupiah);

Rp.4,356,464,716,996.-

- Therefore, there is a total of **91,480,783,837** (ninety-one billion four hundred eighty million seven hundred eighty three thousand eight hundred and thirty-seven) shares having an aggregate nominal value of

(twenty-four trillion seven hundred thirty-eight billion four hundred three million one hundred eighty-six thousand eight hundred and fifty-four Rupiah).

Rp.24,738,403,186,854.-

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