

ANNEX I.34

**LAW OF THE REPUBLIC OF INDONESIA
NUMBER 40 YEAR 2007
Concerning
LIMITED LIABILITY COMPANY**

LAW OF REPUBLIC OF INDONESIA

NUMBER 40 YEAR 2007

ON

LIMITED LIABILITY COMPANY

UPON THE MERCY OF GOD THE ALMIGHTY

PRESIDENT OF REPUBLIC OF INDONESIA

Considering:

- a. that national economy is performed based on economic democracy on the basis of similarity, efficiency, fair, sustainability, environmental consideration, independency principles and thru balancing between economic development and national economy unity, it is necessary to be supported by constructive economic institutionalization in order to establish prosperity of society;
- b. that in order to more improve national economic development, as well as to provide constructive basis for businesses in experiencing world economic development and science and technology development in globalization in the future, it requires the support with a law that governs limited corporation that may assure conductive business climate;
- c. that limited corporation as one of pillars of national economic development needs to be provided with legal basis in order to trigger national development that is managed as a joint effort based on familial principle;
- d. that Law Number 1 Year 1995 concerning Limited Corporation is considered no longer suitable with legal development and society needs so that it needs to be replaced with new law;
- e. that based on consideration stated on point a, point b, point c and point d, it is necessary to enact Law on Limited Corporation;

In the view of: Article 5 paragraph (1) Article 20 and Article 30 of the Republic Indonesia's 1945 Constitution.

Upon the agreement between

REPUBLIC OF INDONESIA'S HOUSE OF REPRESENTATIVES

and

THE PRESIDENT OF REPUBLIC OF INDONESIA

HAS DECIDED,

To enact: **LAW ON LIMITED LIABILITY COMPANY**

CHAPTER 1

GENERAL PROVISIONS

Article 1

In this Law, the following definitions apply:

1. Limited Liability Company hereinafter known as Corporation shall be a legal entity that is capital partnership, established based on an agreement to perform businesses with authorized capitals that all are divided in shares and has met requirements as stipulated in this Law and its implementing regulations.
2. Corporation Elements shall be Shareholders' General Meeting, Directors and the Board of Commissioners.
3. Social and Environmental Responsibility shall be a commitment of Corporation to take parts in sustainable economic development in order to develop life quality and beneficial environment either for a Corporation itself or site community or public.
4. Shareholders' General Meeting, hereinafter known as RUPS, shall be a Corporation element that has authority that is not provided to the Directors and Board of Commissioners within a period determined in this Law and/or Article of Association.
5. Director shall be a Corporation element that shall be authorized and responsible completely against the management of Corporation for the interest of corporation in accordance with goals and objectives of Corporation and shall represent a Corporation, both in or out of the Court based on the provisions of Article of Association.
6. Board of Commissioners shall be a Corporation element that has duties to conduct general and/or special supervision based on Article of Association and to provide advices to the Director.
7. Public Corporation shall be Public Company or Corporation that performs general offers on shares based on the provisions of capital market laws.
8. Public Company shall be a Corporation that has met criteria of total shareholders and capitals deposited based on the provisions of capital market laws.
9. Merger shall be a legal act conducted by one Corporation or more to merge themselves with other Corporation that has been existed, in which it creates assets and liabilities of a Corporation merging are transferred based on the law to a Corporation obtaining a merger and thus legal entity status of a Corporation merging shall be over based on the law.
10. Consolidation shall be a legal act conducted by two corporations or more combining them to establish one new corporation which due to the law obtains assets and liabilities from corporations combining and legal entity status of corporations combining shall be over based on the law.
11. Acquisition shall be a legal act conducted by a legal entity or individual who is taking over shares of Corporation that creates control over said corporation is transferred.
12. Separation shall be a legal act conducted by corporations to separate businesses in which it creates separation of assets and liabilities of corporation to be transferred based on the law to 2 (two) companies or more or parts of assets and liabilities of corporation shall be transferred based on the law to 1 (one) corporation or more.
13. Registered Letter shall be a letter sent to the beneficiary and may be proved with signature of the beneficiary who put a signature on it b mentioning the date of acceptance.
14. Newspaper shall be daily newspaper in Indonesian Text distributed nationally.

15. Day shall be calendar day.
16. Minister shall be the Minister who has duties and responsibility in legal affairs and human rights.

Article 2

A company must have goals and objectives and business activity that are not contrary with provisions of laws, public orders and/or morality.

Article 3

- (1) Company Shareholders shall not be responsible personally on any agreement entered into on behalf of a Company and shall not be responsible on financial damage experienced by a Company exceeded shares controlled by them.
- (2) Provisions as referred to in paragraph (1) shall not be applicable if:
 - a. company requirement to be a legal entity has not been complied with;
 - b. shareholders concerned both directly and indirectly without good faith take benefit from a company for personal interest;
 - c. shareholders concerned involves in illegal activity committed by a company; or
 - d. shareholders concerned both directly and indirectly commit illegal activity using properties of company that crates deficit of assets to pay debts of company.

Article 4

Any corporation shall be subject to the Law, its Article of Association, and other provisions of laws and regulations.

Article 5

- (1) A corporation shall have name and domicile within territory of the Republic of Indonesia determined in its Article of Association.
- (2) A corporation shall have full address in accordance with its domicile.
- (3) In letters, announcements issued by a corporation, printing products and deeds in regard a company is acting as a party must mention name and full address of a corporation.

Article 6

A corporation shall be established within limited or unlimited time of period as determined in its article of association.

CHAPTER II

ESTABLISHMENT, ARTICLE OF ASSOCIATION AND MODIFICATION OF ARTICLE OF ASSOCIATION, LIST OF COMPANY AND ANNOUNCEMENT

PART ONE

ESTABLISHMENT

Article 7

- (1) A corporation shall be established by 2 (two) persons or more with notarial deed prepared in Indonesian language.
- (2) Any founder of corporation shall be obliged to take parts of shares when a corporation was established.
- (3) Provisions as referred to in paragraph (2) shall be inapplicable for Acquisition.
- (4) A corporation shall obtain a legal entity status on the date of the issuance of Ministerial Decree on legalization of a corporation as a legal entity.
- (5) As from a corporation obtains a legal entity status and there are less than 2 shareholders, within no later than 6 (six) months as from this circumstance, shareholder concerned must transfer parts of his/her shares to other party or a corporation shall issue new shares to other parties.
- (6) If time period as referred to in paragraph (5) is over, there are still less than 2 shareholders, a shareholder concerned shall be responsible personally on any agreement and damage experienced by Corporation and on a request of the interest party, the district court may terminate such corporation.
- (7) The provision that obliges a corporation is established by 2 (two) person or more as referred to in paragraph (1) and provisions of paragraph (5) and paragraph (6) shall no more be applicable for:
 - a. shareholder whose entire shares are possessed by the state; or
 - b. a corporation that manages securities, clearing institution and underwriter, saving and settlement institution and other institution as referred to in the Capital Market Law.

Article 8

- (1) Establishment deed shall contain Article of Association and other information related with the establishment of corporation.
- (2) Other information as referred to in paragraph (2) shall include minimum:
 - a. Full name, place and date of birth, occupation, address and nationality of individual founder(s), full domicile and address and number and date of the Ministerial Decree regarding legalization of a legal entity from founder(s) of corporation;
 - b. Full name, place and date of birth, occupation, address, nationality of members of directors and Board of Commissioners that were first appointed;
 - c. Name of shareholders who have taken parts of shares, details of total shares, and nominal value of shares that have been placed and deposited.
- (3) In preparing the establishment deed, founder(s) may be represented by other party based on the power at attorney.

Article 9

- (1) In obtaining the Ministerial Decree on legalization of corporation legal entity as referred to in Article 7 paragraph (4), founder(s) shall jointly propose a request thru information and technology system of legal entity administration electronically to the Minister by filling a form that minimum include:
 - a. name and domicile of corporation;

- b. time period of establishment of corporation;
 - c. goals and objective and business activity of corporation;
 - d. total authorized capital, subscribed capital, and capital paid-up capital;
 - e. full address of corporation.
- (2) Filling a form as referred to in paragraph (1) must be initiated by proposing the name of corporation.
 - (3) If founders do not propose a request by themselves as referred to in paragraphs (1) and (2), founders may only provide power to the Notary.
 - (4) Further provision on procedure for proposing and utilizing name of corporation shall be governed in Government Regulation.

Article 10

- (1) A request for obtaining the Ministerial Decree as referred to in Article 9 paragraph (1) must be proposed to the Minister within no later than 60 (sixty) days as from the date of establishment deed was signed, completed with information on supporting documents.
- (2) The provision on supporting documents as referred to in paragraph (1) shall be governed in the Ministerial Regulation.
- (3) If form format as referred to in Article 9 paragraph (1) and information on supporting documents as referred to in paragraph (1) have been suitable with the provisions of law, the Minister shall directly approve a request electronically.
- (4) If form format as referred to in Article 9 paragraph (1) and information on supporting documents as referred to in paragraph (1) have not been suitable with the provisions of law, the Minister shall directly reject a request as well as its reasons to the applicant electronically.
- (5) Within no later than 30 (thirty) days as from the date of approval as referred to in paragraph (3), an applicant concerned must submit a proposal physically attached with supporting documents.
- (6) If all requirements as referred to in paragraph (5) has been met completely, within no later than 14 (fourteen) days, the Minister shall issue a decision on legalization of corporation legal entity that is signed electronically.
- (7) If requirements on time period and completeness of supporting documents as referred to in paragraph (5) have been complied with, the Minister shall directly inform an applicant electronically, and disapproval as referred to in paragraph (3) shall be annul.
- (8) If an approval is dismissed, an application as referred to in paragraph (5) may propose again a request in obtaining the Ministerial Decree as referred to in Article 9 paragraph (1).
- (9) If a request for obtaining the Ministerial Decree is not proposed within time period determined as referred to in paragraph (1), the establishment deed shall be annual as from said time period is over and a corporation that has not obtained a legal entity status shall be terminated based on the law and its settlement shall be conducted by its founders.
- (10) The provision on time period as referred to in paragraph (1) shall also be applicable to applicant who proposes again.

Article 11

Further provision on proposing a request to obtain the Ministerial Decree as referred to in Article 7 paragraph (4) for certain regions that have not had or may not use electronic network shall be governed in the Ministerial Government.

Article 12

- (1) Legal act in relation with shares ownership and its deposits conducted by candidate founders prior a corporation was established must be mentioned in the establishment deed.
- (2) If a legal act as referred to in paragraph (1) is stated on the non authentic deed, said deed shall be integrated in the establishment deed.
- (3) If a legal act as referred to in paragraph (1) is stated on the authentic deed, number, date and name and domicile of notary who prepares authentic deed shall be mentioned on the establishment deed of corporation.
- (4) If provisions as referred to in paragraphs (1), (2) and (3) have not been complied with, said legal act shall not create rights and obligation and not binding a corporation.

Article 13

- (1) Legal acts conducted by candidate founders for the interest of corporation that has not been established yet shall bind a corporation as from such corporation is a legal entity if first RUPS of corporation firmly states to obtain or take over all rights and obligations occurred from legal acts conducted by candidate founders or their proxy.
- (2) First RUPS as referred to in paragraph (1) must be organized within no later than 60 (sixty) days as from a corporation has a legal entity status.
- (3) A decision of RUPS as referred to in paragraph (2) shall be valid if RUPS is attended by shareholders representing all shares with a voting right and decision is approved unanimously.
- (4) If RUPS is not organized within time period as referred to in paragraph (2) or RUP is not successful to make a decision as referred to in paragraph (3), any candidate founder conducts a legal act shall be responsible personally on all consequences occurred.
- (5) An approval of RUPS as referred to in paragraph (2) shall not be required if said legal act is conducted or approved in writing by all candidate founders prior the establishment of corporation.

Article 14

- (1) A legal act on behalf of corporation that has not had a legal entity status shall only be conducted by all members of Directors jointly with founders and members of the Board of Commissioners and they all are responsible personally on legal act conducted.
- (2) If a legal act as referred to in paragraph (1) is conducted by founders on behalf of corporation that has not had a legal entity status yet, said legal act shall be responsible of themselves and not binding for corporation.
- (3) A legal act as referred to in paragraph (1), due to the law shall be responsible of corporation as from a corporation has a legal entity status.
- (4) A legal act as referred to in paragraph (2) shall only bind and be responsible of corporation as from said legal act is approved by all shareholders in RUPS attended by all shareholders of corporation.

- (5) RUPS as referred to in paragraph (4) shall be first RUPS that must be organized within no later than 60 (sixty) days as from a corporation has obtained a legal entity status.

PART TWO

ARTICLE OF ASSOCIATION AND AMENDMENT OF ARTICLE OF ASSOCIATION

Paragraph 1

Article of Association

Article 15

- (1) Article of Association as referred to in Article 8 paragraph (1) shall minimum include:
- a. Name and domicile of corporation;
 - b. Goals and objective and business activity of corporation;
 - c. Time period of establishment of corporation;
 - d. Total amount of authorized capital, subscribed capital and capital paid-up capital;
 - e. Total shares, classification of shares if any, including total shares for any classification, rights attached in any share and nominal value of any share;
 - f. Name of officials and total members of Directors and Board of Commissioners;
 - g. Determination on place procedure for organizing RUPS;
 - h. Procedure for appointing replacement, dismissal of members of Directors and Board of Commissioners;
 - i. Procedure for utilizing profits and dividend sharing.
- (2) Beside provision as referred to in paragraph (1), article of association may also include other provision that is not contrary with this Law.
- (3) Article of Association may not include:
- a. The provision on fix interest on shares; and
 - b. The provision on personal benefit for founders or other party.

Article 16

- (1) A corporation may not use name that:
- a. Has been legitimately used by other corporation or is similar principally with other corporation's name;
 - b. Is contrary with public orderliness and/or morality;
 - c. Is same or alike with name of the state institution, government institution, or international institution, unless with a permit from the party concerned.
 - d. Is not suitable with goals and objectives, business activity or only demonstrating goals and objectives of corporation without name;
 - e. Consists of number or a series of numbers, letter or a series of letters that does not form words; or
 - f. Has a meaning as corporation, legal entity or partnership.
- (2) Name of corporation must first with a phrase "Limited Liability Company" or "Ltd".

- (3) Against an Public Limited Corporation besides the provision as referred to in paragraph (2), at the end of name of company shall be added with “Tbk”.
- (4) Further provision on procedure for utilizing name of corporation shall be governed in Government Regulation.

Article 17

A corporation shall have domicile in a city or district within territory of the Republic of Indonesia determined in its article of association.

A domicile as referred to in paragraph (1) shall be also the head office of corporation.

Article 18

A corporation must have goals and objectives and business activity mentioned in article of association in accordance with prevailing laws and regulation.

Paragraph 2

Amendment of Article of Association

Article 19

Amendment of article of association shall be determined by RUPS.

Agenda on amendment of article of association must be mentioned clearly in summons of RUPS.

Article 20

Amendment of article of association of Corporation that has been insolvent may not be conducted unless with an approval from a liquidator.

An approval as referred to in paragraph (2) shall be attached in a request or announcement on amendment of article of association to the Minister.

Article 21

- (1) Amendment of certain article of association must obtain an approval from the Minister.
- (2) Amendment of certain article of association as referred to in paragraph (1) shall include:
 - a. Name of corporation and/or domicile of corporation;
 - b. Goals and objectives and business activity of corporation;
 - c. Time period of establishment of corporation;
 - d. Total amount of authorized capital;
 - e. Deduction of subscribed capital or deposited; and/or
 - f. Status of a corporation limited to be an Public Limited Company or reverse.
- (3) Amendment of article of association as referred to in paragraph (2) shall be sufficiently informed to the Minister.
- (4) Amendment of article of association as referred to in paragraphs (2) and (3) shall be included and mentioned in the notarial deed in Indonesian language.
- (5) Amendment of article of association that is not included in meeting minutes deed prepared by the notary shall be prepared in the notarial deed within no later than 30 (thirty) days as from the ate of RUPS is making a decision.

- (6) Amendment of article of association may not be stated in the notarial deed as from time period of 30 (thirty) day is over as referred to in paragraph (5).
- (7) A request for an approval to amend the article of association as referred to in paragraph (2) shall be proposed to the Minister, within no later than 30 (thirty) day as from the date of notarial deed mentioning amendment of article of association.
- (8) The provision as referred to in paragraph (7) mutatis mutandis shall be applicable for announcement of amendment of article of association to the Minister.
- (9) As from time period of 30 (thirty) day as referred to in paragraph (7), an approval or announcement on amendment of article of association may not be proposed or submitted to the Minister.

Article 22

- (1) A request for amending article of association regarding renewal of establishment period of corporation as stipulated in article of association must be proposed to the Minister within no later than 60 (sixty) day as from previous time period of establishment of corporation is over.
- (2) The Minister shall give an approval on a request on renewal of establishment period as referred to in paragraph (1) within no later than the termination date of the establishment of corporation.

Article 23

- (1) Amendment of article of association as referred to in Article 21 paragraph (2) shall come into force as from the date then the Ministerial Decree was issued regarding approval on amendment of article of association.
- (2) Amendment of article of association as referred to in Article 21 paragraph (3) shall come into force as from the date then a letter regarding acceptance of announcement of article of association modification is issued by the Minister.
- (3) Provision as referred to in paragraphs (1) and (2) shall be no more applicable unless stipulated otherwise herein.

Article 24

- (1) A corporation that has capital and total shareholders in accordance with criteria as a Public Limited Company based on provisions of laws and regulation on capital market, must modify its article of association as referred to in paragraph 21 letter f within 30 (thirty) days as from such criteria is met.
- (2) Directors of Corporation as referred to in paragraph (1) shall be obliged to propose a registry in accordance with provisions of laws and regulation on capital market.

Article 25

- (1) Amendment of article of association regarding corporation status limited to be Public Limited Company shall come into force as from the date:
 - a. Registry statement proposed to the supervisory agency in capital market for Public Limited Company is effective;
 - b. The general offer is conducted for a corporation proposing a registry to the capital market supervisory agency to conduct general offering on shares in accordance with provisions of laws and regulation on capital market.

- (2) If corporation registry statement as referred to in paragraph (1) letter a is not effective or a corporation that has proposed a registry statement as referred to in paragraph (1) letter b does not implement the general offering, a corporation must amend again its article of association within 6 (six) months as from the date of approval from the Minister.

Article 26

Amendment of article of association conducted in respect with merger or acquisition shall come into force on the date of:

- a. Approval of the minister;
- b. Thus determined in respect with an approval of the minister; or
- c. Announcement of amendment of article of association is obtained by the Minister or following date determined in the deed of Merger or the deed of Acquisition.

Article 27

A request for approval on amendment of article of association as referred to in Article 21 paragraph (2) shall be rejected if:

- a. it is contrary with provision on procedure for amending article of association.
- b. the contents are contrary with prevailing laws and regulation, public orderliness, and/or morality; or
- c. there is a complaint from creditor on a decision of RUPS on capital reduction.

Article 28

The provision regarding procedure for proposing a request to obtain the Ministerial Decree on legalization of corporation legal entity, and its complaint as referred to in Articles 9, 10 and 11 shall be mutatis mutandis applicable for proposing a request on amendment of article of association and its complaint.

PART THREE

COMPANY LIST AND ANNOUNCEMENT

Paragraph 1

Company List

Article 29

- (1) Company list shall be organized by the Minister.
- (2) Company list as referred to in paragraph (1) shall contain data regarding company that includes:
 - a. Name and domicile, objectives and purposes and business activity, time period of establishment and total amount of capital;
 - b. Full address of corporation as referred to in Article 5;
 - c. Number and date of establishment deed and the Ministerial Decree on legalization of corporation legal entity as referred to in Article 7 paragraph (3);
 - d. Number and date of the deed of amendment of article of association and date of acceptance on announcement by the Minister as referred to in Article 23 paragraph (1);

- e. Number and date of the deed of amendment of article of association and an approval of the Minister as referred to in Article 23 paragraph (2);
 - f. Name and domicile of notary preparing the establishment deed and the deed on amendment of article of association;
 - g. Full name and address of shareholders, members of Directors and Board of Commissioners;
 - h. Number and date of the deed on termination or number and date of the court order on termination of corporation that has been informed to the Minister;
 - i. Legal entity status of corporation is over;
 - j. Balance and loss and profit statement of fiscal year of corporation that must be audited.
- (3) Data of corporation as referred to in paragraph (2) shall be included in the company list on the same date with the date of:
- a. The ministerial decree on legalization of corporation legal entity, approval on amendment of article of association that requires an approval;
 - b. Acceptance of announcement on amendment of article of association that does not require an approval; or
 - c. Acceptance of announcement on amendment of company data that is not modification of article of association.
- (4) The provision as referred to in paragraph (2) letter g regarding name and address of shareholders of Public Limited Company shall be in accordance with prevailing laws and regulation on capital market.
- (5) List of company as referred to in paragraph (1) shall be Public for public.
- (6) Further provision on company list shall be governed in the Ministerial Regulation.

Paragraph 2

Announcement

Article 30

- (1) The Minister shall announce in Supplement to State Gazette of the Republic of Indonesia:
- a. The establishment deed of corporation together with the ministerial decree as referred to in Article 7 paragraph (3);
 - b. The deed on amendment of article of association of corporation and the ministerial decree as referred to in Article 21 paragraph (1);
 - c. The deed on amendment of article of association that has been accepted its announcement by the Minister.
- (2) Announcement as referred to in paragraph (1) shall be conducted by the Minister within no later than 14 (fourteen) days as from the date when the ministerial decree is issues as referred to in paragraph (1) letter a and letter b or as from the acceptance of announcement as referred to in paragraph (1) letter c.
- (3) Further provision on procedure of announcement shall be performed in accordance with prevailing laws and regulation.

CHAPTER III
CAPITAL AND SHARES

Part One

Capital

Article 31

- (1) Authorized capital of a corporation shall consist of entire nominal values of shares.
- (2) Provision as referred to in paragraph (1) shall give a change that the capital market law stipulates capital of corporation consisting of shares without nominal value.

Article 32

- (1) Authorized capital of a corporation shall be minimum RP. 50,000,000 (fifty million rupiah).
- (2) Law stipulates certain business activity may determine minimum amount of capital of corporation that is total amount is more than the provision of authorized capital as determined in paragraph (1).
- (3) Modification of total amount of authorized capital as referred to in paragraph (1) shall be determined in Government Regulation.

Article 33

- (1) Minimum 25% (twenty five percent) of total authorized capital as referred to in Article 32 must be placed and deposited entirely.
- (2) Subscribed capital and deposited entirely as referred to in paragraph (1) shall be proved with legitimate deposit receipt.
- (3) Further issuance of shares shall be conducted at any time adding subscribed capital must be deposited completely.

Article 34

- (1) Deposit on shares capital may be conducted in form of money and/or other forms.
- (2) If deposit on shares capital is conducted in other form as referred to in paragraph (1), an appraising of shares capital shall be determined based on reasonable value determined in accordance with market price or by an expert who is not affiliated with corporation.
- (3) Shares deposit in form of immovable goods must be announced in 1 (one) newspaper or more, within 14 (fourteen) days as from the establishment deed is signed or as from RUPS decides such shares deposit.

Article 35

- (1) Shareholders and other creditor who has receivables against corporation may not use their right to collect receivables as compensation of deposit obligation on shares price that has been taken, unless approved by RUPS.
- (2) Collecting right against corporation as referred to in paragraph (1) that may be compensated with shares deposit shall be the collecting right against receivables against corporation that occurred due to.
 - a. corporation has obtain money or surrender tangible or intangible goods that may be valued with money;

- b. party who is responsible person or guarantor of corporation's debt has paid corporation's debt in similar amount being charged or guaranteed; or
 - c. corporation shall be responsible party or guarantor of debt of third party and corporation has obtained benefits in form of money or goods that may be valued with money directly or indirectly has been obtained by corporation.
- (3) A decision of RUPS as referred to in paragraph (1) shall be valid if it is conducted in accordance with provisions on summons to attend the meeting, quorum, and total voting to amend article of association as referred to in this Law and/or article of association.

Article 36

- (1) Corporation shall be prohibited to issue shares both possessed by itself or other corporation whose shares have been controlled by corporation directly or indirectly.
- (2) Provision on prohibition to control shares as referred to in paragraph (1) shall not be applicable to shares ownership obtained based on acquisition due the law, donation or testament.
- (3) Shares obtained based on the provision as referred to in paragraph (2) within 1 (one) year as from acceptance must be transferred to other party who is not prohibited to have shares in corporation.
- (4) If other corporation as referred to in paragraph (1) is securities company the provisions of capital market law shall be applicable.

PART TWO

Capital Protection and Property of Corporation

Article 37

- (1) Corporation may purchase again shares that have been issued with conditions:
- a. re-purchasing of shares shall not create net property of corporation is less than total subscribed capital added with reserves that must be preserved; and
 - b. total nominal values of entire shares being purchased again by corporation and shares pawn or fiduciary guarantee on shares controlled by corporation itself and/or other corporation whose shares are possessed by corporation directly or indirectly, are not more than 10% (ten percent) from total subscribed capital in corporation, unless stipulated otherwise in capital market laws and regulations.
- (2) Re-purchasing shares both directly or indirectly that is contrary with provision of paragraph (1) shall be annul because of the law.
- (3) Directors shall be responsible personally on damages happened by shareholders who have good faith occurred due to shares re-purchasing that is annul because of the law as referred to in paragraph (2).
- (4) Shares that being re-purchased by corporation as referred to in paragraph (1) shall only be controlled by corporation within no later than 3 (three) years.

Article 38

- (1) Shares re-purchasing as referred to in Article 37 paragraph (1) or its transfer may only further be conducted based on an approval of RUPS, unless stipulated otherwise in capital market laws and regulation.

- (2) A decision of RUPS containing an approval as referred to in paragraph (1) shall be valid if it is conducted based on provisions on summons to attend the meeting, quorum and approval on total voting to amend article of association as governed in this Law and/or article of association.

Article 39

- (1) RUPS may surrender authority to the Board of Commissioners to grant an approval on implementation of RUPS decision as referred to in Article 38 within no later than 1 (one) year.
- (2) Authority transfer as referred to in paragraph (1) may at any time be renewed for similar time of period.
- (3) Authority transfer as referred to in paragraph (1) may be re-withdrawn by RUPS at any time.

Article 40

- (1) Shares controlled by corporation due to re-purchasing, transfer due to the law, donation or testament, may not be used to provide voting in RUPS and shall be considered in determining total quorum that must be achieved in accordance with this Law and/or article of association.
- (2) Shares as referred to in paragraph (1) shall not have right to obtain dividend sharing. .

PART THREE

Capital Additional

Article 41

- (1) Capital additional of corporation shall be conducted based on an approval of RUPS.
- (2) RUPS may give authority to the Board of Commissioners to approve implementation of RUPS decision as referred to in paragraph (1) within no later than 1 (one) year.
- (3) Authority transfer as referred to in paragraph (2) may be withdrawn again at any time by RUPS.

Article 42

- (1) A decision of RUPS to add authorized capital shall be legitimate if it is conducted by considering quorum requirement and total voting agree to amend article of association in accordance with this Law and/or article of association.
- (2) A decision of RUPS to add subscribed capital or deposited within the threshold of authorized capital shall be legitimate if it is conducted with quorum of more than ½ (one two) of total shares with the right to vote and agreed by more than ½ (one two) voting of total quorum, unless it is stipulated more based on article of association.
- (3) Capital additional as referred to in paragraph (2) must be informed to the Minister to be registered in company list.

Article 43

- (1) Entire shares issued to add capital must first be offered to any shareholder balancing with share ownership for similar share classification.

- (2) If shares issued for adding capital are shares classified as shares that have not been issued yet, party that is entitled to purchase first shall be all shareholders in accordance with balancing of total shares controlled.
- (3) An offering as referred to in paragraph (1) shall be inapplicable if share issuance:
 - a. is directed to employees of corporation;
 - b. is directed to bond holders or other securities that may be converted to be shares, that have been issued with an approval of RUPS; or
 - c. is conducted in order to reorganize and/or restructure approved by RUPS.
- (4) If shareholders as referred to in paragraph (1) do not use their right to purchase or to pay shares within 14 (fourteen) days as from the date of offering, a Corporation may offer the remaining shares that have not been taken to the third parties.

PART FOUR

Capital Reduction

Article 44

- (1) A decision of RUPS to reduce capital of corporation shall be legitimate if it is conducted by considering requirement on quorum and total voting agree to amend article of association in accordance with this Law and/or article of association.
- (2) Directors must inform a decision as referred to in paragraph (1) to all creditors with an announcement in 1 (one) newspaper or more within no later than 7 (seven) days as from the date of decision of RUPS.

Article 45

- (1) Within 60 (sixty) days as from the date of announcement as referred to in Article 44 paragraph (2), creditors may file a complaint in writing associated with its reasons to a corporation against a decision to reduce capital and its copy carbon is sent to the Minister.
- (2) Within 30 (thirty) days as from a complaint as referred to in paragraph (1) is obtained, corporation must respond in writing on a complaint filed.
- (3) If a Corporation:
 - a. Refuses a complaint or does not provide settlement agreed by creditor(s) within 30 (thirty) days as from the date of responses of corporation are obtained; or
 - b. Does not provide responses within 60 (sixty) days as from the date a complaint was proposed to a Corporation,

Creditor(s) may file a lawsuit to the district court within whereby a corporation is located.

Article 46

- (1) Capital reduction of a corporation shall be amendment of article of association that must have an approval from the Minister
- (2) An approval of the Minister as referred to in paragraph (1) shall be given if:
 - a. there is no written complaint from creditor(s) within time period as referred to in Article 45 paragraph (1);
 - b. settlement pursuant to a complaint proposed by creditor(s) has been achieved; or

- c. creditor(s)' complaint is rejected by the court based on the court judgment that has final legal binding.

Article 47

- (1) A decision of RUPS regarding reduction of subscribed capital and deposited shall be conducted by re-withdrawal of shares or decrease of shares' nominal value.
- (2) Re-withdrawal of shares as referred to in paragraph (1) shall be conducted against shares that have been re-purchased by a Corporation or against shares with classification that may be re-withdrawal.
- (3) Decrease of shares' nominal value without re-payment must be conducted in balance against all shares from any classification of shares.
- (4) Balancing as referred to in paragraph (3) may be exempted with an approval from shareholders whose nominal values are reduced.
- (5) If there is more than 1 (one) classifications of shares, a decision of RUPS regarding reduction of capital shall only be taken after having an approval first from all shareholders of any classification of shares whose rights are harmed by a decision of RUPS regarding reduction of said shares.

PART FIVE

Shares

Article 48

- (1) Shares of corporation shall be issued on behalf of name of the owner.
- (2) Shares ownership requirement may be determined in the article of association by considering requirement determined by the competent authority in accordance with prevailing laws and regulation.
- (3) If shares ownership requirement as referred to in paragraph (2) has been determined and has not been completed yet, the party having such shares ownership may not perform his/her right as a shareholder and such shares shall not be considered in quorum that must be achieved in accordance with prevailing laws and regulation and/or article of association.

Article 49

- (1) Values of shares must be stated in rupiah currency.
- (2) Shares without nominal values may not be issued.
- (3) Provisions as referred to in paragraph (2) shall provide possibility the issuance of shares that have no nominal value is governed in capital market laws and regulation.

Article 50

- (1) Directors of corporation shall be obliged to organize and maintain list of shareholders that minimum includes:
 - a. name and address of shareholders;
 - b. total amount, number, date of acquiring shares controlled by shareholders and its classification if these are issued more than one classification.
 - c. total amount paid-up capital against any share;

- d. name and address of any individual or legal entity that has the pawning right on shares or as beneficial party of shares fiduciary collateral and date of acquiring the pawning right or date of such fiduciary guarantee registration;
 - e. information on depository of shares in other form as referred to in Article 34 paragraph (2).
- (2) Besides the list of shareholders as referred to in paragraph (1), Directors of corporation shall be obliged to organize and maintain special list that contains information on shares of Corporation and/or other corporation controlled by Directors of Corporation and the Board of Commissioners as well as their family, and the date when they acquired those shares.
 - (3) The list of shareholders and special list as referred to in paragraph (1) and paragraph (2) shall also mention any modification of shares ownership.
 - (4) The list of shareholders and special list as referred to in paragraph (1) and paragraph (2) shall be provided in a domicile of Corporation that these may be seen by shareholders.
 - (5) If the capital market laws and regulation do not stipulate otherwise herein, the provisions as referred to in paragraphs (1), (3) and (4) shall also be applicable to Public Limited Liability Companies.

Article 51

Shareholders shall be given share ownership receipt for any share possessed.

Article 52

- (1) Shares shall provide the right to its owner to:
 - a. attends and gives a vote in RUPS;
 - b. gain dividend payment and remaining assets as the result of consolidation;
 - c. performs his/her rights based on this Law.
- (2) The provision as referred to in paragraph (1) shall be applicable as from shares is registered in the list of shareholders on names of shares' owner.
- (3) The provision as referred to in paragraph (1) letters a and c shall be inapplicable to certain classification shares as governed in this Law.
- (4) Any shares shall provide to its owner the right that cannot be shared.
- (5) In the event 1 (one) shares is possessed by more than 1 (one) person, the right occurred from this shares shall be used by selecting 1 (one) person as a representative of two persons concerned.

Article 53

- (1) Article of association shall determine 1 (one) classification of shares or more.
- (2) Any shares in same classification shall provide same right to its owner.
- (3) If there are more than 1 (one) classification of shares, the article of association shall determine one of these as a regular shares.
- (4) Classification of shares as referred to in paragraph (3) shall be as the following:
 - a. shares with a voting right or without a voting right;

- b. shares with special right to nominate members of Directors and/or Board of Commissioners;
- c. shares that after certain time of period shall be withdrawn again or replaced with other classification of shares;
- d. shares that provides the right to its owner to gain dividend first than the owner of other classification of shares against cumulative and non cumulative dividend sharing;
- e. shares that provides the right to its owner to gain first the remaining assets of corporation in consolidation than the owner of other classification of shares.

Article 54

- (1) Article of Association may determine shares nominal value fraction.
- (2) The holder of shares nominal value fraction shall not be provided with an individual voting, unless a party concerned both him/herself or together with other holder of shares nominal value fraction that has similar classification of shares shall have nominal value of 1 (one) shares nominal of said classification.
- (3) The provision as referred to in Article 52 paragraph (4) and paragraph (5) mutatis mutandis shall be applicable to holders of shares nominal value fraction.

Article 55

Article of association shall determine means to transfer the right over shares in accordance with prevailing laws and regulation.

Article 56

- (1) Transfer of rights over shares shall be conducted with the deed on transfer of rights.
- (2) The deed on transfer of rights as referred to in paragraph (1) or its copy shall be submitted in writing to a Corporation.
- (3) Directors shall be obliged to administer the transfer of rights over shares, date, and day of such transfer into the list of shareholders or special list as referred to in Article 50 paragraph (1) and paragraph (2) and shall notify modification of shareholders to the Minister to be administered into the list of company within no later than 40 (thirty) day as from the date of administration of such transfer of rights.
- (4) If notification as referred to in paragraph (3) has not been conducted, the Minister shall refuse a request or notification undertaken based on structure and names of shareholders that have not been informed yet.
- (5) Provisions on procedure for transferring the right over shares being traded in the capital market shall be governed in laws and regulation in capital market field.

Article 57

- (1) Article of association may determine requirements on transferring the rights over shares as the following:
 - a. Necessity in offering first to shareholders with certain classification or other shareholders;
 - b. Necessity in obtaining an approval first from Corporation elements; and or

- c. Necessity in obtaining an approval first from the competent institution in accordance with prevailing laws and regulation.
- (2) Requirements as referred to in paragraph (1) shall be inapplicable if the transfer of rights over shares is caused by a transfer of rights due to the law, unless necessity as referred to in paragraph (1) letters in relation with inheritances.

Article 58

- (1) If the article of association requires selling shareholders to first offer their shares to shareholders of certain classification or other shareholders, and shareholders concerned do not purchase within 30 (thirty) days of offering as from the date of such offering, the selling shareholders may offer and sell their shares to the third party.
- (2) Any selling shareholder required to offer his/her shares as referred to in paragraph (1) shall be entitled to withdraw again such offering as from 30 (thirty) days period as referred to in paragraph (1) is over.
- (3) An obligation to offer to shareholders of certain classification or other shareholders as referred to in paragraph (1) shall only be applicable 1 (one) time.

Article 59

- (1) An approval on the transfer of rights over shares that requires an approval from Corporation elements or its rejection must be given in writing within no later than 90 (ninety) days as from the date when Corporation elements accept a request for approval on such transfer of rights.
- (2) If time period as referred to in paragraph (1) is over and Corporation elements have not provided a written statement, Corporation elements shall be considered approved the transfer of rights over such shares.
- (3) If the transfer of rights over shares is approved by Corporation elements, such transfer of rights must be conducted in accordance with provisions as referred to in Article 56, and shall be performed within no later than 90 (ninety) days as from the date when an approval is granted.

Article 60

- (1) Shares shall be movable goods and shall provide the right as referred to in Article 52 to its owner.
- (2) Shares may be used with pawn or fiduciary guarantee on condition that it is stipulated similarly in the article of association.
- (3) Shares pawn or fiduciary guarantee that has been registered in accordance with prevailing laws and regulation must be administered into the list of shareholders and special list as referred to in Article 50.
- (4) Voting right over shares being pawned or guaranteed with fiduciary shall remain to be under control of the shareholder.

Article 61

- (1) Any shareholder shall be entitled to file a complaint against Corporation to the District Court if s/he is harmed due to actions conducted by Corporation considered unfair and without sound reasons as a consequence of decision of RUPS, Directors and/or Board of Commissioners.

- (2) A complaint as referred to in paragraph (1) shall be filed to the district court within legal jurisdiction that includes domicile of Corporation.

Article 62

- (1) Any shareholder shall be entitled to request to Corporation that his/her shares is purchased with reasonable price if a party concerned does not agree with actions conducted by Corporation that harm shareholders or Corporation, such as:

- a. Modification of article of association;
- b. Transfer or guarantee of Corporation's properties that have values more than 50% (fifty percent) of total net properties of corporation; or
- c. Merger, consolidation, acquisition or separation.

- (2) If shares requested to be purchased as referred to in paragraph (1) exceeds a threshold of shares re-purchasing by a Corporation as referred to in Article 37 paragraph (1) letter b, a Corporation must take efforts that the remaining shares shall be purchased by third party.

CHAPTER IV

WORKING PLAN, ANNUAL REPORT AND PROFITS REALIZATION

Part One

Working Plan

Article 63

- (1) Directors shall prepare annual working plan prior the following fiscal year is started.
- (2) Working plan as referred to in paragraph (1) shall also contain annual budgetary of Corporation for the following fiscal year.

Article 64

- (1) Working plan as referred to in Article 63 shall be submitted to the Board of Commissioners or RUPS as stipulated in the Article of Association.
- (2) Article of association may determine working plan submitted by Directors as referred to in paragraph (1) must obtain an approval from the Board of Commissioners or RUPS, unless stipulated otherwise herein in prevailing laws and regulation.
- (3) If an article of association determines that working plan must obtain an approval from RUPS, such working plan must first be reviewed by the Board of Commissioners.

Article 65

- (1) If Directors do not submit working plan as referred to in Article 64, working plan of previous fiscal year shall be applicable.
- (2) Working plan of previous fiscal year shall also be applicable to Corporation whose working plan has not been approved yet as determined in its article of association or prevailing laws and regulation.

Part Two

Annual Report

Article 63

- (1) Directors shall submit annual report to RUPS after being reviewed by the Board of Commissioners within no later than 6 (six) months as from a fiscal year of Corporation is over.
- (2) Annual report as referred to in paragraph (1) must minimum include:
 - a. Financial statement that minimum consists of previous fiscal year balance compared with current balance, loss and profit statement of current fiscal year, cash flow report and equity modification report and notes on such financial statement;
 - b. Report on business activity of Corporation;
 - c. Report on Corporation's social and environmental responsibility;
 - d. Details on problems occurred during a fiscal year that influence business activity of corporation;
 - e. Report on supervisory duty that has been conducted by the Board of Commissioners during current fiscal year;
 - f. Names of members of Directors and Board of Commissioners;
 - g. Salary and bonus for members of Directors and Board of Commissioners and salary or honorarium or bonus for members of Board of Commissioners for current fiscal year.
- (3) Financial statement as referred to in paragraph (2) letter a shall be prepared in accordance with financial accounting standards.
- (4) Balance and loss and profit statement for current fiscal year as referred to in paragraph (2) letter a for a Corporation that must be audited, must be submitted to the Minister in accordance with prevailing laws and regulation.

Article 67

- (1) Annual report as referred to in Article 66 paragraph (1) shall be signed by all members of Directors and Board of Commissioners who are on duty during current fiscal year and shall be available in the office of Corporation as from the date of summons for attending RUPS to be able to be examined by shareholders.
- (2) If there are members of Directors of Board of Commissioners who do not sign the annual report as referred to in paragraph (1), parties concerned must mention their reasons in writing, or such reasons are stated by a Director in a separate letter attached in the annual report.
- (3) If there are members of Directors or Board of Commissioners who do not sign the annual report as referred to in paragraph (1) and do not provide reasons in writing, parties concerned are considered agree with the contents of annual report.

Article 68

- (1) Directors shall be obliged to submit financial statement of Corporation to a public accountant to be audited if:
 - a. Business activity of Corporation is collecting and/or managing public funds;
 - b. A Corporation issues bonds to public;
 - c. A corporation is an Public Limited Company;

- d. A corporation is a shareholder;
 - e. A corporation has assets and/or total business distribution is no less than Rp. 50,000,000,000.00 (fifty billion rupiah); or
 - f. It is required by law and regulation.
- (2) If an obligation as referred to in paragraph (1) is not complied with, financial statement shall not be legalized by RUPS.
 - (3) Report on auditing performed by a public accountant as referred to in paragraph (1) shall be submitted in writing to RUPS thru Directors.
 - (4) Balance and loss and profit financial statement as referred to in paragraph (1) letters a, b and c, shall be announced in 1 (one) newspaper after having legalization from RUPS.
 - (5) Announcement on balance and loss and profit statement as referred to in paragraph (4) shall be conducted within no later than 7 (seven) days as from having legalization from RUPS.
 - (6) Reduction on values as referred to in paragraph (1) letter e shall be determined in Government Regulation.

Article 69

- (1) An approval on annual report as well as legalization of financial statement and report on supervisory duty of Board of Commissioners shall be conducted by RUPS.
- (2) A decision on legalization of financial statement and an approval on annual report as referred to in paragraph (1) shall be determined based on the provisions of this Law and/or Article of Association.
- (3) IF financial statement prepared is not accurate and/or misleading, members of Directors and members of Board of Commissioners shall be responsible personally against parties being harmed.
- (4) Members of Directors and Board of Commissioners shall not be responsible personally as referred to in paragraph (3) if it is proved that such circumstance is not because of their fault.

Part Three

Profits Realization

Article 70

A Corporation must set aside certain part of net profits of any fiscal year for reserve funds.

An obligation to have reserve funds as referred to in paragraph (1) shall be applicable if a Corporation has positive profit balancing.

Setting aside net profits as referred to in paragraph (1) shall be conducted until such reserve funds shall be minimum 20% (twenty percent) of total subscribed capital and deposited.

Reserve funds as referred to in paragraph (1) that have not reached total amount as referred to in paragraph (3) may only be used to cover financial damages that may not be paid with other reserve funds.

Article 71

- (1) Net profits realization shall include determination of total reserve funds as referred to in Article 70 paragraph (1) decided by RUPS.

- (2) All net profits after deducted with reserve funds as referred to in Article 70 paragraph (1) shall be distributed to shareholders as dividend, unless stipulated otherwise herein RUPS.
- (3) Dividend as referred to in paragraph (2) may only be distributed if a Corporation has positive profits.

Article 72

A corporation may distribute interim dividend prior fiscal year of Corporation is over if it is stipulated in the article of association of corporation.

Interim dividend distribution as referred to in paragraph (1) may be conducted if total net assets of Corporation are not less than total subscribed capital or deposited added with required reserve funds.

Interim dividend distribution as referred to in paragraph (2) may not impede or cause a Corporation cannot pay its obligations to creditors or slow down business activity of Corporation.

Interim dividend distribution shall be determined based on a decision of Directors after obtaining an approval from the Board of Commissioners by considering the provisions of paragraph (2) and paragraph (3).

If after fiscal year is over a corporation is having financial damage, interim dividend distributed must be returned by shareholders to a Corporation.

Directors and Board of Commissioners shall be responsible personally on financial damages experienced by Corporation if shareholders may not return interim dividend as referred to in paragraph (5).

Article 73

- (1) Dividend that has not be taken after 5 (five) years as from the date of previous dividend payment as determined, shall be included into special reverse funds.
- (2) RUPS shall manage the procedure for returning dividend that has been included into special reverse funds as referred to in paragraph (1).
- (3) Dividend that has been included into special reverse fund as referred to in paragraph (1) and is not taken within 10 (ten) years will be the right of Corporation.

CHAPTER V

SOCIAL AND ENVIRONMENTAL RESPONSIBILITIES

Article 74

- (1) A Corporation operating business activity in the field and/or related with natural resources shall be obliged to implement social and environmental responsibilities.
- (2) Social and environmental responsibilities as referred to in paragraph (1) shall be obligation of Corporation that is budgeted and calculated as expenses of Corporation that its implementation is conducted by considering compliance and regularity.
- (3) A Corporation that does not implement its obligation as referred to in paragraph (1) shall be imposed with sanction in accordance with prevailing laws and regulation.
- (4) Further provision on Social and Environmental Responsibilities shall be governed in Government Regulation.

CHAPTER VI

GENERAL MEETING OF SHAREHOLDERS

Article 75

- (1) RUPS shall have authorities that are not given to Directors or Board of Commissioners within limitation determined in this Law and/or article of association.
- (2) Within quorum of RUPS, shareholders shall be authorized to provide information related with Corporation from Directors and/or Board of Commissioners only if it is related with agenda of meeting and shall not be contrary with the interest of Corporation.
- (3) In other agenda, RUPS shall not be entitled to make a decision, unless all shareholders are present and/or represented in RUPS and agree to add agenda in the meeting.
- (4) A decision on agenda of meeting being added must be agreed unanimously.

Article 76

- (1) RUPS is organized in a domicile of Corporation or in a place where a Corporation perform its core business activities as determined in article of association.
- (2) RUPS of the Public Limited Company may be organized in a domicile of stock exchange house where its shares is registered.
- (3) Place of RUPS as referred to in paragraph (1) and paragraph (2) must be within territory of the Republic of Indonesia.
- (4) If during RUPS all shareholders are present or represented and all shareholders agree to organize RUPS with certain agenda, RUPS may be held at anywhere by considering provisions as referred to in paragraph (3).
- (5) RUPS as referred to in paragraph (4) may make a decision if said decision is agreed unanimously.

Article 77

- (1) Besides organizing RUPS as referred to in Article 76, RUPS may also be conducted thru teleconference or other electronic media that make possible for all participants of RUPS to meet each other and hear directly and participate in meeting.
- (2) Quorum requirement and decision making requirement shall be requirements as stipulated in this Law and/or article of association of Corporation.
- (3) Requirements as referred to in paragraph (2) shall be accounted based on participation of participants of RUPS as referred to in paragraph (1).
- (4) Any meeting of RUPS as referred to in paragraph (1) must be made its minutes and approved and signed by all participants of RUPS.

Article 78

- (1) RUPS shall consist of annual RUPS and other RUPS.
- (2) Annual RUPS must be organized within no later than 6 (six) months as from a fiscal year is over.
- (3) All documents from annual report of Corporation as referred to in Article 66 paragraph (2) must be proposed during annual RUPS.
- (4) Other RUPS may be organized at any time based on the need for the interest of Corporation.

Article 79

- (1) Directors shall organize annual RUPS as referred to in Article 78 paragraph (2) and other RUPS as referred to in Article 78 paragraph (4) by first summons RUPS.
- (2) Organizing RUPS as referred to in paragraph (1) may be conducted based on a request of:
 - a. 1 (one) shareholder or more who jointly represent 1/10 (one ten) or more of total shares with the voting right, unless the article of association stipulates less; or
 - b. The Board of Commissioners.
- (3) A request as referred to in paragraph (2) shall be proposed to Directors by a registered letter as well as its reasons.
- (4) A registered letter as referred to in paragraph (3) shall be submitted by shareholders and its copy shall be submitted to the Board of Commissioners.
- (5) Directors shall be obliged to make a summons of RUPS within no later than 15 (fifteen) days as from the date of request for organizing RUPS was obtained.
- (6) If Directors do not make a summons of RUPS as referred to in paragraph (5):
 - a. A request for organizing RUPS as referred to in paragraph (2) letter a shall be proposed again to the Board of Commissioners; or
 - b. The Board of Commissioners shall make summons of RUPS by themselves as referred to in paragraph (2) letter b.
- (7) The Board of Commissioners shall be obliged to make summons of RUPS as referred to in paragraph (6) letter a within no later than 15 (fifteen) days as from the date of request for organizing RUPS was obtained.
- (8) RUPS organized by Directors based on summons of RUPS as referred to in paragraph (5) shall discuss issues related with reasons as referred to in paragraph (3) and other agenda of meeting considered necessary by Directors.
- (9) RUPS organized by the Board of Commissioners based on summons of RUPS as referred to in paragraph (6) letter b and paragraph (7) shall only discuss issues related with reasons as referred to in paragraph (3).
- (10) RUPS of the Public Limited Company shall be subject to the provisions of this Law unless the capital market law and regulation stipulate otherwise therein.

Article 80

- (1) If Directors or Board of Commissioners do not make summons of RUPS within time period as referred to in Article 79 paragraph (5) and paragraph (7), shareholders requesting for RUPS may send a request to the chairman of the District Court that its legal jurisdiction includes a domicile of Corporation to make an order to provide a permit to a petitioner to make summons of RUPS by him/herself.
- (2) After summoning and hearing a petitioner, Directors and/or Board of Commissioners, the Chairman of District Court shall make a decision to provide a permit to organize RUPS if a petition clearly has proved that requirements have been complied with and a petitioner has reasonable interests to organize RUPS.
- (3) An order of the chairman of district court as referred to in paragraph (2) shall also contain the provisions regarding:

- a. Form of RUPS, agenda of RUPS in accordance with a request of shareholders, time period of summons of RUPS, attendance quorum, and/or provision on requirement for making decision of RUPS, and appointment of the chairman of meeting in accordance with or without binding with the provisions of this Law or article of association; and/or
 - b. A command that requires Directors and/or Board of Commissioners to attend RUPS.
- (4) The Chairman of District Court shall refuse a request if a petitioner may not prove clearly that requirements have been complied with and a petitioner has reasonable interests to organize RUPS.
 - (5) RUPS as referred to in paragraph (1) may only discuss agenda of meeting as determined by the chairman of district court.
 - (6) An order of the Chairman of the District Court regarding a permit as referred to in paragraph (3) shall be final and has legal force.
 - (7) If an order of the chairman of the district court refuses a request as referred to in paragraph (4), a legal action may only be conducted to the Supreme Court.
 - (8) The provision as referred to in paragraph (1) shall also be applicable for the Public Limited Company by considering requirement on announcement on organizing RUPS and other requirements for organizing RUPS as stipulated in capital market laws and regulations.

Article 81

- (1) Directors shall make summons to shareholders prior organizing RUPS.
- (2) If certain matters, summons of RUPS as referred to in paragraph (1) may be conducted by the Board of Commissioners or shareholders based on an order of the Chairman of the district court.

Article 82

- (1) Summons of RUPS shall be conducted within no later than 14 (fourteen) days prior the date of RUPS is organized by not considering the date of summons and the date of RUPS.
- (2) Summons of RUPS shall be conducted with a registered letter and/or an advertisement in newspaper.
- (3) Within a summons of RUPS there shall be date, time, place and agenda of meeting as well as announcement that materials distributed in RUPS will be available in the office of Corporation as from the date when summons of RUPS was conducted until the date of RUPS being organized.
- (4) A corporation must provide copies of materials as referred to in paragraph (3) to shareholders for free if requested.
- (5) If making summons is not in accordance with provisions of paragraphs (1) and (2), and summons is not in accordance with paragraph (3), a decision of RUPS is still final if all shareholders with the voting right are present or represented in RUPS and said decision is agreed unanimously.

Article 83

- (1) For the Public Limited Company, prior making summons of RUPS is conducted, must first make an announcement that summons of RUPS will be conducted by considering laws and regulation on capital market.
- (2) An announcement as referred to in paragraph (1) shall be conducted within no later than 14 (fourteen) days prior making summons of RUPS.

Article 84

- (1) Any shares issued have one voting right, unless article of association stipulated otherwise herein.
- (2) The voting right as referred to in paragraph (1) shall be inapplicable to:
 - a. Shares of corporation that controlled by corporation itself;
 - b. Shares of principal corporation controlled by its subsidiary company directly or indirectly; or
 - c. Shares of corporation controlled by other corporation whose shares directly or indirectly have been controlled by corporation concerned.

Article 85

- (1) Shareholders, both themselves or represented based on the power at attorney shall be entitled to attend RUPS and use their voting right based on total shares controlled.
- (2) The provision as referred to in paragraph (1) shall be inapplicable for shareholders over shares that have not voting right.
- (3) During voting, votes demonstrated by shareholders shall be applicable for all shares controlled by them and shareholders shall not be entitled to provide power at attorney to more than one person for parts of total shares controlled with different votes.
- (4) During voting, members of Directors, members of Board of Commissioners and employees of Corporation concerned shall be prohibited to act as the power at attorney of shareholders as referred to in paragraph (1).
- (5) If shareholders are present in RUPS, the power at attorney provided shall be inapplicable in the meeting.
- (6) The chairman of meeting shall be entitled to determine who shall be entitled to attend RUPS by considering provisions of this Law and article of association of Corporation.
- (7) Against the Public Limited Company, besides provisions as referred to in paragraph (3) and paragraph (6), the provisions of capital market laws and regulation shall also be applicable.

Article 86

- (1) RUPS may be organized if within RUPS there are more than ½ (one two) part of entire shares with the voting right are present or represented, unless Law and/or article of association stipulate total quorum is bigger.
- (2) If quorum as referred to in paragraph (1) cannot be achieved, it may be conducted second summons of RUPS.
- (3) In making second summons of RUPS, it shall mention that first RUPS has been organized and did not achieve the quorum required.

- (4) Second RUPS as referred to in paragraph (2) shall be valid and entitled to make a decision if during RUPS there are minimum 1/3 (one third) of total shares with voting rights are present or represented, unless the article of association stipulates that total quorum is bigger.
- (5) If quorum of second RUPS as referred to in paragraph (4) cannot be achieved, Corporation may request to the chairman of district court whose legal jurisdiction include a domicile of corporation to determine quorum of third RUPS.
- (6) In making third summons of RUPS, it must mention that second RUPS has been organized and did not achieve quorum and third RUPS will be organized with quorum determined by the chairman of district court.
- (7) An order of the chairman of district court regarding quorum of RUPS as referred to in paragraph (5) shall be final and has legal force.
- (8) Second and third summons of RUPS shall be conducted within no later than 7 (seven) days prior second RUPS or third RUPS is held.
- (9) Second and third RUPS shall be conducted within no less than 10 (ten) days and no later than 12 (twelve) days as from previous RUPS was held.

Article 87

- (1) A Decision of RUPS shall be taken based on discussion to reach an agreement.
- (2) If a decision based on discussion to reach an agreement as referred to in paragraph (1) cannot be achieved, a decision shall be valid if it is agreed by more than 1/2 (one two) of total votes given unless Law and/or article of association stipulates a decision shall be valid if it is agreed by larger votes.

Article 88

- (1) RUPS for modifying the article of association may be organized if in the meeting there are at least 2/3 (two third) of entire shares with the voting rights are present or represented in RUPS and a decision is valid if it is agreed by 2/3 (two third) of total votes given, unless the article of association stipulates attendance quorum and/or provision on making a decision in RUPS shall be larger.
- (2) If attendance quorum as referred to in paragraph (1) is not achieved, second RUPS may be organized.
- (3) Second RUPS as referred to in paragraph (2) shall be valid and entitled to make a decision if minimum there is 3/5 (three fifth) of entire shares with the voting rights are present or represented in RUPS and a decision shall be valid if it is agreed by 2/3 (two third) of total votes given, unless the article of association stipulates attendance quorum and/or provision on making a decision in RUPS shall be larger.
- (4) The provision as referred to in Article 86 paragraphs (5), (6), (7), (8) and (9) mutatis mutandis shall be applicable for RUPS as referred to in paragraph (1).
- (5) The provision as referred to in paragraphs (1), (2), and (3) regarding attendance quorum and the provision on requirement on making a decision in RUPS shall also be applicable for the Public Limited Company only if capital market laws and regulation do not stipulate otherwise herein.

Article 89

- (1) RUPS for approving Merger, Consolidation, Acquisition or Separation, proposing a request that a corporation shall be insolvent, renewal of establishment period, and termination of a Corporation may be organized if there is minimum $\frac{3}{4}$ (three four) of entire shares that have the voting rights are present or represented in RUPS and a decision shall be valid if it is agreed by minimum $\frac{3}{4}$ (three four) of total votes given, unless the article of association stipulates attendance quorum and/or provision on making a decision in RUPS shall be larger.
- (2) If attendance quorum as referred to in paragraph (1) is not achieved, second RUPS may be organized.
- (3) Second RUPS as referred to in paragraph (2) shall be valid and entitled to make a decision if minimum there is $\frac{2}{3}$ (two third) of entire shares with the voting rights are present or represented in RUPS and a decision shall be valid if it is agreed by $\frac{3}{4}$ (three four) of total votes given, unless the article of association stipulates attendance quorum and/or provision on making a decision in RUPS shall be larger.
- (4) The provision as referred to in Article 86 paragraphs (5), (6), (7), (8) and (9) mutatis mutandis shall be applicable for RUPS as referred to in paragraph (1).
- (5) The provision as referred to in paragraphs (1), (2), and (3) regarding attendance quorum and the provision on requirement on making a decision in RUPS shall also be applicable for the Public Limited Company only if capital market laws and regulation do not stipulate otherwise herein

Article 90

- (1) Any RUPS organized, its minutes must be prepared and signed by the chairman of meeting and minimum 1 (one) shareholder appointed from and by participants of RUPS.
- (2) Signature as referred to in paragraph (1) shall not be required if the minutes of RUPS is prepared with the notarial deed.

Article 91

Shareholders may also make a decision that is binding outside RUPS with a condition that all shareholders with the voting rights have an agreement in writing by putting a signature into the proposal.

CHAPTER VII

DIRECTORS AND BOARD OF COMMISSIONERS

Part One

Directors

Article 92

- (1) Directors shall implement management of Corporation for the interest of corporation and in accordance with goals and objectives of corporation.
- (2) Directors shall be authorized to perform management as referred to in paragraph (1) in accordance with policies considered proper within limitation as determined in this Law and/or article of association.
- (3) Directors of corporation shall consist of 1 (one) member of Directors or more.

- (4) A Corporation that its business activity is related with collecting and/or managing public funds, a Corporation issuing promissory notes to public, or the Public Limited Company minimum must have 2 (two) members of Directors.
- (5) If Directors consist of 2 (two) members of Directors or more, management duties and authority distribution shall be determined based on a decision of RUPS.
- (6) If RUPS as referred to in paragraph (5) does not determine, duties and authority distribution of members of Directors shall be stipulated based on a decision of Directors.

Article 93

- (1) Persons who may be appointed to be members of Directors shall be individuals who are capable to perform legal conducts, unless within 5 (five) years prior their appointment, they have:
 - a. been stated insolvent;
 - b. been members of Directors or Board of Commissioners determined guilty causing a corporation insolvent; or
 - c. been punished by committing a crime that creates financial loss to the state and/or related with financial sectors.
- (2) The provision on requirement as referred to in paragraph (1) shall not prejudice the competent technical institution to determine additional requirements in accordance with laws and regulations.
- (3) Compliance on requirements as referred to in paragraph (1) and paragraph (2) shall be proved with a letter maintained by a Corporation.

Article 94

- (1) Members of Directors shall be appointed by RUPS.
- (2) First appointment of members of Directors shall be conducted by founder(s) stated into the establishment deed as referred to in Article 8 paragraph (2) letter b.
- (3) Members of Directors shall be appointed within certain period and may be re-appointed.
- (4) The statues shall govern procedure for appointing, replacing and dismissing Members of Directors and may also govern procedure for nominating Members of Directors.
- (5) A decision of RUPS concerning the appointment, replacement and dismissal of Members of Directors shall also determine a commencement of appointment, replacement and dismissal to be applied.
- (6) If RUPS does not determine a commencement of appointment, replacement and dismissal of Members of Directors to be applied, such appointment, replacement and dismissal of Members of Directors shall be begun as from the date of a decision of such RUPS.
- (7) If an appointment, replacement and dismissal of Members of Directors is occurred, Directors shall be obliged to make an announcement on modification of members of Directors to the Minister to be registered into the list of Company within no later than 30 (thirty) days as from the date of a decision of such RUPS.
- (8) If an announcement as referred to in paragraph (7) has not been completed, the Minister shall refuse any request proposed or an announcement submitted to the Minister by Directors that has not been registered into the list of Company.

- (9) An announcement as referred to in paragraph (8) shall not be included an announcement submitted by new Directors on the appointment of themselves.

Article 95

- (1) The appointment of members of Directors that is not complied with requirements as referred to in Article 93 shall be void at law as from other members of Directors or Board of Commissioners identify non compliance of such requirements.
- (2) If within no later than 7 (seven) days as from identification, other members of Directors or Board of Commissioners must notify a cancellation of appointment of members of Directors concerned in newspaper and inform it to the Minister to be registered into the List of Company.
- (3) A legal conduct that has been performed for and on behalf of a Corporation by members of Directors as referred to in paragraph (1) prior their appointment was void, shall remain bind and be responsibility of a Corporation.
- (4) A legal conduct performed for and on behalf of a Corporation by members of Directors as referred to in paragraph (1) following their appointment was void, shall not be valid and personal responsibility of members of Directors concerned.
- (5) The provisions as referred to in paragraph (3) shall not prejudice responsibilities of members of Directors concerned against financial damages experienced by a corporation as referred to in Article 97 and Article 104.

Article 96

- (1) The provision on total salary and bonus of members of Directors shall be determined based on a Decision of RUPS.
- (2) Authority of RUPS as referred to in paragraph (1) may be transferred to the Board of Commissioners.
- (3) If authority of RUPS is transferred to the Board of Commissioners as referred to in paragraph (2), total salary and bonus as referred to in paragraph (1) shall be determined based on a decision of meeting of the Board of Commissioners.

Article 97

- (1) Directors shall be responsible on management of Corporation as referred to in Article 92 paragraph (1).
- (2) Management as referred to in paragraph (1) must be implemented by any member of Directors with the good faith and full of accountability.
- (3) Any member of Directors shall be fully responsible personally on damages of Corporation if a person concerned is guilty or negligent to perform his/her duties in accordance with the provision as referred to in paragraph (2).
- (4) If Directors contains of 2 (two) members of Directors or more, responsibility as referred to in paragraph (3) shall be applicable until personal responsibility of each member of Director.
- (5) Members of Directors may not be responsible on damages as referred to in paragraph (3) if they may prove:
- a. Such damages are not because of their mistaken or negligence;

- b. Have performed management with the good faith and prudential principle for the interest of and in accordance with goals and objectives of a corporation;
 - c. Do not have conflicts of interest both directly and indirectly over management that creates damages; and
 - d. Have taken actions to prevent damages and its sustainability.
- (6) On behalf of a Corporation, shareholders who represent minimum 1/10 (one ten) of entire shares with the voting rights may file a complaint to the district court against members of Directors whose faults and negligence create damages to a Corporation.
- (7) The provision as referred to in paragraph (5) shall not prejudice the right of other members of Directors and/or the Board of Commissioners to file a complaint on behalf of a Corporation.

Article 98

- (1) Directors shall represent a Corporation both inside and outside the Court.
- (2) If members of Directors are more than 1 (one) person, the party authorized to represent a Corporation shall be any member of Director, unless the article of association stipulate otherwise herein.
- (3) Authority of Directors in representing a Corporation as referred to in paragraph (1) shall not unlimited and unconditional, unless this Law, the article of association or a decision of RUPS stipulate otherwise herein.
- (4) A Decision of RUPS as referred to in paragraph (3) may not be contrary with the provisions of this Law and/or the article of association of Corporation.

Article 99

- (1) Members of Directors shall be authorized to represent a Corporation if :
- a. There is a case between a Corporation and members of Directors concerned in the Court; or
 - b. Members of Directors concerned have a conflict of interest with a Corporation.
- (2) If there is a circumstance as referred to in paragraph (1), the party authorized to represent a Corporation shall be:
- a. Other members of Directors who do not have a conflict of interest against a Corporation;
 - b. The Board of Commissioners if all members of Directors have the conflict of interest against a Corporation; or
 - c. Other party appointed by RUPS if all members of Directors or the Board of Commissioners have the conflict of interest against a Corporation.

Article 100

- (1) Directors shall be obliged:
- a. to prepare list of shareholders, special list, minutes of RUPS and minutes of meeting of Directors;
 - b. to prepare annual report as referred to in Article 66 and financial statement of a Corporation as stipulated in Law concerning Company Documentary; and

- c. to maintain all lists, minutes and financial documents of a Corporation as referred to in letters a and b and other documents of a Corporation.
- (2) All lists, minutes, minutes and financial documents of a Corporation, and other documents of a Corporation as referred to in paragraph (1) shall be maintained in a domicile of a Corporation.
- (3) Upon the basis of a writing request from shareholders, Directors shall provide a permit to shareholders to examine list of shareholders, special list, minutes of RUPS as referred to in paragraph (1) and annual report, and to obtain copies of minutes of RUPS and annual report.
- (4) The provision as referred to in paragraph (3) shall not prejudice possibility that capital market law stipulates otherwise herein.

Article 101

- (1) Members of Directors shall be authorized to report to a Corporation regarding shares possessed by Directors concerned and/or their family within a Corporation and other corporation to be further registered into special list.
- (2) Members of Directors who do not perform their obligations as referred to in paragraph (1) and shall cause damages for a Corporation, shall be responsible personally against damages of Corporation occurred.

Article 102

- (1) Directors shall be authorized to request for an approval of RUPS to:
 - a. Transfer properties of a Corporation; or
 - b. Make properties of a Corporation as debt collaterals;that more than 50% (fifty percent) of total net assets in 1 (one) transaction or more, both related between one and another or not.
- (2) Transactions as referred to in paragraph (1) letter a shall be a transaction for transferring net assets of a corporation occurred in 1 (one) fiscal year or longer period as governed in the article of association of a Corporation.
- (3) The provision as referred to in paragraph (1) shall be inapplicable against an action in transferring or guaranteeing assets of a Corporation conducted by Directors as the implementation of business activity of a Corporation in accordance with its article of association.
- (4) Legal conducts a referred to in paragraph (1) without an approval from RUPS, shall remain binding a Corporation only if other party within such legal conduct has the good faith.
- (5) The provision on attendance quorum and/or making decision of RUPS as referred to in Article 89 mutatis mutandis shall be applicable to a decision of RUPS to agree actions of Directors as referred to in paragraph (1).

Article 103

Directors may provide the power at attorney to 1 (one) employee of a Corporation or more or to other party for and on behalf of a Corporation to act certain legal conduct as stipulated in the power at attorney.

Article 104

- (1) Directors shall be authorized to file an insolvency complaint against a Corporation itself to the Commercial Court prior having an approval from RUPS by not prejudicing the provisions as stipulated in Law concerning Bankruptcy and Debt Moratorium.
- (2) If a bankruptcy as referred to in paragraph (1) is occurred due to mistaken or negligence of Directors and bankruptcy estates are insufficient to pay all liabilities of a Corporation, any member of Directors shall be responsible personally against all outstanding liabilities from such bankruptcy estates.
- (3) Responsibility as referred to in paragraph (2) shall also be applicable to members of Directors who are guilty or negligent holding a position as members of Directors within 5 (five) years prior an insolvency decision is read out.
- (4) Members of Directors shall not be responsible on insolvency of a Corporation as referred to in paragraph (2) if they may prove:
 - a. Such bankruptcy is occurred not because of their faults or negligence;
 - b. Has performed management with the good faith, prudential principle, and full of responsibility for the interest of a Corporation and in accordance with goals and objectives of a Corporation.
 - c. Does not have the conflict of interest both directly and indirectly against management performed; and
 - d. Have taken actions to prevent a bankruptcy.
- (5) The provision as referred to in paragraphs (2), (3) and (4) shall also be applicable to Directors of a Corporation declared insolvent based on a complaint from the third party.

Article 105

- (1) Members of Directors may be dismissed at any time based on a decision of RUPS by mentioning the reasons.
- (2) A decision regarding dismissal of members of Directors as referred to in paragraph (1) shall be taken as from a person concerned is given chances to defend his/herself in RUPS.
- (3) If a decision regarding dismissal of members of Directors as referred to in paragraph (2) is taken with a decision outside RUPS in accordance with the provision as referred to in Article 91, members of Directors concerned shall be informed first regarding planning on dismissal and are given chances to defend themselves before a decision regarding dismissal is taken.
- (4) Chances provided to defend themselves as referred to in paragraph (2) shall not be required if parties concerned do not mind on said dismissal.
- (5) Dismissal of members of Directors shall be applicable as from:
 - a. RUPS is closed as referred to in paragraph (1);
 - b. The date of a decision as referred to in paragraph (3);
 - c. Other date determined in a decision of RUPS as referred to in paragraph (1); or
 - d. Other date determined in a decision as referred to in paragraph (3).

Article 106

- (1) Members of Directors may be dismissed temporarily by the Board of Commissioners by mentioning the reasons.

- (2) Temporary dismissal as referred to in paragraph (1) shall be informed in writing to members of Directors concerned.
- (3) Members of Directors dismissed temporarily as referred to in paragraph 91) shall not be authorized to perform duties as referred to in Article 92 paragraph (1) and Article 98 paragraph (1).
- (4) Within no later than 30 (thirty) days as from the date of temporary dismissal, RUPS must be organized.
- (5) If RUPS confirms a decision regarding temporary dismissal, members of Directors concerned shall be provided chances to defend themselves.
- (6) RUPS shall revoke or confirm a decision regarding temporary dismissal.
- (7) If RUPS confirms a decision regarding temporary dismissal, members of Directors concerned shall be further dismissed.
- (8) If RUPS as referred to in paragraph (4) has not been organized yet after 30 (thirty) days is over, or RUPS may not make a decision, said temporary dismissal shall be annul.
- (9) For a Public Corporation, RUPS as referred to in paragraphs (4) and (8) shall be subject the provisions of law in capital market.

Article 107

The article of association shall govern the provisions regarding:

- a. procedure for quitting of members of Directors;
- b. procedure for filling a vacancy of members of Directors; and
- c. the competent authority performs management and represents a Corporation if all members of Directors are unavailable or dismissed temporarily.

Part Two

Board of Commissioners

Article 108

- (1) The Board of Commissioners shall conduct supervision over policies of management, general operational of management, both regarding a Corporation and business activity of a Corporation and shall provide advices to Directors.
- (2) Supervision and providing advices as referred to in paragraph (1) shall be conducted for the interest of a Corporation and in accordance with goals and objectives of Corporation.
- (3) The Board of Commissioners shall contain 1 (one) member or more.
- (4) The Board of Commissioners contains more than 1 (one) member shall be the council and any member of the Board of Commissioners may not act individually, but based on a decision of the Board of Commissioners.
- (5) A Corporation that has business activity related with collecting and/or managing public funds, a corporation issuing promissory notes of public funds, or the public corporation must have minimum 2 (two) members of the Board of Commissioners.

Article 109

- (1) A Corporation operating business activity on the basis of Sharia principle, besides having the Board of Commissioners must have Sharia Supervisory Board.

- (2) Sharia Supervisory Board as referred to in paragraph (1) shall consist of one sharia expert or more appointed by RUPS on a recommendation of Indonesian Muslim Scholars Council.
- (3) Sharia Supervisory Board as referred to in paragraph (1) shall have duty to provide advices and suggestions to Directors and to supervise activities of Corporation that suitable with Sharia principles.

Article 110

- (1) Party that may be appointed to be the Board of Commissioners shall be an individual who is capable to perform legal conducts, unless within 5 (five) years as from his/her appointment has been:
 - a. Decided insolvent;
 - b. A member of Directors or member of the Board of Commissioners convicted guilty causing a Corporation is decided insolvent; or
 - c. Punished for committing a crime that harm the state finance and/or related with financial sector.
- (2) The provision on requirement as referred to in paragraph (1) shall not prejudice a possibility that the competent technical authority determines additional requirement based on laws and regulation.
- (3) Compliance of requirement as referred to in paragraph (1) and paragraph (2) shall be proved with a letter maintain by a Corporation.

Article 111

- (1) Members of the Board of Commissioners shall be appointed by RUPS.
- (2) First appointment of members of the Board of Commissioners shall be conducted by founder(s) with the deed of establishment as referred to in Article 8 paragraph (2) letter b.
- (3) Members of the Board of Commissioners shall be appointed within certain period of time and may be re-appointed.
- (4) The article of association shall govern procedures of appointment, replacement and dismissal of members of the Board of Commissioners and may also govern nomination of members of the Board of Commissioners.
- (5) A decision of RUPS on appointment, replacement and dismissal of members of the Board of Commissioners shall also determine the commencement of application of such appointment, replacement and dismissal.
- (6) If RUPS does not determine a commencement of application of appointment, replacement and dismissal of members of the Board of Commissioners, then appointment, replacement and dismissal shall come into force as from RUPS is closed.
- (7) If an appointment, replacement and dismissal of members of the Board of Commissioners is conducted, Directors must inform such amendment to the Minister to be registered into the list of company within no later than 30 (thirty) days as from the date of such decision of RUPS.
- (8) If notification as referred to in paragraph (7) has not been conducted, the Minister shall refuse any following notification on amendment of structure of the Board of Commissioners submitted to the Minister by Directors.

Article 112

- (1) An appointment of members of the Board of Commissioners that is not complied with requirement as referred to in Article 110 paragraphs (1) and (2) shall be annul due to the law as form other members of the Board of Commissioners or Directors found out such non compliance.
- (2) Within no later than 7 (seven) days as from being found out, Directors must announce cancellation of appointment of members of the Board of Commissioners concerned in newspaper and inform to the Minister to be registered into the list of company.
- (3) Legal conduct performed by members of the Board of Commissioners as referred to in paragraph (1) for and on behalf of the Board of Commissioners prior their appointment shall remain binding and be responsibility of Corporation.
- (4) The provision as referred to in paragraph (2) shall not prejudice responsibility of the Board of Commissioners concerned against damages of Corporation as referred to in Article 14 and Article 15.

Article 113

The provision on total salary or honorarium and bonus for members of the Board of Commissioners shall be determined by RUPS.

Article 114

- (1) The Board of Commissioners shall be responsible on supervision over Corporation as referred to in Article 108 paragraph (1).
- (2) Any member of the Board of Commissioners shall be obliged with the good faith, prudence, and responsibility to perform his/her supervision duty and shall provide advices to Directors as referred to in Article 108 paragraph (1) for the interest of Corporation and in accordance with goals and objectives of Corporation.
- (3) Any member of the Board of Commissioners shall take responsibility personally on damages of Corporation if a person concerned is guilty or negligent to perform his/her duties as referred to in paragraph (2).
- (4) If the Board of Commissioners consists of 2 (two) members of more, responsibility as referred to in paragraph (3) shall be applicable full responsibility until personal properties for any member of the Board of Commissioners.
- (5) Members of the Board of Commissioners may not be responsible on damages as referred to in paragraph (3) if it may be proved:
 - a. Has performed supervision with the good faith and prudence for the interest of Corporation and in accordance with goals and objectives of Corporation.
 - b. Do not have personal interests both directly and indirectly over actions of management of Directors that cause damages; and
 - c. Has provided advices to the Directors to prevent such damages are occurred or continued.
- (6) On behalf of Corporation, shareholders representing minimum 1/10 (one tenth) of entire shares with the voting right may file a petition to the district court against members of the Board of Commissioners whose faults or negligence create damages to a Corporation.

Article 115

- (1) If insolvency is occurred due to the Board of Commissioners' faults and negligence to perform supervision over management conducted by Directors and properties of a Corporation are inadequate to pay all liabilities of Corporation pursuant to consequences of such insolvency, any member of the Board of Commissioners shall be responsible personally against Directors on outstanding liabilities.
- (2) Responsibility as referred to in paragraph (1) shall also be applicable to members of the Board of Commissioners who has hold for 5 (five) years as from a decision on bankruptcy is read out.
- (3) Members of the Board of Commissioners may not be requested for responsibility on insolvency of corporation as referred to in paragraph (1) if it may be proved:
 - a. Such insolvency is occurred not due to their faults or negligence;
 - b. Have performed supervisory duty with the good faith and prudence for the interest of Corporation and in accordance with goals and objectives of Corporation;
 - c. Do not have personal interests both directly and indirectly over actions of management of Directors that cause damages; and
 - d. Has provided advices to the Directors to prevent such damages are occurred.

Article 116

The Board of Commissioners shall be obliged:

- a. to prepare minutes of meeting of the Board of Commissioners and shall maintain its copy;
- b. to report to a Corporation on shares ownership and/or their family in such Corporation and other corporation; and
- c. to provide reports on supervisory duty conducted during previous fiscal year to RUPS.

Article 117

- (1) The article of association may determine the provision on granting authority to the Board of Commissioners to give an approval or assistance to Directors in performing certain legal conducts.
- (2) If the article of association determines requirement on granting an approval or assistance as referred to in paragraph (1), without an approval or assistance of the Board of Commissioners, a legal conduct shall remain binding a Corporation only if other party in such legal conduct has the good faith.

Article 118

- (1) Based on article of association or a decision of RUPS, the Board of Commissioners may perform management of corporation in certain circumstances for certain period of time.
- (2) The Board of Commissioners in certain circumstance for certain period of time shall conduct management as referred to in paragraph (1) shall be subject to all provisions on rights, authorities and obligations of Directors against a Corporation and third party.

Article 119

The provision on dismissal of members of Directors as referred to in Article 105 mutatis mutandis shall be applicable to dismissal of the Board of Commissioners.

Article 120

- (1) The Article of Association of Corporation may govern 1 (one) independent commissioner or more and 1 (one) delegating commissioner.
- (2) An independent commissioner as referred to in paragraph (1) shall be appointed based on a decision of RUPS from party who is not affiliated with principal shareholders, members of Directors and/or other members of the Board of Commissioners.
- (3) A delegating commissioner as referred to in paragraph (1) shall be a member of the Board of Commissioners appointed based on a decision of meeting of the Board of Commissioners.
- (4) Duties and authorities of delegating commissioners shall be determined in the article of association of corporation only if it is not contrary with duties and authorities of the Board of Commissioners and shall not prejudice management duty performed by Directors.

Article 121

- (1) In implementing supervisory duty as referred to in Article 108, the Board of Commissioners may establish the committee whose members is one member of the Board of Commissioners or more.
- (2) The committee as referred to in paragraph (1) shall be responsible to the Board of Commissioners.

CHAPTER VIII

MERGER, CONSOLIDATION, ACQUISITION AND SEPARATION

Article 122

- (6) Merger and consolidation shall create a Corporation merging or consolidating to be terminated based on the law.
- (7) Termination of a Corporation as referred to in paragraph (1) shall be occurred without liquidation previously.
- (8) If a corporation is terminated as referred to in paragraph (2),
 - a. Assets and liabilities of a corporation merging or consolidating shall be transferred based on the law to a merged Corporation or a consolidated Corporation.
 - b. Shareholders of a corporation merging or consolidating base on the law shall be shareholders of a merged Corporation or a consolidated corporation.
 - c. A corporation merging or consolidating shall be over based on the law as from the date of merger or consolidation comes into effect.

Article 123

- (1) Directors of a Corporation that will merge and a Corporation obtaining merger shall prepare merger framework.
- (2) Merger framework as referred to in paragraph (1) shall minimum include:
 - a. Name and domicile of any corporation that will merge;
 - b. Reasons and explanation of Directors of corporation merging and requirement of merger;

- c. Procedure of appraising and conversion of shares of a corporation merging and shares of a corporation obtaining a merger;
 - d. Framework on modification of article of association of a corporation obtaining a merger if any;
 - e. Financial statement as referred to in Article 66 paragraph (2) letter a that includes 3 (three) last fiscal years from any corporation merging;
 - f. Following up planning or business activity termination of corporation merging;
 - g. Proforma balance report of a corporation obtaining a merger based on common accounting principles in Indonesia;
 - h. Settlement on status, rights and obligations of members of Directors, Board of Commissioners, and employees of corporation merging;
 - i. Settlement on rights and obligations of corporation merging with third party.
 - j. Settlement on right of shareholders who disagree with merger;
 - k. Name of members of Directors and Board of Commissioners, and salary, honorarium, and bonus for members of Directors and Board of Commissioners of corporation obtaining merger;
 - l. Period of time for performing merger;
 - m. Reports on condition, progress and results achieved from any corporation that will perform merger;
 - n. Core activity of any Corporation merging changes made during current fiscal year; and
 - o. Details of problems occurred during current fiscal year that influences activities of a Corporation merging.
- (3) Merger framework as referred to in paragraph (2) as from obtaining an approval from the Board of Commissioners of a Corporation shall be proposed to each RUPS for obtaining an approval.
- (4) For certain corporation that will merge, besides the provisions of this Law, it is first necessary to obtain an approval from relevant institutions in accordance with laws and regulation.
- (5) The provision as referred to in paragraph (1) thru paragraph (4) shall also be applicable to Public Companies only if capital market laws and regulation stipulate otherwise herein.

Article 124

The provision as referred to in Article 123 *mutatis mutandis* shall be applicable for Corporations that will merge themselves.

Article 125

- (1) Consolidation shall be conducted by way consolidating shares issued and/or will be issued by a Corporation thru the Directors of Corporation or directly from shareholders.
- (2) Consolidation may be conducted by a legal entity or individual.
- (3) Consolidation as referred to in paragraph (1) shall be shares consolidation that creates transfer of control against such corporation.

- (4) If consolidation is conducted by a legal entity in form of a Corporation, prior Directors conducts a legal conduct, consolidation must be based on a decision of RUPS that meets quorum of attendance and the provision on making a decision of RUPS as referred to in Article 89.
- (5) If consolidation is conducted thru Directors, the party that will consolidate shall inform his/her intents to conduct consolidation to Directors of Corporation that will be consolidated.
- (6) Directors of corporation that will be consolidated and a Corporation that will consolidate with an approval of each Board of Commissioners shall prepare consolidation framework that minimum includes:
 - a. Name and domicile of a Corporation that will consolidate and a Corporation that will be consolidated;
 - b. Reasons and explanation of Directors of a Corporation that will consolidate and a Corporation that will be consolidated;
 - c. Financial statement as referred to in Article 66 paragraph (2) letter a for last fiscal year of a Corporation that will consolidate and a Corporation that will be consolidated;
 - d. Procedure for appraising and converting shares of a Corporation that will be consolidated against shares of its changer if compensation of consolidation is conducted with shares;
 - e. Total amount of shares that will be consolidated;
 - f. Finances readiness;
 - g. Proforma consolidation balance of a Corporation that will consolidate after consolidation prepared in accordance with common accounting principles applied in Indonesia;
 - h. Means in settling the right of shareholders who disagree with consolidation;
 - i. Means in settling status, rights and obligation of members of Directors, Board of Commissioners and employees of a Corporation that will be consolidated;
 - j. Time period estimation of consolidation implementation, including time period for providing the power of shares consolidation from shareholders to Directors of corporation;
 - k. Modification framework of the article of association of a Corporation resulted from Consolidation if any.
- (7) If shares consolidation is conducted directly from shareholders, the provision as referred to in paragraph (5) and paragraph (6) shall be inapplicable.
- (8) Shares consolidation as referred to in paragraph (7) must consider the provision on the article of association of a Corporation consolidated regarding transfer of rights on shares and agreement entered into by a Corporation and other party.

Article 126

- (1) Legal conduct of Merger, Consolidation or Separation must consider the interest of :
 - a. A Corporation, minority shareholders, employees of corporation;
 - b. Creditors and other business partners of Corporation; and

- c. Society and fair business competition.
- (2) Shareholders who disagree on a decision of RUPS on Merger, Consolidation, Acquisition and Separation as referred to in paragraph (1) may only use their rights as referred to in Article 62.
 - (3) Implementation of the rights as referred to in paragraph (2) shall not prevent implementation process of Merger, Consolidation, Acquisition or Separation.

Article 127

- (1) A Decision of RUPS regarding Merger, Consolidation, Acquisition or Separation shall be valid if it is taken in accordance with the provision of Article 87 paragraph (1) an Article 89.
- (2) Directors of Corporation that will perform Merger, Consolidation, Acquisition or Separation shall be obliged to notify framework summary in no less than 1 (one) newspaper and announce its in writing to employees of a corporation that will perform Merger, Consolidation, Acquisition or Separation within no later than 30 (thirty) days prior summons of RUPS.
- (3) An announcement as referred to in paragraph (2) shall also include notification that the interest party may obtain framework of Merger, Consolidation, Acquisition or Separation in the office of Corporation as from the date of announcement until the date when RUPS was organized.
- (4) Creditors may file a complaint to a Corporation within no later than 14 (fourteen) days as from an announcement as referred to in paragraph (2) regarding Merger, Consolidation, Acquisition or Separation in accordance with its framework.
- (5) If within time period determined as referred to in paragraph (4) creditors do not file a complaint, creditors shall be considered agree with Merger, Consolidation, Acquisition or Separation.
- (6) If a compliant of creditors as referred to in paragraph (4) may not be completed by Directors until the date when RUPS was organized, such complaint must be submitted in RUPS in order to get settlement.
- (7) While settlement as referred to in paragraph (6) has not been achieved, Merger, Consolidation, Acquisition or Separation may not be performed.
- (8) The provision as referred to in paragraphs (2), (4), (5), (6) and (7) mutatis mutandis shall be subject to announcement in regard with shares consolidation conducted directly from shareholders in a Corporation as referred to in Article 125.

Article 128

- (1) Framework of Merger, Consolidation, Acquisition or Separation agreed in RUPS shall be stated in the deed of Merger, Consolidation, Acquisition or Separation prepared before the Notary in Indonesian text.
- (2) The deed of shares consolidation conducted directly from shareholders must be stated in the notarial deed in Indonesian text.
- (3) The deed of acquisition as referred to in paragraph (1) shall be basis for preparing the establishment deed of a corporation resulted from acquisition.

Article 129

- (1) A copy of the deed of Merger of Corporations shall be attached in:

- a. Proposing a request for obtaining an approval of the Minister as referred to in Article 21 paragraph (1); or
 - b. Submitting announcement to the Minister regarding amendment of the article of association as referred to in Article 21 paragraph (3).
- (2) If Merger of Corporations is not associated with amendment of the article of association, a copy of the deed of merger must be submitted to the Minister to be registered into the list of company.

Article 130

A copy of the deed of merger shall be attached in proposing a request for obtaining the Ministerial Decree regarding legalization of a legal entity of Corporation resulted from Merger as referred to in Article 7 paragraph (4).

Article 131

- (1) A copy of the deed of consolidation of Corporations must be attached in proposing an announcement to the Minister regarding the article of association as referred to in Article 21 paragraph (3).
- (2) If shares consolidation is conducted directly from shareholders, a copy of the deed of transfer of rights against shares must be attached in proposing an announcement to the Minister on amendment of structure of shareholders.

Article 132

The provision as referred to in Article 29 and Article 30 shall also be applicable for Merger, Consolidation, Acquisition or Separation.

Article 133

- (1) Directors of corporation obtaining Merger or Directors of corporation resulted from Consolidation must announce the result of Merger or Consolidation in 1 (one) newspaper or more within no later than 30 (thirty) days as from the date of Merger or Consolidation is applied.
- (2) The provision as referred to in paragraph (1) shall also be applicable against Directors of corporation whose shares are taken over.

Article 134

Further provision on Merger, Consolidation, Acquisition or Separation shall be governed in Government Regulation.

Article 135

- (1) Separation may be conducted thru:
 - a. Pure separation; or
 - b. Fictional separation.
- (2) Pure separation as referred to in paragraph (1) letter a shall cause all assets and receivables of Corporation are transferred due to the law to 2 (two) other Corporations or more that accept transferring and a Corporation performing business separation shall be dismissed due to the law.
- (3) Fictional separation as referred to in paragraph (1) letter b shall cause parts of assets or receivables of Corporation are transferred due to the law to 1 (one) other corporation or

more obtaining transfer, and a corporation performing such separation shall remain to be existed.

Article 136

Further provision on Separation shall be governed fin Government Regulation.

Article 137

If laws and regulation concerning capital market shall not stipulate otherwise herein, the provision as referred to in Chapter VIII shall also be applicable to Public Companies.

CHAPTER IX

EXAMINATION OVER CORPORATIONS

Article 138

- (6) Examination against Corporation may be conducted with the purpose to obtain data or information on any suspicion that:
 - a. Corporation commits illegal act that impedes shareholders or third party; or
 - b. Members of Directors or Board of Commissioners commit illegal act that impede a Corporation or shareholders or third party.
- (7) Examination as referred to in paragraph (1) shall be conducted by proposing written request associated with its reasons to the district court within similar jurisdiction with a domicile of a Corporation.
- (8) A request as referred to in paragraph (2) may be proposed by:
 - a. 1 (one) shareholder or more representing minimum 1/0 (one tenth) of entire shares with the voting right;
 - b. Other party based on laws and regulation, article of association of Corporation or an agreement with a Corporation shall be given with authority to propose a request on examination; or
 - c. The Attorney General's Office for public interest.
- (9) A request as referred to in paragraph (3) letter a shall be proposed as from an applicant first requests for data and information to a Corporation within RUPS and such Corporation does not provide that data or information.
- (10) A request for obtaining data and information on Corporation or a request on examination in order to obtain such data or information must be based on reasonable background and the good faith.
- (11) The provision as referred to in paragraph (2), paragraph (3), paragraph (3) letter a, and paragraph (4) shall not consider the provisions of laws and regulation on capital market if these stipulate otherwise herein.

Article 139

- (1) The chairman of the district court may refuse or approve a request as referred to in Article 138.
- (2) The chairman of the district court as referred to in paragraph (1) shall refuse a request if such request is not based on reasonable backgrounds and/or is conducted without the good faith.

- (3) If a request is granted, the chairman of the district court shall issue an order on examination and shall appoint not more than 3 (three) experts to conduct examination with the purpose to obtain data or information required.
- (4) Any member of Directors, members of Board of Commissioners, employees of a Corporation, consultants, and public accountants appointed by a Corporation may not be appointed as experts as referred to in paragraph (3).
- (5) Experts as referred to in paragraph (3) shall be entitled to examine all documents and properties of a Corporation considered necessary by experts concerned to be known.
- (6) Any member of Directors, Board of Commissioners and all employees of a Corporation must provide all information required for performing examination.
- (7) Experts as referred to in paragraph (3) must keep the result of examination performed secret.

Article 140

- (1) Results of examination shall be submitted by experts as referred to in Article 139 to the Chairman of the district court within a period provided in the court order on examination within no later than 90 (ninety) days as from the date of appointment of experts concerned.
- (2) The chairman of the district court shall provide a copy of reports on result of examination to an applicant and a Corporation concerned within no later than 14 (fourteen) days as from the date of report on the result of examination is obtained.

Article 141

- (1) If a request on examination is granted, the chairman of the district court shall determine total maximum of examination expenses.
- (2) Examination expenses as referred to in paragraph (1) shall be paid by a Corporation.

CHAPTER X

DISSOLUTION, LIQUIDATION, AND TERMINATION OF LEGAL ENTITY STATUS OF CORPORATION

Article 142

- (1) Dissolution of a corporation shall be occurred :
 - a. Based on a decision of RUPS;
 - b. Due to establishment period as referred to in the article of association has been expired;
 - c. Based on the court order;
 - d. By revocation of insolvency based on the commercial court judgment that has final legal binding force, insolvent properties of a corporation are inadequate to pay insolvent expenses;
 - e. Due to insolvent properties of a corporation that has been bankrupt are under insolvency as stipulated in Law concerning Bankruptcy and Debt Moratorium; or
 - f. Due to revocation of business license of a corporation that requires a corporation shall conduct liquidation based on prevailing laws and regulation.
- (2) If dissolution of a corporation as referred to in paragraph (1) is occurred:

- a. Must be followed with liquidation conducted by liquidator or curator; and'
 - b. A corporation may not perform legal conducts, unless it is required to settle all concerns of corporation in respect with liquidation.
- (3) If dissolution of a corporation occurred based on a decision of RUPS, establishment period as governed in its article of association has been over or by revocation of insolvency based on the commercial court judgment and RUPS does not appoint a liquidator, Directors shall act as a liquidator.
 - (4) If dissolution of a corporation occurred by revocation of insolvency as referred to in paragraph (1) letter d, the commercial court shall also decide termination of liquidator by considering the provision of Law on Bankruptcy and Debt Moratorium.
 - (5) If the provision as referred to in paragraph (2) letter be is violated, members of Directors, members of Board of Commissioners and a Corporation shall be responsible personally.
 - (6) The provision on appointment, temporary termination, dismissal, authority, obligation, responsibility, and supervision over Directors mutatis mutandis shall be applicable for liquidators.

Article 143

- (1) Dissolution of a corporation shall not cause a corporation loses its legal entity status until its liquidation is completed and responsibility of liquidator is accepted by RUPS or the court.
- (2) As from dissolution of a corporation, in any newspaper mentioning a Corporation shall be stated a word "being liquidated" at the back side of the name of corporation.

Article 144

- (1) Directors, Board of Commissioners of 1 (one) shareholder or more representing minimum 1/10 (one ten) of entire shares with the voting rights may propose a request for terminating a corporation to RUPS.
- (2) A decision of RUPS regarding dissolution of a corporation shall be valid if it is taken based on the provision as referred to in Article 87 paragraph (1) and Article 89.
- (3) Dissolution of a Corporation shall be initiated when a decision of RUPS is achieved.

Article 145

- (1) Dissolution of a Corporation shall be occurred due to the law if establishment period of a corporation as stipulated in the article of association is over.
- (2) Within 30 (thirty) days as from the establishment period of a corporation is over, RUPS shall select a liquidator.
- (3) Directors may not perform new legal conducts on behalf of a corporation as from the establishment period of a corporation determined in article of association is over.

Article 146

- (1) The district court may terminate a corporation based on :
 - a. a request of public prosecutors on the reason that a corporation violates public interest or commits actions violating laws and regulation;
 - b. a request of the interest party on the reason there is an error based on the law in the establishment deed;

- c. a request of shareholders, Directors or Board of Commissioners on the reason that a corporation is impossible to be continued.
- (2) The court order shall also determine a selection of liquidators.

Article 147

- (1) Within no later than 30 (thirty) days as from the date of dissolution of a Corporation, a liquidator shall be obliged to notify :
- a. All creditors on dissolution of a Corporation by announcing this dissolution in newspaper and State Gazette of the Republic of Indonesia; and
 - b. Dissolution of a Corporation to the Minister to be registered in the list of company that a Corporation is in liquidated.
- (2) Notification to creditors in newspaper and State Gazette of the Republic of Indonesia as referred to in paragraph (1) letter a shall include:
- a. Dissolution of a Corporation and its legal basis;
 - b. Name and address of a liquidator;
 - c. Procedure for proposing bills; and
 - d. Time period for proposing bills.
- (3) Time period for proposing bills as referred to in paragraph (2) letter b shall be 60 (sixty) days as from the date of notification as referred to in paragraph (1).
- (4) Notification to the Minister as referred to in paragraph (1) letter b must be completed with evidence on:
- a. Legal basis of dissolution of a Corporation; and
 - b. Notification to creditors in newspaper as referred to in paragraph (1) letter a.

Article 148

- (1) If notification to creditors and the Minister as referred to in Article 147 have not been performed yet, dissolution of a Corporation shall not be applicable to the third party.
- (2) If a liquidator is negligent to perform notification as referred to in paragraph (1), a liquidator shall be responsible personally with a Corporation on damages happened by the third party.

Article 149

- (1) Obligations of a liquidator in performing settlement over properties of a Corporation during liquidation process shall include implementation of :
- a. Registry and collection of properties and liabilities of a Corporation;
 - b. Notification in newspaper and State Gazette of the Republic of Indonesia on sharing planning over properties resulted from liquidation;
 - c. Payment to creditors;
 - d. Payment of remaining properties resulted from liquidation to shareholders; and
 - e. Other acts required in performing settlement over properties.
- (2) If a liquidator predicts that total liabilities of a Corporation exceeds total properties of a Corporation, a liquidator must send a request of insolvency, unless laws stipulate

otherwise herein, and all creditors whose identity and address are known agree with settlement conducted without insolvency.

- (3) Creditors may file a complaint on sharing plan over properties resulted from liquidation within no later than 60 (sixty) days as from the date of notification as referred to in paragraph (1) letter b.
- (4) If a complaint as referred to in paragraph (3) is rejected by a liquidator, creditors may file a petition to the district court within no later than 60 (sixty) days as from the date of rejection.

Article 150

- (1) Creditors proposing bills within a period determined as referred to in Article 147 paragraph (3) and then said proposal is rejected by a liquidator, may file a petition to the district court within no later than 60 (sixty) days as from the date of rejection.
- (2) Creditors who have not proposed bills may file it thru the district court within 2 (two) years as from dissolution of a Corporation is announced as referred to in Article 47 paragraph (1).
- (3) Bills proposed by a creditor as referred to in paragraph (2) may be conducted if there are remaining properties resulted from liquidation distributing to shareholders.
- (4) If remaining properties resulted from liquidation have been distributed to shareholders and there are bills of creditors as referred to in paragraph (2), the district court shall order a liquidator to withdraw again such remaining properties that have been distributed to shareholders.
- (5) Shareholders shall be obliged to return remaining properties regulated from liquidation as referred to in paragraph (4) proportionally with total property obtained against total bills.

Article 151

- (1) If a liquidator may not perform his/her obligations as referred to in Article 149, on a request of the interest party or public prosecutors, the chairman of district court may appoint new liquidator and shall dismiss old liquidator.
- (2) Dismissal of a liquidator as referred to in paragraph (1) shall be conducted as from a person concerned is summoned to be heard his/her information.

Article 152

- (1) A liquidator shall be responsible to RUPS or the court appointing him/her on liquidation of a Corporation performed.
- (2) A curator shall be responsible to the supervising judge on liquidation of a Corporation performed.
- (3) A liquidator shall be obliged to inform the Minister and announce final result of liquidation in newspaper as from RUPS provides settlement and dispensation to a liquidator or as from the court accepts responsibility of a liquidator appointed.
- (4) The provision as referred to in paragraph (3) shall also be applicable to curators whose responsibility has been accepted by the supervising judge.
- (5) The Minister shall register termination of legal entity status of a Corporation and shall delete the name of corporation as from the provisions as referred to in paragraph (3) and paragraph (4) are accomplished.

CHAPTER XI

EXPENSES

Article 153

The provision regarding expenses to:

- a. Obtain an approval for utilizing the name of corporation;
- b. Obtain a decision on legalization of legal entity of corporation;
- c. Obtain a decision on approval of amendment of the article of association;
- d. Obtain information on data of corporation in the list of company;
- e. Announcement required in this Law in the State Book of the Republic of Indonesia and Supplement to State Gazette of the Republic of Indonesia; and
- f. Obtain a copy of the Ministerial Decree on legalization of legal entity status of corporation or an approval of amendment of the article of association of corporation;

shall be governed in Government Regulation.

CHAPTER XII

OTHER PROVISIONS

Article 154

- (1) Provisions of this Law shall be applicable for Public Companies unless laws and regulation on capital market stipulate otherwise herein.
- (2) Laws and regulation on capital market that exempt provisions of this Law may not contrary with legal principles of Corporation in this Law.

Article 155

The provision on responsibility of Directors and/or Board of Commissioners against their faults and negligence stipulated in this Law shall not prejudice the provisions stipulated in Law concerning Criminal Law.

Article 156

- (1) In implementing and developing this Law, the experts' team for monitoring company law is established.
- (2) Membership of experts' team s referred to in paragraph (1) shall include elements of:
 - a. Government;
 - b. Experts/academic;
 - c. Professions; and
 - d. Business actors.
- (3) Experts shall be authorized to review the establishment deed and amendment of the article of association obtained on the basis of initiative themselves from team or based on a request of the interest party, and shall provide opinions on the result of review to the Minister.
- (4) Further provision on authority, organizational structure and working procedure of experts' team shall be governed in the Ministerial Regulation.

CHAPTER XIII

TRANSITIONAL PROVISIONS

Article 157

- (1) The Article of association of a Corporation obtaining a legal entity status and amendment of the article of association approved or reported to the Minister and registered into the list of company prior the enactment of this Law shall remain applicable if not contrary with this Law.
- (2) The Article of association of a Corporation that have not obtained a legal entity status yet or amendment of the article of association has not been approved or reported to the Minister when this Law is applicable, must be adjusted with this Law.
- (3) A Corporation obtaining a legal entity status based on laws and regulations, within 1 (one) year as from the enactment of this Law must adjust its Article of association with the provisions of this Law.
- (4) A corporation that does not adjust its article of association within a period determined as referred to in paragraph (3) may be terminated based on the court judgment on the basis of a request of public prosecutors or the interest party.

Article 158

As from the enactment of this Law, a Corporation that does not comply with the provision as referred to in Article 36, within 1 (one) year must make an adjustment with the provision of this Law.

CHAPTER XIV

CLOSING PROVISIONS

Article 159

Implementing regulations of Law Number 1 Year 1995 concerning Limited Liability Company shall be remain applicable if these are not contrary or have not been replaced with new regulations in accordance with this Law.

Article 160

As from the enactment of this Law, Law Number 1 Year 1995 concerning Limited Liability Company (State Gazette of the Republic of Indonesia Year 1995 Number 13, Supplement to State Gazette of the Republic of Indonesia Number 3587) shall be revoked and invalid.

Article 161

This Law shall come into force on the date of its promulgation.

For public knowledge, the promulgation of this law shall be made in the State Gazette of the Republic of Indonesia.

Rectified in Jakarta

On 16 August 2007

PRESIDENT OF THE REPUBLIC OF INDONESIA,

Signature

DR. H. SUSILO BAMBANG YUDHOYONO

Promulgated in Jakarta

On 16 August 2007

MINISTER OF JUSTICE AND HUMAN RIGHTS

THE REPUBLIC OF INDONESIA,

Signature

ANDI MATTALATTA

STATE GAZETTE OF THE REPUBLIC OF INDONESIA YEAR 2007 NUMBER 106