ARTICLES OF ASSOCIATION

PT GARUDA INDONESIA (PERSERO) Tbk

Deed No. 24 dated November 16, 2010
Notary: Fathiah Helmi, SH

By virtue of the Decree of the Minister of Law and Human Rights of the Republic of Indonesia
Number: AHU-54724.AH.01.02.Year 2010,
dated November 22, 2010
regarding
Approval to the Deed of Amendment of
Articles of Association of the Company

CORPORATE SECRETARY
DECREE OF THE MINISTER OF LAW AND HUMAN RIGHTS
OF THE REPUBLIC OF INDONESIA
NUMBER: AHU-64724.AH.01.02.Year 2010
REGARDING
APPROVAL TO THE DEED OF AMENDMENT TO
THE COMPANY’S ARTICLES OF ASSOCIATION

THE MINISTER OF LAW AND HUMAN RIGHTS OF
THE REPUBLIC OF INDONESIA,

Considering : That after examining thoroughly the Entries of Data in Model II Form of Notarial Deed and the supplementary documents thereof and the copy of Deed Number 24, dated November 16, 2010, drawn up and submitted by Notary Fathiah Helmi, SH., and received by us on November 22, 2010, we found that the said Deed and documents have complied with the provisions of, and met the requirements of, the applicable laws and regulations;

Bearing in mind: 1. Law Number 40 Year 2007 regarding Limited Liability Company (State Gazette of the Republic of Indonesia Number: 106 Year 2007, Supplement to State Gazette Number: 4756);
2. Government Regulation Number 26 Year 1998 regarding the Naming of Limited Liability Company (State Gazette of the Republic of Indonesia Number 39 Year 1998, Supplement to State Gazette Number 3740);

3. Regulation of the President of the Republic of Indonesia Number 94 Year 2006 regarding the Third Amendment to the Regulation of the President of the Republic of Indonesia Number 09 Year 2005 regarding Position, Duties, Functions, Organizational Structure and Working Procedure of the Ministries of the Republic of Indonesia;

4. Regulation of the Minister of Law and Human Rights of the Republic of Indonesia Number M.09.PR.07.10 Year 2007 regarding Organization and Working Procedure of the Ministry of Law and Human Rights of the Republic of Indonesia;

5. Regulation of the Minister of Law and Human Rights of the Republic of Indonesia Number M.HH-02.AH.01.01 Year 2009 regarding the Procedure of Applying for Legalization of a Legal Entity and Approval to the Amendment of
Articles of Association, and the Procedure for Submitting the Notice on the Amendment of Articles of Association and the Change in the Data of a Company;

HAS DECIDED:

Laying Down:

FIRST: Approve the amendment of Articles of Association of PERUSAHAAN PERSEROAN (PERSERO) PT. PERUSAHAAN PENERBANGAN GARUDA INDONESIA Tbk abbreviated as PT. GARUDA INDONESIA (PERSERO), Taxpayer Identification Number (NPWP): 01.001.634.3-051.000, having its domicile in Jakarta Pusat (Central Jakarta), in accordance with the Entries of Data in Model II Form of Notarial Deed kept in the Database of the Legal Entities Administration System and with the Copy of Deed Number 24, dated November 16, 2010 drawn up by Fathiah Helmi, SH., a Notary having his domicile in Jakarta.

SECOND: This Decree takes effect from the date of its enactment.
Should any error be found in this Decree hereafter, proper correction shall be made accordingly.

Enacted in Jakarta
on November 22, 2010

For the MINISTER OF LAW AND HUMAN RIGHTS OF THE REPUBLIC OF INDONESIA
DIRECTOR GENERAL OF GENERAL LAW ADMINISTRATION,

(Signature)

DR. AIDIR AMIN DAUD, SH., MH., DFM

Civil Service ID. No. 19581120 198810 1 001

Register of Companies Number AHU-0081627.AH.01.09 Year 2010
Dated November 22, 2010
NOTARY & PPAT (Land Deed Official)

FATHIAH HELMI, SH

BY VIRTUE OF THE DECISION OF THE MINISTER OF JUSTICE
OF THE REPUBLIC OF INDONESIA
No.: C-6. HT.03.01-Th.1990, Dated: February 28, 1990
No.: C-145. HT.03.02-Th.1998, Dated: September 1, 1998

BY VIRTUE OF THE DECISION OF
THE HEAD OF NATIONAL LAND AGENCY
No.: 44-XVII-PPAT-2007, Dated: September 24, 2007
Service Area: South Jakarta Municipality

Graha Irama, Floor 6c
Jl. HR. Rasuna Said Blok X-1, Kav. 1&2
DEED OF STATEMENT OF THE RESOLUTIONS OF
EXTRAORDINARY GENERAL MEETING OF
SHAREHOLDERS OF PERUSAHAAN PERSEROAN (PERSERO: COMPANY) PT. PERUSAHAAN PENERBANGAN GARUDA INDONESIA (PERSERO) abbreviated as
PT. GARUDA INDONESIA (PERSERO)"
Number: 24

On this day, Tuesday, November 16, 2010 (the sixteenth day of November two thousand and ten), at 13:15 (fifteen past thirteen) of the West Indonesia Time, appeared before me Fathiah Helmi, Sarjana Hukum, a Notary in Jakarta, in the presence of the witnesses who are known to me, the Notary and whose names will be mentioned at the end part of this deed:

Mr. Elisa Lumbantoruan, born at Siborang-borang on July 19, 1960 (the nineteenth day of July one thousand nine hundred and sixty), Director Strategy and Information Technology and Acting Director of Finance of the Company mentioned below, Indonesian citizen, residing in the City of Bogor, at Bogor Baru Blok B III Number 7-8, Rukun Tetangga (Neighborhood Unit) 002, Rukun Warga (Community Unit) 008, Kelurahan (Village of) Tegal Gundil, Kecamatan (Subdistrict of) Bogor Utara (North Bogor), the holder of Resident’s Identification Card Number: 32.71.05.190760.0003, valid until July 19, 2012 (the nineteenth day of July two thousand and twelve);
According to his statement, acting for the purposes of these presents in his capacity as mentioned above and by virtue of Power of Attorney dated November 15, 2010 (the fifteenth day of November two thousand and ten). The Power of Attorney was drawn up privately, and duly stamped, and its original is attached to the original of this deed. He acted as the attorney of Mr. Emirsyah Satar, born in Jakarta on June 28, 1959 (the twenty-eighth day of June one thousand nine hundred and fifty-nine), President Director of the Company mentioned below, Indonesian citizen, residing in Jakarta Selatan (South Jakarta) at Jalan Mutiara A Number 29, Rukun Tetangga 009, Rukun Warga 009, Kelurahan Grogol Utara, Kecamatan Kebayoran Lama, the holder of Resident’s Identification Card Number: 09.5306.280659.0361, valid until June 28, 2011 (the twenty-eight day of June two thousand and eleven), therefore, representing the Board of Directors of Perusahaan Perseroan (Persero) PT Perusahaan Penerbangan Garuda Indonesia (Persero) or abbreviated as PT Garuda Indonesia (Persero), as the donor of the power, by virtue of the power of attorney given by the Extraordinary General Meeting of Shareholders of PERUSAHAAN PERSEROAN (PERSERO) PT PERUSAHAAN PENERBANGAN GARUDA INDONESIA (PERSERO) or abbreviated as PT GARUDA INDONESIA (PERSERO) dated November 15, 2010 (the fifteenth day of November two thousand and ten). The Minutes of the Meeting were drawn up privately and duly stamped;
therefore, for and on behalf of the Extraordinary General Meeting of Shareholders of Perusahaan Perseroan (Persero) PT Perusahaan Penerbangan Garuda Indonesia (Persero) or abbreviated as PT Garuda Indonesia (Persero), domiciled at Jakarta Pusat (Central Jakarta) and having its main office at Gedung Garuda Indonesia (Garuda Indonesia Building) at Jalan Kebon Sirih Number 44, Jakarta Pusat. The Company’s Articles of Association and the addenda thereof are as promulgated in the following State Gazettes of the Republic of Indonesia:

- dated May 12, 1950 (the twelfth day of May one thousand nine hundred and fifty), number 30, Supplement Number 136;

- dated August 26, 1975 (the twenty-sixth day of August one thousand nine hundred and seventy-five, Number 68, Supplement Number 434);

- dated June 2, 1989 (the second day of June one thousand nine hundred and eighty-nine), Number 44, Supplement Number 970;

- dated August 6, 1999 (the sixth day of August one thousand nine hundred and ninety-nine), Number 63, Supplement Number 4795;

- dated December 7, 2001 (the seventh day of December two thousand and one), Number 98, Supplement Number 8034;
- dated February 1, 2002 (the first day of December two thousand and one), Number 10, Supplement Number 75;

- dated June 20, 2006 (the twentieth day of June two thousand and six), Number 49, Supplement Number 643;

- dated July 27, 2007 (the twenty-seventh day of July two thousand and seven), Number 60, Supplement Number 840;

- dated October 28, 2008 (the twenty-eighth day of October two thousand and eight), Number 87, Supplement Number 21451;

and the last amendment of the Articles of Association was included in Deed dated October 16, 2009 (the sixteenth day of October two thousand and nine), Number 129, drawn up before Aulia Taufani, Sarjana hukum, a substitute for Sutjipto, Sarjana Hukum, a Notary in Jakarta. The amendment was received and recorded in the database of Legal Entity Administration System of the Ministry of Law and Human Rights of the Republic of Indonesia on October 29, 2009 (the twenty-ninth day of October two thousand and nine) under Number: AHU-AH.01.10-18962 and included in deed dated December 30, 2009 (the thirtieth day of December two thousand and nine), Number: 274, drawn up before Aulia Taufani, Sarjana Hukum, a substitute for Sutjipto, Sarjana Hukum, a Notary in Jakarta, which was received and recorded in the database of Legal Entity Administration System of the Ministry of Law and Human Rights of the Republic of Indonesia on December 31, 2009 (the thirty-first day of
December two thousand and nine) under Number: AHU-AH.01.10-23939;

The last composition of the Board of Directors was included in Deed Number 75, dated May 10, 2010 (the tenth day of May two thousand and ten), drawn up before Aulia Taufani, Sarjana Hukum, a substitute for Sutjipto, Sarjana Hukum, a Notary in Jakarta. The deed was received and recorded in the database of Legal Entity Administration System of the Ministry of Law and Human Rights of the Republic of Indonesia on June 1, 2010 (the first day of June two thousand and ten) under Number: AHU-AH.01.10-13247;

PERUSAHAAN PERSEROAN (PERSERO) PT PERUSAHAAN PENERBANGAN GARUDA INDONESIA (PERSERO) or abbreviated as PT GARUDA INDONESIA (PERSERO) shall hereinafter be referred to as “Company”.

Acting in his capacity mentioned above, the Appearer warrants that his identity is true in accordance with the relevant documents shown to me, the Notary and he shall be fully responsible for the truth of his identity.

The appearer stated then as follows:

That on Monday, November 15, 2010 (the fifteenth day of November two thousand and ten), taking place at the Office of the Ministry of State-Owned Enterprises, floor 21, at Jalan Medan
Merdeka Selatan Number 13, Jakarta Pusat (Central Jakarta), an Extraordinary General Meeting of Shareholders of PT Garuda Indonesia (Persero) was hold (hereinafter referred to as “Meeting”). The Minutes of the Meeting dated November 15, 2010 (the fifteenth day of November two thousand and ten) were privately drawn up and duly stamped. The original of the Minutes is attached to the original of this document.

That the Company has issued 9,120,498 (nine million one hundred twenty thousand four hundred and ninety-eight) shares with a nominal value of Rp. 1,000,000.00 (one million rupiah) each share.

That the Meeting was attended by the shareholders, in person or by proxies, representing 9,120,498 (nine million one hundred twenty thousand four hundred and ninety-eight) shares with a nominal value of Rp. 1,000,000.00 (one million rupiah) each share. That total amount of shares are all the shares which have been issued by the Company. Therefore, pursuant to Article 23, paragraph (19) of the Company’s Articles of Association, the Meeting is lawful and entitled to adopt valid resolutions and binding the Company, with regard to all matters discussed thereat, even though no prior notice to call for the Meeting was given to the shareholders.

That the Public Offering Plan has been approved by the Parliament of the Republic of Indonesia as mentioned in its letter Number: PW.01-5972/DPRRI/IX/2009 dated September 16, 2009 (the sixteenth day of September two thousand and nine).
That acting as mentioned above, the appearer has been empowered by the Meeting to restate the Minutes of the Meeting in a separate notarial deed.

That in this deed the appearer who acts as mentioned above will exercise the power aforesaid.

With regard to the matters aforesaid the appearer exercises the power as mentioned above, the appearer states that all those present at the Meeting unanimously and deliberatively decided to approve the following matters, among others:

1. Amendments of all the Company’s Articles of Association to conform to the Regulation of the Capital Market and Financial Institution Supervisory Agency number IX.J.1, among others, in relation to:

   a. Change of the status of Closed (Non-Public) Company to that of Open (Public) Company;

   b. Change of the nominal value of the share of the Company from Rp. 1,000,000.00 (one million rupiah) to Rp. 500.00 (five hundred rupiah); and

   c. Issue of Dwiwarna Series A Share, one sheet and Series B Shares.

Such approvals shall be effective after the imposition of the Government Regulation regarding change of the share
ownership structure by way of issue and sale of the new shares of the Company.

2. Issue of new shares in the Company’s portfolio at most 30% (thirty percent) of the total amount of shares which have been issued and paid-up fully after the issue of new shares which will be offered to the public through the Initial Public Offering, including Management and Employer Stock Allocation (MESA) program and Management & Employee Stock Options Plan (MESOP).

Such approval shall be effective after the imposition of the Government Regulation regarding change of the share ownership structure by way of issue and sale of the new shares of the Company. The new shares to be sold in the Initial Public Offering shall be determined at an Extraordinary General Meeting of Shareholders which is to be held before the Initial Public Offering is made.

3. Ownership by Management and Employees of the Company’s Shares Program by way of the Management and Employee Stock Allocation (MESA), at most 5% (five percent) of the total amount of new shares consisting of bonus shares and discount shares, and also giving options to the management and employees by way of the Management & Employee Options Plan (MESOP), at most 5% (five percent) of the total
amount of capital subscribed and paid up after the Initial Public Offering, provided that:

a. Participants in the MESA Program consist of Directors, Commissioners (except Independent Commissioners), and the permanent employees of the Company who are to be recorded in the Company’s employee data record on January 15, 2011 (the fifteenth day of January two thousand and eleven) or any other date appointed by the Company’s Director.

b. Shares allocated in the MESA program consist of:

1) Bonus Shares, forming a part of production bonus / performance bonus for the participants in the MESA Program, the payment of which can be made in advance by the Company and will be made up for by the production bonus / performance bonus of the Participant in the MESA Program. The bonus shares are locked up for 12 (twelve) months commencing from the listing of shares on PT. Bursa Efek Indonesia (Indonesian Stock Exchange).

2) Discount Shares will be issued and paid with the allocation of charge, 90% charge will be paid by the Company. Those 90% and 10% are of the price of the share (or shares) sold by way of the Initial Public Offering. The lock-up period for the Discount Bonus is
12 (twelve) months commencing from the listing of shares on PT. Bursa Efek Indonesia.

3) The ratio of Bonus Shares to Discount Shares is 20% (twenty percent) to 80% (eighty percent). Those percentages are of 5% of the total new shares to be issued for the Initial Public Offering.

c. Participants in the MESOP program consist of Directors, Commissioners, and the permanent employees of the Company who are to be recorded in the Company’s employee data record not later than 14 (fourteen) days before new shares are issued or before share option is given.

d. Employees who do not get allocation in the MESA Program and the MESOP Program are:
   1) Employees on unpaid leave;
   2) Employees being developed/improved;
   3) Employees being assigned to a subsidiary company / another agency, provided that they will get allocations in the next stage of MESOP if they meet the criteria referred to in point (3.c) above.

e. Share option in the MESOP Program can be exercised in 3 (three) stages. In the first stage the share portion is exercised 40% (forty percent), in the second stage 30% (thirty percent) and in the third stage 30% (thirty percent),
each percentage is of the share option given in the MESOP Program. The time period of share option in the MESOP is 5 (five) years at the longest, commencing from the issue of new shares, with a waiting period of 1 (one) year in which the share option can not be exercised to buy the shares of the Company.

f. Further provisions concerning the MESA and MESOP Programs other than those laid down in points (3.a, 3.b, 3.c, 3.d and 3.e) above shall be prescribed by the Board of Directors subject to the approval of the Board of Commissioners.

g. The implementation of MESA and MESOP shall be monitored by the Board of Commissioners and its implementation must comply with the prevailing regulation and reported to the Shareholders.

h. The approval to the MESA and MESOP Programs shall become effective after the issue of the Government Regulation regarding the change of share ownership structure by way of issue and sale of new shares of the Company. While the amount of new shares which shall be allocated for the MESA and MESOP Programs shall be determined at an Extraordinary General Meeting of Shareholders which is to be held before the Initial Public Offering is executed.
4. Appointment of Mr. Abdul Gani as Independent Commissioner of the Company. The appointment became effective from the date of the Meeting.

5. Within the framework of compliance with the provisions of Regulation number: 1-A, embodied in the attachment I to Decree of the Board of Directors of PT. Bursa Efek Jakarta (Jakarta Stock Exchange) number: KEP-305/BEJ/07-2004 dated July 19, 2004 (the nineteenth day of July of two thousand and nine) regarding Regulation number 1-A regarding the listing of equity shares and securities other than the shares issued by the listed companies, appointment of additional Independent Commissioner shall be put on the agenda of an Extraordinary General Meeting of Shareholders which is to be held before the Initial Public Offering is executed.

6. Appointment of Mr. Elisa Lumbantoruan, the Director of Strategy and Information Technology as Non-Affiliated Director. Such appointment was made so as to comply with the provisions of Regulation Number: 1-A in the Attachment I to Decree of the Board of Directors of PT. Bursa Efek Jakarta number: KEP-305/BEJ/07-2004 dated July 19, 2004 (the nineteenth day of July two thousand and four) regarding the listing of equity shares and securities other than the shares issued by the listed company.
7. Divestment of all of the shares of PT. Bank Mandiri (Persero) in the Company, through a capital market at the same time as the Initial Public Offering. And the other Shareholders hereby relinquish the rights to buy said shares from PT. Bank Mandiri (Persero) Tbk, pursuant to the provisions in the Company’s Articles of Association. While the price of said shares of PT. Bank Mandiri (Persero) Tbk shall be adjusted to the price at the time of the Initial Public Offering.

8. Authorize the Company’s Board of Commissioners to declare the total issued shares in the Initial Public Offering, including the total shares issued through the MESA and MESOP Programs, and the divestment of the shares owned by PT. Bank Mandiri (Persero) Tbk.

9. In regard to the Initial Public Offering, authorize the Company’s Board of Directors to implement all necessary actions, with the exception of deciding on the share price and amount of shares to be offered by way of public offering; including, but without limitation to:

   a. Record the Company’s shares in the collective custody pursuant to the Indonesian Central Securities Depository’s Regulations,

   b. Record the Company’s shares that were issued and fully paid-up to the stock exchange.
Henceforth the whole Company’s Articles of Association reads as follows:

NAME AND LEGAL DOMICILE

Article 1

1. This Limited Liability Company shall have the name PERUSAHAAN PERSEROAN (PERSERO) PT PERUSAHAAN PENERBANGAN GARUDA INDONESIA (PERSERO) Tbk abbreviated as PT GARUDA INDONESIA (PERSERO) Tbk (hereinafter referred to as “Company”), having its domicile and head office in Jakarta Pusat.

2. The Company may establish branch offices, representative offices or other office networks at such other places, both within and outside the territory of the Republic of Indonesia, as the Board of Directors may determine, subject to the approval of the Board of Commissioners.

DURATION

Article 2

The Company was established on March 4, 1975 (the fourth day of March one thousand nine hundred and seventy-five) and obtained the status of legal entity on June 23, 1975 (the twenty-third day of June one thousand nine hundred seventy five) and it was established for an indefinite period.
PURPOSES AND OBJECTIVES AND BUSINESS ACTIVITIES

Article 3

1. The purposes and objectives of the Company are to carry on business in the field of commercial air transportation services, and to optimize the utilization of the resources owned by the Company to produce the goods and/or to render the services which are of high and competitive quality in achieving/pursuing the profits so as to improve the values of the Company by applying the principles of Limited Liability Company;

2. In order to achieve the purposes and objectives mentioned above, the Company may undertake the main business activities as follows:
   a. Undertaking scheduled commercial air transportation of domestic or international passengers, cargoes and mails;
   b. Undertaking non-scheduled commercial air transportation of domestic or international passengers, cargoes and mails;
   c. Providing aircraft repair and maintenance, to satisfy own needs and the needs of third party;
   d. Rendering the supporting services for commercial air transportation operation, such as catering services and ground handling services, to satisfy own needs and the needs of third party;
   e. Providing information system services relating to aviation industry, to satisfy own needs and the needs of third party;
f. Providing consultation services relating to aviation industry;

g. Providing education and training services relating to aviation industry, to satisfy own needs and the needs of third party;

h. Providing health care services for aircrew, to satisfy own needs and the needs of third party;

3. In addition to the main business activities referred to in paragraph (2), the Company may also undertake other supporting business activities within the framework of optimizing the utilization of the resources it owns. These business activities are:

a. Providing warehouses;

b. Carrying on office building business;

c. Providing tourism facilities; and

d. Leasing and operating/managing the facilities and infrastructures relating to aviation industry.

**CAPITAL**

**Article 4**

1. The authorized capital of the Company shall be Rp. 15,000,000,000,000.00 (fifteen trillion Rupiah) divided into 30,000,000,000 (thirty billion) shares, consisting of:
a. 1 (one) Dwiwarna Series A Share having a nominal value of Rp. 500.00 (five hundred rupiah) or a total value of Rp. 500.00 (five hundred rupiah).

b. 29,999,999,999 (twenty-nine billion nine hundred ninety-nine million nine hundred ninety-nine thousand nine hundred and ninety-nine) Series B Shares, each share has a nominal value of Rp. 500.00 (five hundred rupiah), or having a total nominal value of Rp. 14,999,999,999,500.00 (fourteen trillion nine hundred ninety-nine billion nine hundred ninety-nine million nine hundred ninety-nine thousand and five hundred rupiah).

2. Of the abovementioned authorized capital 18,240,996,000 (eighteen billion two hundred forty million nine hundred and ninety-six thousand) shares have been issued, subscribed and paid-up or having a total nominal value of Rp. 9,120,498,000,000.00 (nine trillion one hundred twenty billion four hundred and ninety-eight million rupiah) consisting of:

a. 1 (one) Dwiwarna Series A Share, having a nominal value of Rp. 500.00 (five hundred rupiah) or having a total nominal value of Rp. 500.00 (five hundred rupiah);

b. 18,240,995,999 (eighteen billion two hundred forty million nine hundred ninety-five thousand nine hundred and ninety-nine) Series B Shares, having a total nominal value of Rp. 9,120,497,999,500.00 (nine trillion one hundred twenty four billion and ninety-eight million rupiah).
billion four hundred ninety-seven million nine hundred ninety-nine thousand and five hundred rupiah) which have been paid up by those all existing shareholders who have subscribed the shares. The details and nominal values of shares are mentioned at the end of this deed.

3. 100 % (one hundred percent) of the nominal value of all issued/subscribed shares or in a total amount of Rp. 9,120,498,000,000.00 (nine trillion one hundred twenty billion four hundred and ninety-eight million rupiah) have been paid up fully by each shareholder as follows.

a. an amount of Rp. 8,152,629,000,000.00 (eight trillion one hundred fifty-two billion six hundred and twenty-nine million rupiah). This amount is a previous payment as shown by Deed Number: 51 dated August 7, 2008 (the seventh day of August two thousand and eight), drawn up before Sutjipto, Sarjana Hukum, a Notary in Jakarta.

b. An amount of Rp. 967,869,000,000.00 (nine hundred sixty-seven billion eight hundred and sixty-nine million rupiah). This amount is the conversion of the debt owed by the Company to PT Bank Mandiri (Persero) Tbk, under Deed Number: 274 dated December 30, 2009 (the thirtieth day of December two thousand and eight), drawn up before Aulia Taufani, Sarjana Hukum, a substitute for Sutjipto, Sarjana Hukum, a Notary in Jakarta.
4. Payment of share may be made in a monetary form or in any other form.

The payment of share in any other form, in the forms of both tangible assets/property and intangible assets/property must comply with the following stipulations:

a. assets/property used to be the payment of the capital must be announced to the public at the time of serving the notice to call for an Extraordinary General Shareholder’s Meeting held for such payment;

b. the assets/property used to be the payment of the capital must be appraised by an Appraiser registered with the Capital Market and Financial Institution Supervisory Agency, or by a substitute for him/her and the assets/property are/is not mortgaged or pledged or used as collateral.

c. Obtaining the approval of the Extraordinary General Meeting of Shareholders at which a quorum is reached as required by Article 25, paragraph (1).

d. In case the assets/property used to be the payment of the capital is/are in the form of the Company’s shares listed on the Stock Exchange, the price of such a share must be determined on the basis of a reasonable market value; and
c. In case such payment comes from the Company’s retained earnings, share agios (premiums on capital stock in excess of par value), the Company’s net profits, and/or other elements of equity, then the retained earnings, share agios, the Company’s net profits, and/or other elements of equity shall have been included in the last Annual Financial Statement already audited by an Accountant registered at the Capital Market and Financial Institution Supervisory Agency, with unqualified opinion.

5. The shares in portfolio (or the unissued shares) shall be issued by the Board of Directors in accordance with the Company’s needs of capital in such a manner, at such a price and upon such terms as the Meeting of the Board of Directors may determine subject to the approval of the Extraordinary General Meeting of Shareholders with due observance of the provisions in the Articles of Association, and statutory and regulatory provisions and regulations applying to the Indonesian Capital Market, provided that the price of the share to be issued shall not be below par value (nominal value) thereof.

6. Any increase of the capital through the issue of equity securities (Equity security means a share, a security convertible into another share or security carrying the right to obtain the share from the Company), shall be made with the following stipulations:
a. Any increase of the capital through the issue of equity securities must be made by giving the Prior Subscription Rights to the shareholders whose names are registered in the Register of Shareholders on the date appointed by the General Meeting of Shareholders approving the issue of equity securities in an amount proportionate to the amount of shares which are registered in the Register of Shareholders and held by the respective shareholders on the date aforesaid.

b. Equity securities may be issued without giving the Shareholders the Prior Subscription Rights if such issue is:

b.1. intended for the Company’s employees;

b.2. intended for the bond holders or holders of other securities whose bonds or securities can be converted into the shares already issued with the approval of the General Meeting of Shareholders;

b.3. made within the framework of reorganization and/or restructuring already approved by the General Meeting of Shareholders; and/or

b.4. made pursuant to the regulations applying to the Indonesian Capital Market which allow increase of capital without the Prior Subscription Rights.
c. Prior Subscription Rights must be able of being transferred and traded within a period of time specified in the Regulation applying to the Capital Market.

d. Equity securities which are to be issued by the Company and not subscribed by the holders of the Prior Subscription Rights shall be allocated to all shareholders who subscribe additional equity securities, with the provision that if the amount of equity securities being subscribed is larger than that of equity securities to be issued, the equity securities not subscribed must be allocated proportionate to the amount of Prior Subscription Rights exercised by respective shareholders who subscribe additional equity securities.

e. In case the remaining equity securities are not subscribed by the Shareholders referred to in point (6) of this article and there are standby buyers, the remaining equity securities shall be allocated to a certain party who acts as standby buyer with the same price and terms.

f. The shares in portfolio may be issued by the Board of Directors to the holders of the securities convertible into the shares or securities carrying the rights to obtain shares, by virtue of the resolution of the preceding General Meeting of Shareholders approving the issue of such securities.
g. The increase of the paid-up capital shall be effective after the increase is paid up, the shares so issued carry the same rights as the shares having the same classification, being issued by the Company, without reducing the responsibility of the Company to give notification to the Minister (whose duty and responsibility in the field of law and human rights).

7. The Company’s authorized capital may only be increased by virtue of a resolution of the General Meeting of Shareholders. The amendment to the Articles of Association within the framework of change of the authorized capital is subject to the approval of the Minister, with the following stipulations:

a. The increase of the authorized capital resulting in the decrease of the issued capital and the paid-up capital to 25% respectively may be made if:

a.1. The approval of the General Meeting of Shareholders to increase the authorized capital has been obtained;

a.2. The approval of the Minister has been obtained;

a.3. The increase of the issued capital and the paid-up capital to at least 25% (twenty-five percent) must be made within a period of 6 (six) months at the latest after the approval of the Minister is obtained.
a.4. In case the increase of the paid-up capital referred to in Article 4, paragraph (7), point (a.3) is not reached fully, the Company shall amend again its Articles of Association so that the authorized capital and the paid-up capital conform with the provisions of the Company Law, within a period of 2 (two) months after the period of time referred to in Article 4, paragraph (7), point (3.a);

a.5. The approval of the General Meeting of Shareholders referred to in Article 4, paragraph (7), point (a.1), including the approval to amend the Articles of Association as referred to in Article 4, paragraph (7), point (b) have been obtained.

b. The amendment to the Articles of Association within the framework of the increase of the authorized capital will be effective after the capital is paid up resulting in the amount of paid-up capital becoming 25% (twenty-five percent) of the authorized capital, at least, and carrying the same rights as the other shares issued by the Company, with due observance of the relevant provisions in these Articles of Association, without reducing the duty of the Company to obtain the approval to the amendment to the Articles of Association from the Minister with regard to the increase of the paid-up capital.
8. Any increase of the capital by way of issuing equity securities may deviate from any of the provisions above, if the Laws and Regulations, particularly those applicable to the Capital Market and the regulations of the Stock Exchange provide otherwise.

9. The General Meeting of Shareholders referred to in this article shall be attended by the holder of Dwiwarna Series A Share and the resolutions of the Meeting is subject to the approval of the holder of the Dwiwarna Series A Share.

SHARES

Article 5

1. The shares of the Company shall be registered shares and issued in the name of the owner being registered in the Register of Shareholders, consisting of:
   - Dwiwarna Series A Share
   - Series B Shares

2. Dwiwarna Series A Share is a share that gives the holder the privileges that the other shareholders do not have, as provided in these Articles of Association, and exclusively owned by the Republic of Indonesia.

   a. The holder of Dwiwarna Series A Share has the privileges as follows:
a.1. to approve appointment or dismissal of the members of the Board of Commissioners and the Board of Directors;

a.2. to approve amendment to the Articles of Association including change in the capital;

a.3. to approve merger, consolidation, acquisition and separation of the Company, submission of the petition in bankruptcy, liquidation; and

a.4. to request the Board of Directors and the Board of Commissioners for a report and explanation on a certain matter, with due observance of the laws and regulations, particularly the regulation applicable to the Capital Market

b. Except the privileges referred to in paragraph (2), point (a) of this article, the holders of the Series B Shares have the same rights, with due observance of the provision in Article 25.

c. Series B Shares are registered common shares that the public can own.

3. Unless otherwise expressly defined in these Articles of Association, “shares” includes Dwiwarna Series A Share and Series B Shares, and “shareholder” means the holder of Dwiwarna Series A Share and the holder of Series B Shares.
4. Unless otherwise herein provided, the holder of Dwiwarna Series A Share and the holder of Series B Shares have the equal rights.

5. If share due to inheritance or for whatsoever reason becomes the property of more than 1 (one) person, those co-owners of the share are required to appoint one person among them as their joint representative, and only the person so appointed shall be recorded in the Register of Shareholders as their representative who is entitled to exercise the rights in the share as conferred on them by law.

6. In case of the failure of the co-owners of the share to notify the Company in writing of the appointment of their joint representation, the Company shall deal with the shareholder whose name is registered in the Company’s Register of Shareholders as the only rightful owner of the share.

7. Each shareholder of the Company shall by law comply with the Company’s Articles of Association and all resolutions legally adopted in the General Meeting of Shareholders and with the applicable laws and regulations.

8. The laws and regulations concerning the Capital Market and the regulations of the Stock Exchange on which the Company’s shares are listed shall apply to all of the shares.
SHARE CERTIFICATES

Article 6

1. Evidence of ownership of share is as follows:

   a. In case the shares of the Company are not in the Collective Custody of the Custody and Settlement Institution, the Company must give the shareholder the evidence of ownership of share or collective share certificate.

   b. In case the shares of the Company are in the collective Custody of the Custody and Settlement Institution, the Company must issue a certificate or give written confirmation to the Custody and Settlement Institution as registry proof that such shares are registered in the Company’s Register of Shareholders.

2. The Company shall issue share certificate in the name of the owner/shareholder whose name is registered in the Company’s Register of Shareholders, pursuant to the statutory and regulatory provisions and the regulation applying to the Stock Exchange on which the Company’s shares are listed.

3. The Company may issue a collective share certificate as evidence of ownership of two or more shares owned by one shareholder.

4. Share certificates shall at least contain:

   a. The name and address of the shareholder;
b. The number of the share certificate;
c. The date of the issuance of the share certificate
d. The nominal value of the share.

5. Collective share certificate shall at least contain:
   a. The name and address of the shareholder;
   b. The number of the collective share certificate;
   c. The date of the issuance of the collective share certificate;
   d. The nominal value of the share and collective value of the shares
   e. The amount of the shares and the number of the relevant certificate.

6. All share certificates and/or collective share certificates and/or convertible bonds and/or warrants and/or other securities convertible into shares shall be signed by the President Director and the President Commissioner. In case the President Commissioner is unavoidably absent or hindered by any reasons whatsoever, which situation is not necessary to prove to a third party, such instruments shall be signed by the President Director and one of the members of the Board of Commissioners. When the President Director and the President Commissioners are unavoidably absent or hindered by any reasons, which situation is not necessary to prove to a third party, the instruments shall be signed by one of the Directors and one of the members of the Board of Commissioners. Their signatures may be directly
printed on each of the instruments aforesaid, with due
observance of the Laws and Regulations applying to the Capital
Market, and the regulations of the Stock Exchange on which the
Company’s shares are listed.

7. All share certificates and/or collective share certificates issued
by the Company may be pledged by observing the laws and
regulations applying to the Capital Market, and the Company
Law.

**DUPLICATES OF SHARE CERTIFICATES**

**Article 7**

1. In case a share certificate is defaced or unusable, such a share
certificate may be replaced if:

   a. the party submitting a written request for replacement of the
defaced share certificate is the owner of the share;

   b. the Company has received the defaced share; and

   c. the original of the defaced share certificate must be returned
and may be exchanged for a new share certificate whose
number is the same as that of the original of the share
certificate.

   d. The Company must destroy the original of the defaced share
certificate after the replacement thereof.
2. In case a share certificate is lost, the lost share certificate may be replaced if:

a. The party submitting a request for replacement of the lost share certificate is the owner of the share certificate;

b. The Company has received the police report on the loss of the share certificate. The report is prepared by the Republic of Indonesia State Police;

c. The person submitting the request for replacement of the lost share certificate shall give a warranty as the Board of Directors may consider adequate; and

d. The plan to issue a duplicate of the lost share certificate has been announced at the Stock Exchange on which the Company’s shares are listed, within 14 (fourteen) days at the latest before the issuance thereof.

3. All expenses incurred for issuing a duplicate of share certificate shall be borne the share holder concerned.

4. The foregoing provisions on the issuance of duplicates of share certificates shall also be applicable to the issuance of duplicates of collective share certificates and duplicates of equity securities.

**COLLECTIVE CUSTODY**

**Article 8**
1. The following provisions shall apply to the Collective Custody.

a. The shares in the Collective Custody of the Custody and Settlement Institution shall be recorded in the Company’s Register of Shareholders in the name of the Custody and Settlement Institution.

b. The shares in the Collective Custody of the Custodian Bank or the Securities Company, which are recorded in the securities account at the Custody and Settlement Institution in the name of the Custodian Bank or the Securities Company are intended in the interest of the holders of the accounts at the Custodian Bank or the Securities Company.

c. If the shares in the Collective Custody of the Custodian Bank form a part of the Securities Portfolio of Mutual Funds in the form of collective investment contract and not included in the Collective Custody of the Custody and Settlement Institution, the Company shall record the shares in the Company’s Register of Shareholders in the name of the Custodian Bank in the interest of the investment unit of the Mutual Fund in the form of the collective investment contract aforesaid;

d. The Company must issue a certificate or confirmation to the Custody and Settlement Institution as referred to in point (a) of this paragraph or to the Custodian Bank as referred to in
point (c) of this paragraph, as a proof of registration in the Company’s Register of Shareholders;

e. The Company must transfer the shares in the Collective Custody, which are registered in the name of the Custody and Settlement Institution or the Custodian Bank for the Mutual Funds in the form of a collective investment contract, in the Company’s Register of Shareholders to be in the name of the party appointed by the Custody and Settlement Institution or by the Custodian Bank; the request for transfer shall be submitted by the Custody and Settlement Institution or by the Custodian Bank to the Company or to the Securities Administration Bureau appointed by the Company.

f. The Custody and Settlement Institution, the Custodian Bank or the Securities Company must issue confirmation to the account holders as a proof of recording in the securities account;

g. In the Collective Custody all shares of the similar kind and classification being issued by the Company are equivalent to and exchangeable for each other;

h. The Company must refuse the registration of share in the Collective Custody if the share certificate is lost or defaced, except the party requesting for such a transfer can give an adequate proof and/or warranty that the party concerned is
the right shareholder and the share certificate is really lost or defaced;

i. The Company must refuse the registration of share in the Collective Custody if the share is pledged or seized by virtue of a court order, or confiscated for the purpose of a court trial of a criminal case;

j. The Securities account holder whose securities are registered in the Collective Custody is entitled to attend and/or to cast a vote at the General Meeting of Shareholders in accordance with the shares he/she owns in the securities account;

k. The Custodian Bank and the Securities Company must submit to the Custody and Settlement Institution a list of securities accounts and amounts of the Company’s shares owned by the respective account holders of the accounts with the Custodian Bank and the Securities Company to be handed over to the Company not later than 1 (one) working day before the call for the General Meeting of Shareholders;

l. The investment manager shall be entitled to attend and cast a vote at the General Meeting of Shareholders in relation to the Company's shares included in the Collective Custody of the Custodian Bank which are a part of the portfolio of the Mutual Fund Securities in the form of a collective investment contract and not included in the Collective Custody of the Custody and Settlement Institution, with the
provision that the Custodian Bank must notify the name of the Investment Manager not later than 1 (one) working day before the call for the General Meeting of Shareholders.

m. The Company must deliver the dividends, bonus shares or other rights relating to the ownership of the shares in the Collective Custody to the Custody and Settlement Institution, and thereafter the Custody and Settlement Institution deliver the dividends, bonus shares or other such rights to the Custodian Bank and the Securities Company in the interest of the respective account holders at the Custodian Bank and the Securities Company;

n. The Company must deliver to the Custodian Bank the dividends, bonus shares or other rights relating to the ownership of the shares in the Collective Custody of the Custodian Bank, which is a part of the Securities Portfolio of Mutual Funds in the form of a collective investment contract and not included in the Collective Custody of the Custody and Settlement Institution.

o. The time limit for the holders of securities account who are entitled to obtain the dividends, bonus shares or other right relating to the ownership of the shares in the Collective Custody shall be determined by the General Meeting of Shareholders, provided that the Custodian Bank and the Securities Company must submit a list of securities account
holders and amount of the Company’s share owned by the respective securities account holders to the Custody and Settlement Institution not later than the date being the basis of determining the holders of securities account who are entitled to obtain the dividends, bonus shares and other such rights aforesaid.

2. The provisions concerning the Collective Custody are subject to the laws and regulations applying to the Capital Market and the regulations of the Indonesian Stock Exchange on which the Company’s shares are listed.

REGISTER OF SHAREHOLDERS AND SPECIAL REGISTER

Article 9

1. The Board of Directors shall establish and keep a Register of Shareholders and a Special Register and make them available at the Company’s domicile.

2. The Register of Shareholders shall at least contain:
   a. The names and addresses of the shareholders;
   b. The amounts, numbers and date of acquisition of the shares owned by the shareholders;
   c. Amount paid up in respect of each share;
   d. The names and addresses of individuals or legal entities holding a pledge on or a fiduciary guarantee of the shares and the date of the right of pledge was obtained or the date of the fiduciary guarantee was registered;
e. Information of payment of shares in any form otherwise than money (cash); and
f. Such other information as the Board of Directors may deem necessary.

3. The information about the ownership of shares in the Company and/or in other Companies by the members of the Board of Directors and the Board of Commissioners and by the members of their families and the date of the acquisition of such shares shall be recorded in the Special Register.

4. The shareholders shall give the Company’s Board of Directors written notice of any change of their addresses, the receipt of which shall be provided. As long as such notice has not been given, all calls and notices to the shareholders shall be valid if such calls and notices are sent to the addresses of the respective shareholders most recently recorded in the Register of Shareholders.

5. The Board of Directors must properly keep and maintain the Register of Shareholders and the Special Register.

6. Each shareholder shall have the right to peruse the Register of Shareholders and the Special Register at the office of the Company or at the office the Securities Administration Bureau during the office hours of the Company.
7. The Company’s Board of Directors can appoint and give power to the Securities Administration Bureau to record the shares in the Register of Shareholders, including recording of sales, transfers of ownership, encumbrances, pledges or fiduciary guarantees, in relation to the shares of the Company, or the rights or interests in the shares shall be done pursuant to these Articles of Association and the Laws and Regulations applying to the Capital Market.

8. The provisions in this article shall be in effect as long as they are not in contradiction with the laws and regulations applying to the Capital Market and the regulations of the Stock Exchange.

TRANSFER OF RIGHTS IN SHARES

Article 10

1. a. Unless otherwise provided in the laws and regulations, particularly the regulations applying to Capital Market, and in the Company’s Articles of Association, the transfer of rights in shares shall be proved by a document signed by or in the name of the party transferring the right and by or in the name of the party receiving the rights in the relevant share. The document on the transfer of rights in shares shall take the form as determined or approved by the Board of Directors.

b. The transfer of rights in the shares included in the Collective Custody shall be made by the transfer from one securities
account to another securities account at the Custody and Settlement Institution, the Custodian Bank, or the Securities Company. The document on the transfer of rights in shares shall take the form as determined and/or being able of accepted by the Board of Directors with the provision that the document on the transfer of the rights in the shares listed on the Stock Exchange on which the shares listed, subject to the laws and regulations in effect at the place at which the Company’s shares are listed.

2. The transfer of rights in shares which is contrary to the provisions in these Articles of Association or not pursuant to the laws and regulations or obtaining no approval from the competent authorities if such approval is required, is not valid for the Company.

3. The Board of Directors may, at their discretion and giving reasons, refuse to register the transfer of the rights in shares in the Register of Shareholders if the relevant provisions in these Articles of Association are not complied with, or if any requirement prescribed by the competent authorities is not satisfied.

4. If the Board of Directors refuses to register the transfer of the rights in shares, the Board of Directors must send a notice of refusal to the party who intends to transfer his/her rights in shares not later than 30 (thirty) calendar days after the date of
request for registration is received by the Board of Directors with due observance of the laws and regulations applying to the Capital Market and the regulations of the Stock Exchange at the place at which the Company’s shares are listed.

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

6. Anybody who obtains the right in a share due to the death of a shareholder or other cause resulting in the ownership of a share passing to anybody else by law may offer his/her title deeds, as the Board of Directors may require, and request the Board of Directors in writing to register him/her as the holder of the share. The registration may only be made if the Board of Directors can accept by virtue of the title deeds and subject to the provisions in these Articles of Association.

7. The form of and procedure for the transfer of the rights in the shares traded at the Capital Market must conform to the laws and regulations applying to the Capital Market, and to the
regulations of the Stock Exchange, except the right in Dwiwarna Series A Share cannot be transferred to anybody whomsoever.

BOARD OF DIRECTORS

Article 11

1. The Company shall be managed and directed by a Board of Directors which comprise at least 2 (two) persons, one of them shall be appointed to be President Director.

2. Members of the Board of Directors must comply with:
   a. Company Law;
   b. Laws and regulations applying to the Capital Market; and
   c. Laws and regulations applying to the Company and those which are related to the business activities of the Company.

3. Those who may be appointed to be the members of the Board of Directors are individual persons with the capacity to perform legal acts, except that within a period of 5 (five) years before the appointment the persons have ever:
   a. been declared bankrupt;
   b. become the members of the Board of Directors or the members of the Board of commissioners or the members of the Supervisory Board who are declared guilty of causing a company to be declared bankrupt; or
c. been sentenced for committing a crime that causes loss to the state finances and/or the finance of a State-Owned Enterprise, and/or loss to the financial sector.

4. Fulfillment of the requirements referred to in paragraph (2) and paragraph (3) of this article shall be proven by a written statement signed by the candidate member of the Board of Directors and the statement shall be kept by the Company.

5. The legal consequences of the failure to meet the requirements referred to in paragraph (2) and paragraph (3) of this article are provided for in the applicable laws and regulations.

6. Members of the Board of Directors shall be appointed and dismissed by the General Meeting of Shareholders which is attended and approved by the holder of Dwiwarna Series A Share, with due observance of the provisions of these Articles of Associations.

7. Members of the Board of Directors shall be appointed by the General Meeting of Shareholders from the candidate (or candidates) nominated by the holder of Dwiwarna Series A Share and/or a shareholder representing at least 10% (ten percent) of the total amount of the Company’s issued shares with the valid voting rights, and such nomination shall bind the General Meeting of Shareholders.
8. a. Members of the Board of Directors shall be appointed for a period of time commencing on the date specified by the General Meeting of Shareholders appointing them and ending at the end of the fifth Annual General Meeting of Shareholders after their appointment but without prejudice to the right of the General Meeting of Shareholders to dismiss at any time such members of the Board of Directors before their term of office comes to an end.

b. Such dismissal shall become effective from the end of the General Shareholder’ Meeting aforesaid, unless otherwise decided by the General Meeting of Shareholders.

c. After their term of office comes to an end, the members of the Board of Directors may be reappointed by the General Meeting of Shareholders for another term of office.

9. In case the General Meeting of Shareholders does not determine the time when the appointment and dismissal of the members of the Board of Directors become effective, the appointment and dismissal of the members of the Board of Directors shall become effective from the end of the General Meeting of Shareholders.

10. The General Meeting of Shareholders may dismiss the members of the Board of Directors at any time by giving reasons for the dismissal.
11. The reasons for the dismissal of a member of the Board of Directors referred to in paragraph (10) of this article shall be given if it is evident that the member of the Board of Directors:
   a. has failed to perform his/her duties properly;
   b. has failed to comply with the statutory and regulatory provisions and/or the provisions in the Articles of Association;
   c. is involved in the acts prejudicial to the Company and/or the state;
   d. is declared guilty by a final court decision;

12. In addition to the reasons for dismissal of a member of the Board of Directors referred to in paragraph (11), point (a) up to point (d) of this article, a member of the Board of Directors may be dismissed by the General Meeting of Shareholders for any other reasons as the General Meeting of Shareholders may deem good in the interest of the Company and for achieving the objectives of the Company.

13. Resolution on the dismissal as referred to in paragraph (10) of this Article with the reasons referred to in paragraph (11) of this article shall be adopted after the Director concerned has been given the opportunity to defend himself/herself.

14. The dismissal with the reason (reasons) referred to in paragraph (11), points (b and d) of this article is dishonorable dismissal.
15. There shall be no family relationship between the members of the Board of Commissioners until the second degree, either lineal or collateral, and relationship by marriage (sons-/daughters-in-law and brothers-/sisters-in-law);

16. In case of such family relationships referred to in paragraph (15) of this Article, the General Meeting of Shareholders has the authority to dismiss anyone of them.

17. The members of the Board of Directors shall be paid salaries and facilities and/or other allowances, including post service benefits, the amounts of which shall be determined by the General Meeting of Shareholders. The authority of the General Meeting of Shareholders to do so may be delegated to the Board of Commissioners.

18. If for any reason the office of a member of the Board of Directors is vacant resulting in the number of members of the Board of Directors less than 2 (two) or the Board of Directors having no President Director as provided in Article 11, paragraph (1), a General Shareholders’ Meeting shall be convened to fill the vacant office of the member of the Board of Directors. The General Meeting of Shareholders shall be convened within 60 (sixty) days at the latest after such vacancy arise.

19. If at any time and for any reason all the offices of the members of the Board of Directors are vacant, a General Meeting of
Shareholders shall be convened to fill the vacant offices of the members of the Board of Directors within 60 (sixty) days after such vacancies arise.

As long as the offices of all of the members of the Board of Directors are still vacant and the General Meeting of Shareholders has not yet filled the vacant offices of the members of the Board of Directors as referred to in this paragraph, for the time being the Company shall be managed by the Board of Commissioners with the same power and authority.

20. a. A member of the Board of Directors has the right to resign from his/her office by notifying the Company in writing of his/her intention of resigning from the office.

b. The Company must convene a General Meeting of Shareholders to decide the resignation of the member of the Board of Directors within 60 (sixty) days at the latest after his/her letter of resignation is received.

c. In case the Company convenes no General Meeting of Shareholders within the period of time referred to in this paragraph, the resignation of the member of the Board of Directors shall be valid upon the lapse of the period of time above and no approval of the General Meeting of Shareholders is required. However, the Company must present a report on the resignation aforesaid at the next General Meeting of Shareholders.
d. Before his/her resignation becomes effective, the member of the Board of Directors shall still have the obligation of discharging his/her duties and responsibility pursuant to the Articles of Association and the Laws and Regulations.

e. A Director who resigns from his/her office will have been freed from his/her responsibilities after he/she obtains the discharge of responsibilities from an Annual General Meeting of Shareholders.

f. In case the resignation of a member of the Board of Directors results in the number of members of the Board of Directors being less than 2 (two), the resignation is valid if having been resolved by the General Meeting of Shareholders, and a new member of the Board of Directors has been appointed so that a minimal number of members of the Board of Directors which are required have been reached.

21. The office held by the member of the Board of Directors terminates if any of the following occurs:

a. He/she dies;

b. His/her term of office has expired;

c. He/she is declared bankrupt or placed under guardianship;

d. His/her resignation becomes effective as referred to in paragraph (20) of this article; or
e. He/she meets no longer requirements for a member of the Board of Directors as provided in the laws and regulations.

22. The member of the Board of Directors who leaves his/her job, before or after the expiration of his/her term of office except because of death, shall still be responsible for the actions he/she has taken, for which he has not yet accounted to the General Meeting of Shareholders.

23. A member of the Board of Directors may be suspended by the Board of Commissioners if the member of the Board of Directors has acted in contravention of these Articles of Association or if there is an indication that he/she has done an act prejudicial to the Company or he/she has neglected his/her duties, or if there is another reason which is pressing the Company, with due observance of the following provisions:

a. A decision of the Board of Commissioners regarding the suspension of a member of the Board of directors shall be made in accordance with the procedure for making decisions of the Board of Commissioners.

b. The suspension shall be notified in writing to the person concerned together with the reasons for imposing the suspension and the copies of the written notification shall be sent to the Board of Directors.
c. The notification as referred to in point (b) of this paragraph shall be given within 2 (two) days at the latest after the suspension is decided.

d. The member who is being suspended shall have no authority to manage the Company and to represent the Company inside and outside the court of law.

e. Within 45 (forty-five) days at the latest after the suspension a General Meeting of Shareholders shall be convened by the Board of Commissioners, which Meeting shall resolve whether the decision on the suspension is revoked or affirmed.

f. At the General Meeting of Shareholders referred to in point (e) of this paragraph, said member of the Board of Directors shall be given the opportunity to defend himself/herself.

g. The General Meeting of Shareholders referred to point (e) of this paragraph shall be presided over by a shareholder who is elected by and from the shareholders present thereat.

h. In case the General Meeting of Shareholders referred to in point (e) above cannot adopt a resolution on the suspension or after the lapse of the abovementioned period of time no General Meeting of Shareholders is convened, the suspension of said member of the Board of Directors shall become void or ineffective.
i. The suspension shall not be continued or re-imposed with the same reasons, if the suspension has been declared void or ineffective as referred to in point (h) of this paragraph.

j. In case of the cancellation of the suspension by the General Meeting of Shareholders or the occurrence of the situation referred to in point (h) of this paragraph, said member of the Board of Directors must properly perform his/her duties again.

24. In case a member of the Board of Directors give up or is dismissed from his/her office before his/her term of office expires, the term of office of his/her successor is as referred to in Article 11, paragraph (11), point (8a), unless otherwise specified by the General Meeting of Shareholders.

25. In case of the increase of the members of the Board of Directors, the term of office of the new member is as referred to in Article 11, paragraph (8a), unless otherwise specified by the General Meeting of Shareholders.

26. A member of the Board of Directors shall not have a double function as:

a. A member of the Board of Directors of a State-Owned Enterprise, Provincial Government Owned Enterprise, Private Company; and/or
b. A member of the Board of Commissioners of a State-Owned Enterprise; and/or

c. Other structural and functional positions in the central and provincial government agencies;

d. A member of the Executive Committee of a political party and/or as a candidate legislative member/a legislative member, and/or as a candidate regional head/a candidate regional deputy head;

e. A position which may arise conflict of interest, or other positions as provided in the laws and regulations.

27. The approval of the Meeting of the Board of Commissioners shall be required for holding at the same time two positions of the member of the Board of Directors, which are not provided in paragraph (26) of this article.

DUTIES, AUTHORITIES AND OBLIGATIONS OF THE BOARD OF DIRECTORS

Article 12

1. The Board of Directors shall have the duties of taking all actions relating to the management of the Company in the interest of and in line with the purposes and objectives of the Company, and representing the Company inside and outside the court of law with respect to all matters and in all events, with the limitations as provided in the laws and regulations, the
Articles of Association and/or the Resolutions of the General Meeting of Shareholders.

2. In performing the duties referred to in paragraph (1) of this Article:

a. The Board of Directors shall have the authority to:

a.1. Establish the Company’s management policies;

a.2. Arrange the delegation of authority of the Board of Directors to represent the Company inside and outside the court of law to one or several members of the Board of Directors especially appointed for that purpose, or to one or several employees of the Company who shall act individually or collectively, or to other persons, and to arrange the delegation of authority of the Board of Directors to represent the Company to the Heads of Branch Offices or the Head of Representative Offices in the country or abroad.

a.3. Administer the regulations regarding the Company’s manpower, including determining salaries, pensions or old-age benefits and other income for the employees of the Company pursuant to the laws and regulations, with the provision that the determination of salaries, pensions or old-age benefits and other income for the employees which exceeds the obligations provided in
the laws and regulations shall be subject to the approval of the General Meeting of Shareholders;

a.4. Appoint and discharge the employees of the Company pursuant to the Company’s manpower regulations, and the laws and regulations;

a.5. Appoint and discharge the Corporate Secretary of the Company;

a.6. Take or perform all other actions and deeds with regard to both the management and ownership of the Company’s assets/property, and bind the Company to other parties and/or bind other parties to the Company, including but not limitation to optimizing the utilization of the Company’s assets with the limitations as provided in the laws and regulations, the Articles of Association and/or as determined by the General Meeting of Shareholders;

b. The Board of Directors shall have the obligations to:

b.1. Effectively manage the business and activities of the Company and ensure that said business and activities are carried on in accordance with the purposes and objectives and business activities of the Company;

b.2. Punctually prepare the Company’s Long-Term Development Plan, Business Plan and Corporate
Budgeting, and any other work program and modification thereof, and to submit them to the Board of Commissioners for approval not later than 60 (sixty) days before a new fiscal year begins;

b.3. Give explanation to the General Meeting of Shareholders regarding the Company’s Long-Term Development Plan, Business Plan and Corporate Budgeting;

b.4. Prepare a Register of Shareholders, Special Register, Minutes of the General Meeting of Shareholders, and Minutes of the Meeting of the Board of Directors;

b.5. Prepare Annual Reports as a form of accountability for the management of the Company, and other financial documents of the Company as required by the Law regarding Company’s Documents;

b.6. Prepare Financial Statements in accordance with the Financial Accounting Standard and submit such Financial Statements to a Public Accountant for auditing;

b.7. Submit the Annual Report and Financial Statements after having been reviewed by the Board of Commissioners, within a period of time of 5 (five) months at the latest after the Company’s fiscal year.
ends, to the General Meeting of Shareholders for approval;

b.8. Give explanation to the General Meeting of Shareholders regarding the Annual Report;

b.9. Submit the Balance Sheet and Profit and Loss Account which have been verified by the General Meeting of Shareholders to the Minister dealing with the sector of law and human rights.

b.10. Maintain the Register of Shareholders, Special Register, Minutes of the General Meeting of Shareholders, Minutes of the Meeting of the Board of Commissioners and Minutes of the Meeting of the Board of Directors, Annual Reports and the financial documents of the Company referred to in point (b.4) and point (b.5) of this paragraph, and other documents of the Company;

b.11. Keep at the Company’s domicile: The Register of Shareholders, Special Register, Minutes of the General Meeting of Shareholders, Minutes of the Meeting of the Board of Commissioners and Minutes of the Meeting of the Board of Directors, Annual Reports and financial documents of the Company and other documents of the Company;
b.12. Establish an accounting system in accordance with the Financial Accounting Standard and based on the principles of internal control, especially the separation of management, recording, keeping, and controlling functions;

b.13. Submit periodical reports in the manner and time pursuant to the prevailing regulations, as well as other reports as may be requested from time to time by the Board of Commissioners and/or the Holder of Dwiwarna Series A Share, with due observance of the laws and regulations, particularly the regulations applying to the Capital Market;

b.14. Establish an organization chart of the Company complete with the details and jobs.

b.15. Give explanation on all matters asked about or requested by the Board of Commissioners and the holder of Dwiwarna Series A Share, with due observance of the laws and regulations, particularly the regulations applying to the Capital Market;

b.16. Prepare and determine a blue print for the Company’s organization;

b.17. Perform other obligations in accordance with the provisions laid down in these Articles of Association,
and defined by the General Meeting of Shareholders, with due observance of the laws and regulations;

3. In performing their duties, the Directors shall fully devote their energy, thoughts, attention and dedication to the duties, obligations and achievement of the Company’s objectives and purposes;

4. Each member of the Board of Directors shall in performing his duties, comply with the Company’s Articles of Association and the laws and regulations, and be obligated to implement the principles of professionalism, efficiency, transparency, independency, accountability, responsibility and appropriateness.

5. Each member of the Board of Directors must perform his/her duties in good faith and with full responsibility in the interest of the Company and for the sake of the Company’s business, with due observance of the laws and regulations.

6. Each member of the Board of Directors shall be fully and personally responsible if he/she has been at fault or in failure in performing his/her duties in the interest of the Company and for the sake of the Company’s business, except that member of the Board of Directors can prove that:

   a. The loss to the Company is not caused by his/her fault or his/her failure;
b. He/she has performed the management in good faith and prudently in the interest of the Company and in accordance with the purposes and objectives of the Company;

c. He/she has no conflict of interest, directly and indirectly, in the act of managing which results in loss to the Company;

d. He/she has taken necessary measures to prevent loss from arising or continuing.

7. With due observance of the statutory and regulatory provisions and the regulations applying to the Capital Market, the following actions of the Board of Directors are subject to the approval of the Board of Commissioner:

a. To transfer ownership of and write off the Company’s fixed asset having a value which exceeds the limit defined by the Board of Commissioner from time to time.

b. To form cooperation with other enterprises or parties, in the form of joint operation, management contract, license cooperation in Build, Operate and Transfer/BOT, Build Operate and Own/BOO, and other agreements having the same characteristics and the term of which is longer than that determined by the Board of Commissioners from time to time.

c. To receive and provide medium / long-term loans in a value higher than the limit defined by the Board of Commissioner
from time to time, or without collateral except debt and credit loans arising from business transactions, and loans provided to the Company’s subsidiary companies, with the provision that the loans provided to the Company’s subsidiaries shall be reported to the Board of Commissioners;

d. To write the bad debts and dead stocks off the Company’s books of accounts.

e. To establish an organization structure up to 1 (one) level below the Board of Directors;

f. To form a foundation, an organization and/or association which is directly or indirectly related to the Company, which has a financial impact on the Company;

g. To charge the Company with the fixed costs and routine costs for the activities of the foundation, organization and/or association, which are directly or indirectly related to the Company;

h. To nominate the representatives of the Company to become candidate members of the Board of Directors and the Board of Commissioners of the subsidiary companies, who would give significant contribution to the Company;
i. To request no longer the payment of the bad debts which have been written off, in a value exceeding the limit defined by the Board of Commissioners from time to time;

j. To determine and change the logo of the Company;

k. To make equity participation in other Company(s) in a value exceeding the limit defined by the Board of Commissioners from time to time, as long as the equity participation requires no approval of the Board of Commissioners pursuant to the Capital Market regulation;

l. To establish subsidiary companies, as long as no approval of the General Meeting of Shareholders is required and pursuant to the regulations applying to the Capital Market;

m. To divest the equity participation in the subsidiary company, as long as no approval of the General Meeting of Shareholders is required and pursuant to the regulations applying to the Capital Market;

n. To bring about merger, consolidation, acquisition, separation and dissolution of the subsidiary company as long as no approval of the General Meeting of Shareholders to this matter is required and pursuant to the regulations applying to the Capital Market;
o. To determine the salaries, pensions or old-age benefits and other income of the Company’s employees, which are higher than those specified in the laws and regulation;

p. To bind the Company to be a guarantor, where the guarantee given is larger than a certain amount determined by the Board of Commissioner;

8. Within 30 (thirty) days commencing from the time when the request or explanation and the complete documents are received from the Board of Directors, the Board of Commissioners shall give the decision referred to in paragraph (7) of this article.

9. The Board of Directors may only perform the following acts after obtaining the approval of the General Shareholder’s Meeting and subject to the Laws and Regulations applying to the Capital Market:

a. To undertake material transactions as provided in the laws and regulations applying to the Capital Market;

b. To undertake transactions having a conflict of interest as provided in the laws and regulations applying to the Capital Market;

c. To undertake other transactions so as to comply with the laws and regulations applying to the Capital Market;
10. The Board of Directors must have the approval of the General Meeting of Shareholders to:

a. Transfer the Company’s property within a period of 1 (one) fiscal year; or

b. Give the Company’s asset as a security for the Company’s debt;

which is more than 50% (fifty percent) of the total net assets of the Company in 1 (one) transaction or more than 1 (one) transaction, which are interrelated or not interrelated;

11. Within the framework of conducting the management policy of the Company:

a. The President Director has the right and authority to act for and on behalf of the Board of Directors and representing the Company;

b. In case the President Director is unavoidably absent or hindered by any reasons whatsoever, which situation is not necessary to prove to a third party, one of the Directors designated by the decision made at the Meeting of the Board of Directors shall have the authority to act for and on behalf of the Board of Directors and representing the Company;

12. For certain acts the Board of Directors has the right to appoint one or more persons to be their representative (s) or attorney(s)
by giving him/her/them power to do such certain acts specified in a power of attorney.

13. The division of the duties and authorities of the members of the Board of Directors shall be determined by the General Meeting of Shareholders. In case the General Meeting of Shareholders do not determine such division the division of the duties and authorities among the Directors shall be determined by virtue of the decision of the Board of Directors.

14. In conducting the management of the Company the Board of Directors shall execute the decisions given by the Shareholders' Meeting as long as the decision aforesaid are not in contravention of the laws and regulations and/or with these Articles of Association.

15. A member of the Board of Directors have no right to represent the Company if:

   a. The member of the Board of Directors and the Company are engaged in a lawsuit in which they oppose each other;

   b. There is a conflict of interest between the member of the Board Directors and the Company.

16. In case of the conflict of interest referred to in paragraph (15) point (b) of this article, the ones who/which have the right to represent the Company are:
a. Any other member of the Board of Directors who is not in a conflict of interest with the Company;

b. The Board of Commissioners, if all of the members of the Board of Commissioners are in a conflict of interest with the Company; or

c. Another party appointed by the General Meeting of Shareholders if all of the members of the Board of Directors and the Board of Commissioners are in a conflict of interest with the Company.

MEETING OF THE BOARD OF DIRECTORS

Article 13

1. Meeting of the Board of Directors may be convened any time:

a. as may be deemed necessary by one or more members of the Board of Directors;

b. at the written request of one or more members of the Board of Commissioners; or

c. at the written request of one or more shareholders who collectively represent 1/10 (one-tenth) or more of the total amount of shares with the voting rights.

2. Meeting of the Board of Directors shall be deemed lawful if it is held at the Company's domicile or at the place of its main
business activity within the territory of the Republic of Indonesia.

3. The Meeting of the Board of Directors which is held at any other places other than those mentioned in paragraph (5) of this Article shall be deemed lawful and may adopt resolutions if it is held within the region of the Republic of Indonesia and attended by all members of the Board of Directors.

4. Notice to call for a Meeting of the Board of Directors shall be served in writing by the member of the Board of Directors authorized to represent the Company and delivered at the latest 3 (three) days before the meeting is to be held or in a shorter period in the event of urgent matters, excluding the date of notice and the date of meeting.

5. The notice to call for the meeting referred to in paragraph 6 of this Article must state or contain the agenda, date, time and place of the Meeting.

6. A prior notice to call for a meeting of the Board of Directors shall not be required if all members of the Board of Directors are to be present at the meeting.

7. The Meeting of the Board of Directors shall be lawful and have the right to adopt valid and binding resolutions if more than 1/2 (a half) of all members of the Board of Directors present or represented by their legal proxies at the Meeting, with due
observance of the provision set forth in paragraph (6) of this Article.

8. With regard to a miscellaneous (additional) agenda at the meeting, the Board of Directors may not adopt any resolution thereat except all members of the Board of Directors or their legal proxies are present at the meeting and they agree with such an additional agenda of the meeting.

9. All meetings of the Board of Directors shall be chaired by the President Director.

10. In case the President Director is unavoidably absent or hindered by any reasons whatsoever, which situation is not necessary to prove to a third party, one of the Directors attending the meeting shall chair the meeting of the Board of Directors.

11. To vote in adopting a resolution, a member of the Board of Directors may be represented at the Meeting only by another member of the Board of Directors by virtue of a proxy especially given for such purpose.

12. One member of the Board of Directors may only represent one other member of the Board of Directors.

13. All resolutions of the meeting of the Board of Directors shall be adopted on the basis of the principle of the deliberation to reach a consensus.
14. In case the resolution on the basis of the principle of deliberation to reach a consensus cannot be adopted, the resolution shall be adopted by a simple majority votes.

15. Each member of the Board of Directors has the right to cast 1 (one) vote and 1 (one) additional vote for another member of the Board of Directors he/she represents.

16. In the event of a tie in the voting, the Chairperson of the Meeting shall have the casting vote with due observance to the provisions on the accountability.

17. In the event that the proposal have more than two alternatives and the result of the voting shows that none of the alternatives get more than 1/2 (a half) of the votes legally cast, the second voting shall be done for the two alternatives which get majority of votes so as to have one alternative of the proposal which gets more than 1/2 (a half) of the number of votes cast at the meeting.

18. Member of the Board of Directors who casts blank votes or abstains shall be deemed to have approved the business transacted at the meeting and as such shall be jointly accountable for the resolution adopted at the meeting.

19. Void votes shall be deemed not exist and therefore shall not be counted in determining the number of votes cast at the meeting.
20. The Board of Directors may also adopt valid and binding resolutions without convening a Meeting of the Board of Directors, provided that all members of the Board of Directors have been notified in writing of the proposals to be discussed and all such members have given and signed their written approval to the proposal. The resolution adopted in such a way shall have the same effect of the resolution lawfully adopted at a Meeting of the Board of Directors.

21. Minutes of Meeting shall be prepared for each meeting of the Board of Directors and signed by the Chairperson of the Meeting and by all members of the Board of Directors present thereat. The Minutes of Meeting shall contain the matters being discussed (including the dissenting opinion of the members of the Board of Directors, if any) and the resolutions adopted at such meeting. A copy of the Minutes of Meeting of the Board of Directors shall be sent to the Board of Commissioners for its information.

BOARD OF COMMISSIONERS

Article 14

1 The Board of Commissioners shall be composed of at least 2 (two) persons and at most the same as the number of the members of the Board of Directors, one of them shall be appointed to be President Commissioner.
2. The Board of Commissioners shall constitute a council. None of such members may act individually but only by virtue of the decision of the Board of Commissioners.

3. Members of the Board of Commissioners must comply with:
   a. Company Law;
   b. Laws and regulations applying to the Capital Market and
   c. Laws and regulations applying to the Company and those which are related to the business activities of the Company.

4. Those who may be appointed to be the members of the Board of Commissioners are individual persons with the capability to perform legal acts, except that within a period of 5 (five) years prior to their appointment the persons concerned have ever:
   a. been declared bankrupt;
   b. become the members of the Board of Directors or the members of the Board of Commissioners or the members of the Supervisory Board who are declared guilty of causing a company or a public company to be declared bankrupt, or
   c. been sentenced for committing a crime that causes loss to the state finances and/or the finance of a State-Owned Enterprise, and/or loss to the financial sector.

5. Fulfillment of the requirements referred to in paragraph (3) and paragraph (4) of this article shall be proven by a written statement signed by the candidate member of the Board of Commissioners and the statement shall be kept by the Company.
6 The legal consequences of the failure to meet the requirements referred to in paragraph (2) and paragraph (3) of this article are provided for in the applicable laws and regulations.

7 Members of the Board of Commissioners shall be appointed and dismissed by the General Meeting of Shareholders which is attended and approved by the holder of Dwiwarna Series A Share, with due observance of the provisions of these Articles of Associations.

8 Members of the Board of Commissioners shall be appointed by the General Meeting of Shareholders from the candidates nominated by the holder of Dwiwarna Series A Share and/or a shareholder representing at least 10% (ten percent) of the total shares having valid voting rights issued by the Company, and such nomination shall bind the General Meeting of Shareholders.

9 Members of the Board of Commissioners shall be appointed for a period of time commencing on the date specified by the General Meeting of Shareholders appointing them and ending at the end of the fifth Annual General Meeting of Shareholders after their appointment but without prejudice to the right of the General Meeting of Shareholders to dismiss at any time such members of the Board of Commissioners before their term of office comes to an end.
Such dismissal shall become effective from the end of the General Shareholder’ Meeting aforesaid, unless otherwise decided by the General Meeting of Shareholders.

10 In case the General Meeting of Shareholders does not determine the time when the appointment and dismissal of the members of the Board of Commissioners become effective, the appointment and dismissal of the members of the Board of Commissioners shall become effective commencing from the closing of the General Meeting of Shareholders.

11 The reasons for the dismissal of a member of the Board of Commissioners referred to in paragraph (9) of this article shall be given if it is evident that the member of the Board of Commissioners:

a. has failed to perform his/her duties properly; and/or
b. has failed to comply with the statutory and regulatory provisions and/or the provisions in the Articles of Association; and/or

c. is involved in the acts prejudicial to the Company and/or the state; and/or

d. is declared guilty by a final court decision;

12. In addition to the reasons for dismissal of a member of the Board of Commissioners referred to in paragraph (11), point (a) up to point (d) of this article, a member of the Board of Commissioners may be dismissed by the General Meeting of
Shareholders for any other reasons as the General Meeting of Shareholders may deem good in the interest of the Company and for achieving the objectives of the Company.

13. The plan to dismiss a member of the Board of Commissioners as referred to in paragraph (9) of this article shall be notified verbally or in writing by the Shareholders to the member of the Board of Commissioners concerned.

14. Resolution on the dismissal as referred to in paragraph (9) of this Article with the reasons referred to in paragraph (11) of this article shall be adopted after the Commissioner concerned has been given the opportunity to defend himself/herself.

15. The dismissal with the reasons referred to in paragraph (11), points (c and d) of this article is dishonorable dismissal.

16. There shall be no family relationship among the members of the Board of Commissioners and between the members of the Board of Commissioners and the members of the Board of Directors until the second degree, either lineal or collateral, and relationship by marriage (sons-/daughters-in-law and brothers-/sisters-in-law);

17. In case of such family relationships referred to in paragraph (16) of this Article, the General Meeting of Shareholders has the authority to dismiss anyone of them.
18. The members of the Board of Commissioners shall be paid salaries and facilities and/or other allowances, including post service benefits, the amounts of which shall be determined by the General Meeting of Shareholders with due observance of the prevailing statutory and regulatory provisions.

19. The division of labor among the members of the Board of Commissioners shall be determined by themselves, and in order to ensure the expeditious discharge of its duties the Board of Commissioners may be assisted by a Secretary of the Board of Commissioners appointed by the Board of Commissioners.

20. If for any reason the office of a member of the Board of Commissioners is vacant resulting in the number of members of the Board of Commissioners less then 2 (two) or the Board of Commissioners having no President Commissioner as provided in Article 14, paragraph (1), a General Shareholders’ Meeting shall be convened to fill the vacant office of the member of the Board of Commissioners within 60 (sixty) days at the latest after such vacancy arise.

21. If at any time and for any reason all the offices of the members of the Board of Commissioners are vacant, a General Meeting of Shareholders shall be convened to fill the vacant offices of the members of the Board of Commissioners. The General Meeting of Shareholders shall be convened within 60 (sixty) days after such vacancies arise.
22. ... (blank)...

23. a. A member of the Board of Commissioners has the right to resign from his/her office by notifying the Company in writing of his/her intention of resigning from the office.

b. The Company must convene a General Meeting of Shareholders to decide the resignation of the member of the Board of Directors within 60 (sixty) days at the latest after his/her letter of resignation is received.

c. In case the Company convenes no General Meeting of Shareholders within the period of time referred to in this paragraph, the resignation of the member of the Board of Commissioners shall be valid upon the lapse of the period of time above and no approval of the General Meeting of Shareholders is required. However, the Company must present a report on the resignation aforesaid at the next General Meeting of Shareholders.

d. Before his/her resignation becomes effective, the member of the Board of Commissioners shall still have the obligation of discharging his/her duties and responsibility pursuant to the Articles of Association and the Laws and Regulations.

e. In case the resignation of a member of the Board of Commissioners results in the number of members of the Board of Commissioners being less than 2 (two), the
resignation is valid if having been resolved by the General Meeting of Shareholders, and a new member of the Board of Commissioners has been appointed so that a minimal number of members of the Board of Commissioners which are required have been reached.

24. The office held by the member of the Board of Commissioners terminates if any of the following occurs:
   a. He/she dies;
   b. His/her term of office has expired;
   c. He/she is declared bankrupt or placed under guardianship by virtue of a court judgment;
   d. His/her resignation becomes effective; or
   e. He/she meets no longer requirements for a member of the Board of Commissioners as provided in the laws and regulations.

25. The provision as referred to in paragraph (23) point e of this Article shall include but not limited to the double function which is prohibited.

26. The member of the Board of Commissioners who leaves his/her job, before or after the expiration of his/her term of office except because of death, shall still be responsible for the actions he/she has taken, for which he has not yet accounted to the General Meeting of Shareholders.
27. In case a member of the Board of Commissioners give up or is dismissed from his/her office before his/her term of office expires, the term of office of his/her successor is as referred to in Article 14, paragraph (9), unless otherwise specified by the General Meeting of Shareholders.

28. In case of the increase of the members of the Board of Commissioners, the term of office of the new member is as referred to in Article 14, paragraph (9), unless otherwise specified by the General Meeting of Shareholders.

29. A member of the Board of Commissioners shall not have a double function as:

   a. A member of the Board of Directors of a State-Owned Enterprise, Provincial Government Owned Enterprise, Private Company; and/or

   b. A member of the Executive Committee of a political party and/or as a candidate legislative member/a legislative member, and/or as a candidate regional head/a candidate regional deputy head;

   c. Other structural and functional positions in the central and provincial government agencies;

   d. A position which may arise conflict of interest, or other positions as provided in the laws and regulations.
DUTIES, AUTHORITIES AND OBLIGATIONS OF
THE BOARD OF COMMISSIONERS

Article 15

1. The Board of Commissioners shall have the duties of supervising the management policy, the conduct of the management with regard to the Company or the business of the Company by the Board of Directors, including supervising the implementation of the Long-Term Development Plan of the Company, Business Plan and Corporate Budgeting of the Company as well as the enforcement of the provisions of the Company’s Articles of Association and the execution of the Resolutions of the General Meeting of Shareholders, and the compliance with the prevailing laws and regulations, in the interest of the Company and in line with the purposes and objectives of the Company, as well as performing specific duties especially assigned to a Board of Commissioners as provided for in the Articles of Association, the prevailing statutory and regulatory provisions and/or the resolutions of General Shareholder’s Meeting

2. In discharging the duties referred to in paragraph (1) of this Article:

   a. The Board of Commissioners has the authority to:

      a.1. Examine all books, receipts, letters, documents and stocks, and inspect the cash and other commercial
papers for verification purposes, and know all acts of management which have been taken by the Board of Directors;

a.2. Enter the buildings, premises, and other properties / places used or controlled by the Company;

a.3. Ask for explanation from the Board of Directors and/or other officers on all matters pertaining to the management of the Company, for which the Board of Directors shall give such explanation as required by the Board of Commissioners;

a.4. Know all policies and actions which have been and will be taken by the Board of Directors;

a.5. Ask the Directors and/or other officers under the Directors with the cognizant of the Directors to attend the meeting of the Board of Commissioners;

a.6. Appoint the Secretary of the Board of Commissioners, as the Board of Commissioners may deem necessary;

a.7. Suspend the member of the Board of Directors with due observance of the provisions of these Articles of Association;
a.8. Form other committees in addition to the audit committee, if it is deemed necessary and in view of the financial capability of the Company;

a.9. Employ the experts for performing certain works and for a certain time at the expense of the Company, if it is deemed necessary and with due observance of the Company policy.

a.10. Perform the acts of managing the Company in certain condition for a certain period in accordance with the provisions of these Articles of Association.

a.11. Attend the meeting of the Board of Directors and express opinions on the subject matters being discussed;

a.12. Perform other supervisory authorities as long as not in contravention with the prevailing laws and regulation, these Articles of Association, and/or resolutions of the General Meeting of Shareholders

b. The Board of Commissioners shall have the obligation to:

b.1. Give advice to the Board of Directors in conducting the management of the Company;

b.2. Give opinion and approval to the Long-Term Development Plan, Business Plan, Annual Corporate Budgeting and other planning of the Company which
have been prepared and submitted by the Board of Directors in accordance with the provisions of these Articles of Association;

b.3. Monitor the development of the Company’s activities, give opinion and advice to the General Meeting of Shareholders regarding any matters deemed important in managing the Company;

b.4. Immediately report to the General Meeting of Shareholders when there is indication that the performance of the Company becomes lower, and give advice with regard to the steps to be taken thereto;

b.5. Nominate the Public Accountant which shall audit the books of account of the Company to the General Meeting of Shareholders;

b.6. Examine and analyze the periodical reports and annual reports which have been prepared and submitted by the Board of Directors and sign the reports;

b.7. Give explanation, opinion and advice to the General Meeting of Shareholders regarding the Annual Report, if requested.

b.8. Draw up the Minutes of the Meeting of the Board of Commissioners and file the copy thereof.
b.9. Report to the Company about the ownership of shares by the members of the Board of Commissioners and/or the members of their families in the Company and in other companies;

b.10. Prepare the report on its supervisory duties which were performed in the previous fiscal year to the General Meeting of Shareholders;

b.11. Perform any other obligations within the framework of its supervisory and advisory duties, as long as the performance of the obligations are not in contravention with the prevailing laws and regulations, Articles of Association, and/or the resolutions of the General Meeting of Shareholders;

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

a. Comply with the Company’s Articles of Association and the prevailing laws and regulations, and implement the principles of professionalism, efficiency, transparency, independency, accountability, responsibility and appropriateness;

b. Act in good faith, prudently and with full responsibility in performing its supervisory and advisory duties toward the Board of Directors in the interest and for the purpose of and for achieving the objectives of the Company.
4. Each member of the Board of Commissioners shall personally be responsible for the losses sustained by the Company if the member makes mistake or neglects his duties for the interest and business of the Company, except when such member of the Board of Commissioners can prove that:

a. He has performed the supervision in good faith and prudently in the interest of the Company and in accordance with the purposes and objectives of the Company;

b. He has no conflict of interest, directly or indirectly, in an act of managing of the Board of Directors which results in the losses; and

c. He has given advice to the Board of Directors in order to prevent the occurrence or worsening of the losses.

MEETING OF THE BOARD OF COMMISSIONERS

Article 16

1. All decisions of the Board of Commissioners shall be made at the meeting of the Board of Commissioners.

2. Minutes of Meeting shall be prepared for each meeting of the Board of Commissioners containing the matters being discussed (including the dissenting opinion of the members of the Board of Commissioners, if any) and the resolutions adopted at the meeting.
3. The Minutes of Meeting referred to in paragraph (2) of this Article shall be signed by the Chairperson of the meeting and all members of the Board of Commissioners present thereat.

4. The original of the Minutes of the Meeting of the Board of Commissioners shall be established and maintained by the Board of Directors, whereas the copy of the Minutes shall be maintained by the Board of Commissioners.

5. The Meeting of the Board of Commissioners shall be deemed legal if it is held at the domicile of the Company or at any other places within the region of the Republic of Indonesia.

6. The Meeting of the Board of Commissioners which is held at any other places other than those mentioned in paragraph (5) of this Article, shall be deemed legal and may adopt resolutions if it is held within the region of the Republic of Indonesia and attended by all members of the Board of Commissioners.

7. The Board of Commissioners shall hold the meeting at least once a month, and the Board of Commissioners may invite the Board of Directors to attend the meeting.

8. The Meeting of the Board of Commissioners may be held at any time at the written request of 1 (one) or more members of the Board of Commissioners, at the request of the Board of Directors; or at the written request of one or more shareholders jointly representing at least 1/10 (one-tenth) of the total shares
having valid voting rights issued by the Company, by mentioning the business to be transacted thereat.

9. Notice to call for a Meeting of the Board of Commissioners shall be served in writing by the President Commissioner or by a Commissioner appointed by the President Commissioner and delivered at the latest 3 (three) days before the meeting is to be held or in a shorter period in the event of urgent matters, excluding the date of notice and the date of meeting.

10. The notice to call for the meeting referred to in paragraph 9 of this Article must state or contain the agenda, date, time and place of the Meeting.

11. A prior notice to call for a meeting of the Board of Commissioners shall not be required if all members of the Board of Commissioners are to be present at the meeting.

12. The Meeting of the Board of Commissioners shall be lawful and have the right to adopt valid and binding resolutions if more than 1/2 (a half) of all members of the Board of Commissioners present at the Meeting.

13. With regard to a miscellaneous (additional) agenda at the meeting, the Board of Commissioners may not adopt any resolution thereat except all members of the Board of Commissioners or their legal proxies are present at the meeting and they agree with such an additional agenda of the meeting.
14. A member of the Board of Commissioners may be represented at the Meeting only by another member of the Board of Commissioners by virtue of a proxy especially given for such purpose.

15. A member of the Board of Commissioners may only represent one other member of the Board of Commissioners.

16. All meetings of the Board of Commissioners shall be chaired by the President Commissioner.

17. In case the President Director is unavoidably absent for any reasons whatsoever, one of the Commissioners appointed by the President Commissioner shall chair the meeting of the Board of Commissioners.

18. In case no Commissioner is appointed by the President Commissioner, the most senior Commissioner shall chair the meeting of the Board of Commissioners.

19. In case there are more than 1 (one) most senior Commissioners, the Commissioner referred to in paragraph (18) of this Article who is the eldest in age shall act as the chairperson of the meeting of the Board of Commissioners.

20. All resolutions of the meeting of the Board of Commissioners shall be adopted on the basis of the principle of the deliberation to reach a consensus.
21. In case the resolution on the basis of the principle of deliberation to reach a consensus cannot be adopted, the resolution shall be adopted by a simple majority votes.

22. Each member of the Board of Commissioners has the right to cast 1 (one) vote and 1 (one) additional vote for another member of the Board of Commissioners he represents.

23. In the event of a tie in the voting, the Chairperson of the Meeting shall have the casting vote with due observance of the provisions concerning the accountability as referred to in Article 15 paragraph (3), except for the voting concerning an individual person, it shall be conducted by secret ballots.

24. Blank votes (abstain) shall be deemed to have approved the resolution of the meeting.

25. In the event that the proposal have more than two alternatives and the result of the voting shows that none of the alternatives get more than 1/2 (a half) of the votes legally cast, the second voting shall be done for the two alternatives which get majority of votes so as to have one alternative of the proposal which gets more than 1/2 (a half) of the number of votes cast at the meeting.

26. Void votes shall be deemed not exist and therefore shall not be counted in determining the number of votes cast at the meeting.
27. The Board of Commissioners may also adopt valid and binding resolutions without convening a Meeting of the Board of Commissioners, provided that all members of the Board of Commissioners have been notified in writing of the proposals to be discussed and all such members have given and signed their written approval to the proposal. The resolution adopted in such a way shall have the same effect of the resolution lawfully adopted at a Meeting of the Board of Commissioners.

COMPANY’S BUSINESS PLAN AND CORPORATE BUDGETING

Article 17

1. The Board of Directors shall draw up the Company's Business Plans and Corporate Budgeting every fiscal year, which shall at least contain:
   a. Corporate mission, business target, business strategy, policy, and work program;
   b. The Company’s Budget is breakdown into each budget of work program;
   c. Financial projections of the Company and its subsidiaries; and
   d. Other matters which require the resolutions of the General Meeting of Shareholders;
2. The Board of Commissioners shall prepare a work program of the Board of Commissioners which shall form an integral and inseparable part of the Company’s Business Plans and Corporate Budgeting prepared by the Board of Directors referred to in paragraph (1) of this Article.

3. The draft Business Plan and draft Corporate Budgeting which have been signed by the Board of Directors shall be forwarded to the Board of Commissioners at the latest 60 (sixty) days before the commencement of the new fiscal year so as to obtain the approval of the Board of Commissioners.

4. The draft Business Plan and the draft Corporate Budgeting shall be approved by the Board of Commissioner within not later than 30 (thirty) days after the commencement of the fiscal year.

5. In case the draft Business Plan and the draft Corporate Budgeting have not been approved by the Board of Commissioners within the period of time referred to in paragraph (4) of this Article, the Business Plan and Corporate Budgeting for the previous year shall be applied (implemented).

**FISCAL YEAR AND ANNUAL REPORT**

**Article 18**

1. The fiscal year of the Company shall be the calendar year, and at the end of December of every year the Company's books of account shall be closed.
2. The Board of Directors must prepare Annual Report which shall at least contain;

a. Financial Statements which shall at least consist of the closing balance sheet for the previous fiscal year in comparison with that for the fiscal year preceding the previous fiscal year, profit and loss account for the relevant year, statements of cash flow, and statements of changes in equity, and notes to the Financial Statements;

b. Report on the activities of the Company;

c. Report on the implementation of Corporate Social and Environmental Responsibility;

d. Details of the issues which arise in the fiscal year, which affect the Company’s business activities;

e. Report on the control functions which were discharged / exercised by the Board of Commissioners in the previous fiscal year;

f. Names of the members of the Board of Directors and the members of the Board of Commissioners;

g. Salaries and allowances/facilities for the members of the Board of Directors, and the honoraria and allowances / facilities for the members of the Board of Commissioners,
which are paid/given for the previous year (the relevant fiscal year).

3. The draft of Annual Report including Financial Statements which have been audited by a Public Accountant and have been signed by all members of the Board of Directors shall be submitted to the Board of Commissioners to be studied and signed before it is forwarded to the Shareholders.

4. In case any of the members of the Board of Directors and any of the members of the Board of Commissioners do not sign the Annual Report, reasons shall be given in writing therefor or such reasons shall be stated by the Board of Directors in a separate letter which is attached to the Annual Report.

5. In case any of the members of the Board of Directors and any of the members of the Board of Commissioners do not sign the Annual Report as referred to in paragraph (4), and do not give written reasons therefore, they are considered to have approved the contents of the Annual Report.

6. The approval to the Annual Report including the confirmation to the Financial Statements and to the report on the implementation of the supervisory duty of the Board of Commissioners as well as to the appropriation of profit shall be resolved by the General Meeting of Shareholders.
7. The approval to the Annual Report including the confirmation to the Financial Statements as referred to in paragraph (2) of this Article shall be given by the General Meeting of Shareholders at latest at the end of the fifth months after the fiscal year comes to an end.

8. The giving of approval to the Annual Report including the confirmation to the Financial Statements and to the report on the implementation of the supervisory duty of the Board of Commissioners by the General Meeting of Shareholders shall mean the release and discharge of the members of the Board of Directors and the members of the Board of Commissioners from their responsibility for management and supervision, which management and supervision are conducted and carried out in the previous fiscal year, to the extent that their acts of managing and supervising are reflected or stated in the annual report including the financial statements, and pursuant to the applicable statutory/regulatory provisions.

The Annual Report including the Financial Statements referred to in paragraph (2) of this Article shall be made available to the Shareholders for their perusal at the office of the Company from the date of the notice to call for the General Meeting of Shareholders up to the date on which the Meeting is to be held.

9. The Company shall advertise the Balance Sheet and Profit And Loss Account of the Company in daily newspapers in
Indonesian language, having national circulation in accordance with the procedure as specified in the Regulation applying to the Capital Market in Indonesia.

REPORTING

Article 19

1. The Board of Directors shall prepare periodic reports which contain the result of implementation/execution of the Company’s Business Plan and Budget.

2. The periodic reports referred to in paragraph (1) of this Article shall include Quarterly and Annual Reports.

3. In addition to the periodic reports referred to in paragraph (2) of this Article, the Board of Directors may also submit special reports from time to time to the Board of Commissioners, Shareholders.

4. The periodic reports and the other reports referred to in this Article shall be submitted in the form, contents and procedure as provided for in the prevailing statutory and regulatory provisions.

5. The Board of Directors must submit the quarterly reports to the Board of Commissioners and/or the Shareholders at the latest 30 (thirty) days after said quarterly period comes to an end.
GENERAL MEETINGS OF SHAREHOLDERS

Article 20

1. The General Meetings of Shareholders of the Company are:
   
   a. The Annual General Meeting of Shareholders as referred to in article 21 of these Articles of Association.
   
   b. Other General Meeting of Shareholders which hereinafter referred to as Extraordinary General Meeting of Shareholders, namely the General Meeting of Shareholders which may be held at any time when required as provided for in Article 22 of these Articles of Association.
   
2. Unless otherwise expressly provided in these Articles of Association, the term “General Meeting of Shareholders” shall mean both Annual General Meeting of Shareholders and Extraordinary General Meeting of Shareholders.
   
3. With regard to a miscellaneous (additional) agenda at the meeting, the General Meeting of Shareholders may not adopt any resolution thereat except all Shareholders or their legal proxies are present at the meeting and they agree with such an additional agenda of the meeting.
   
4. The new proposals may be included in the Agenda of a General Meeting of Shareholders, provided that:
a. Such proposals are moved by the Board of Commissioners and/or one or more Shareholders representing at least 1/10 (one-tenth) of the total shares having valid voting rights issued by the Company;

b. Such proposal must have been received by the Board of Directors 7 (seven) days before the date of the notice to call for the General Meeting of Shareholders.

ANNUAL GENERAL MEETING OF SHAREHOLDERS

Article 21

1. Annual General Meeting of Shareholders shall be held annually.

2. The General Meeting of Shareholders with the agenda to give approval to the Annual Report shall be held at the latest within May after the closing of the books for the relevant fiscal year.

3. At the Annual General Meeting of Shareholders the Board of Directors shall present:

   a. The Annual Report as referred to in Article 18 paragraph (2).

   b. The proposal for the utilization of the net profits of the Company;

   c. The Public Accountant nominated by the Board of Commissioners for auditing the books of account of the
Company; or the power of attorney authorizing the Board of Commissioners to appoint a Public Accountant.

Other matters which have been proposed appropriately can also be discussed and resolved at the General Meeting of Shareholders without prejudice to the provisions of these Articles of Association.

EXTRAORDINARY GENERAL MEETING OF SHAREHOLDERS

Article 22

Extraordinary General Meeting of Shareholders may be held at any time in accordance with the needs and in the interest of the Company.

PLACE TO HOLD, ANNOUNCEMENT, NOTICE, AND TIME OF GENERAL MEETING OF SHAREHOLDERS

Article 23

1. All General Meetings of Shareholders must be held in the territory of the Republic of Indonesia. It can convened at:
   a. the Company’s domicile;
   b. the place where the Company conducts its business; or
   c. the domicile of the Stock Exchange on which the Company’s shares are listed.

2. The Board of Directors shall hold the Annual General Meeting of Shareholders and the Extraordinary General Meeting of
Shareholders by serving the notice to call for the General Meeting of Shareholders.

3. Announcement for the General Meeting of Shareholders shall be made not later than 14 (fourteen) days prior to serving the notice to call for General Meeting of Shareholders, excluding the date of the announcement and the date of notice.

4. a. The notice to call for the General Meeting of Shareholders shall be served not later than 14 (fourteen) days prior to the date on which the General Meeting of Shareholders is to be held, excluding the date of the notice and the date of the meeting.

b. The notice to call for the second General Meeting of Shareholders shall be served not later than 7 (seven) days prior to the date on which the second General Meeting of Shareholders is to be held, excluding the date of the notice and the date of the second meeting, contain the information that the first General Meeting of Shareholders had been convened, but the quorum was not reached.

c. The notice to call for the General Meeting of Shareholders shall state the date, time, place and agenda of the meeting accompanied by a notification that the materials to be discussed at the meeting is available at the Company's office unless otherwise provided for in the statutory and regulatory provisions in the field of Capital Market.
d. The second General Meeting of Shareholders shall be held not sooner than 10 (ten) days and not later than 21 (twenty one) days after the date of the first Meeting.

e. Without prejudice to the provisions of these Articles of Association, the Notice shall be served by the Board of Directors or the Board of Commissioners in accordance with the procedure as provided for in these Articles of Association.

f. The announcement and the notice to call for the General Meeting of Shareholders shall be served by means of advertisement in at least 2 (two) daily newspapers in Indonesian language, one of which having wide circulation and the other is published in the domicile of the Company as determined by the Board of Directors.

g. The provisions in this Article shall be applicable without prejudice to the regulations concerning the Capital Market, other statutory and regulatory provisions, and the regulations of the Stock Exchange on which the Company’s shares are listed.

h. The Advertisement and the Notice to Call for General Meeting of Shareholders for discussing the issues related to conflict of interest shall be served with due observance of the regulation of the capital market.
5. The General Meeting of Shareholders referred to in paragraph (2) of this Article may be held at the request of:
   a. 1 (one) or more shareholders who jointly represent 1/10 (one-tenth) of the total shares having valid voting rights issued by the Company; or
   b. The Board of Commissioners

6. The request referred to in paragraph (5) of this Article shall be sent to the Board of Directors by registered mail and giving the reasons thereof;

7. The reasons referred to in paragraph (6) of this Article among other are, but not limited to:
   a. The failure of the Board of Directors to hold the Annual General Meeting of Shareholders in accordance with the prevailing regulation;
   b. The Expiration of the term of office of the members of the Board of Directors and/or the Board of Commissioners;
   c. The unavoidable absence of or hindrance to the Board of Directors or the conflict of interest between the Board of Directors and the Company;

8. The registered mail referred to in paragraph (6) which is sent by the Shareholders and copy thereof shall be delivered to the Board of Commissioners;
9. In case the Board of Directors fails to serve the notice to call for the General Meeting of Shareholders referred to in paragraph (3) and (4) of this Article; then:

a. The request for holding the General Meeting of Shareholders by the Shareholders referred to in paragraph (5) point (a) of this Article shall be resubmitted to the Board of Commissioners; or

b. The Board of Commissioners shall serve by itself the notice to call for the General Meeting of Shareholders referred to in paragraph (5) point (b) of this Article.

10. The Board of Directors must serve the notice to call for the General Meeting of Shareholders referred to in paragraph (9) point (b) of this Article within 30 (thirty) days commencing on the date of receiving the request for holding a General Meeting of Shareholders;

CHAIRPERSON AND MINUTES OF GENERAL MEETING OF SHAREHOLDERS

Article 24

1. The General Meeting of Shareholders shall be chaired by one of the Commissioners appointed by the Board of Commissioners.

In case all members of the Board of Commissioners are absent or hindered by whatsoever reasons the General Meeting of Shareholders shall be chaired by one of the Directors appointed
by the Board of Directors. In case all members of the Board of Directors are also absent or hindered by whatsoever reason the General Meeting of Shareholders shall be chaired by one of the Shareholders attending the General Meeting of Shareholders who is appointed from and by those present at the General Meeting of Shareholders.

2. In case the Commissioner appointed by the Board of Commissioners has a conflict of interest in the business to be transacted at the General Meeting of Shareholders, the Meeting shall be presided over by another member of the Board of Commissioners who has no conflict of interest and appointed by the Board of Directors. If case all members of the Board of Commissioners have a conflict of interest, the Meeting shall be presided over by one of the Directors who has no conflict of interest. In case all members of the Board of Directors have the conflict of interest, the Meeting shall be presided over by an independent shareholder appointed by the other shareholders attending the Meeting.

3. Minutes of Meeting shall be drawn-up of any and all business transacted and resolved at the General Meeting of Shareholders.

4. The Minutes of Meeting being prepared in accordance with the provision of paragraph (3) of this Article shall serve as lawful evidence for all Shareholders and third parties regarding the resolutions and all proceedings taking place at the Meeting.
QUORUM, VOTING RIGHTS AND RESOLUTIONS AT
GENERAL MEETING OF SHAREHOLDERS

Article 25

1. Except as otherwise stipulated in these Articles of Association, the quorum of attendance and resolutions of the General Meeting of Shareholders for the business transacted and resolved at the Meeting shall be as follows:

a. A General Meeting of Shareholders may be convened if the Meeting is attended, in person or by proxy, by the shareholders representing more than 1/2 (one-half) of the total shares having valid voting rights issued by the Company, and the resolutions shall be valid if approved by more than 1/2 (one-half) of the number of shares having valid voting right attending the Meeting;

b. If the quorum referred to in point (a) of this paragraph is not reached, the second General Meeting of Shareholders may be held and shall be entitled to adopt valid and binding resolutions if attended, in person or by proxy, by the shareholders representing at least more 1/3 (one-third) of the total shares having valid voting rights, and the resolution shall be adopted based on affirmative votes of more than 1/2 (half) of the number of shares having valid voting right attending the Meeting;
c. In the event the quorum for attendance of the second Meeting as referred to in point (b) of this paragraph is not reached, the Chairman of Bapepam-LK (Capital Market and Financial Institution Supervisory Agency) shall, at the request of the Company, determine the quorum for attendance, number of voting rights for adopting resolutions, notice to call for the meeting, and schedule of the third General Meeting of Shareholders.

2. A General Meeting of Shareholders for transferring the Company's assets or for giving the Company's asset as a security for a debt which is more than 50% (fifty percent) of the total net assets of the Company, either in 1 (one) transaction or more than 1 (one) transaction, which are interrelated or not interrelated, shall be convened under the following requirements:

a. The Meeting shall be attended, in person or by proxy, by the shareholders representing more than 3/4 (three-fourth) of the total shares having valid voting rights issued by the Company, and the resolutions shall be valid if approved by more than 3/4 (three-fourth) of the number of shares having valid voting right attending the Meeting;

b. If the quorum referred to in point (a) of this paragraph (2) is not reached, the second General Meeting of Shareholders may be held and shall be entitled to adopt valid and binding
resolutions if attended, in person or by proxy, by the shareholders representing at least more 2/3 (two-third) of the total shares having valid voting rights, and the resolution shall be adopted based on affirmative votes of more than 3/4 (three-fourth) of the number of shares having valid voting right attending the Meeting; and

c. In the event the quorum for attendance of the second Meeting as referred to in point (b) of this paragraph is not reached, the Chairman of Bapepam-LK shall, at the request of the Company, determine the quorum for attendance, number of voting rights for adopting resolutions, notice to call for the meeting, and schedule of the third General Meeting of Shareholders

3. General Meeting of Shareholders for giving approval to the transaction which bears a conflict of interest shall be convened under the following requirements:

a. The shareholders having conflict of interest shall be deemed to have rendered the same resolution with the resolution adopted by the independent shareholders with no conflict of interest;

b. The General Meeting of Shareholders shall be attended by the independent shareholders representing more than 1/2 (one-half) of total shares with valid voting rights owned by the independent shareholders and the resolution shall be
lawful if approved by independent shareholders representing more than 1/2 (one-half) of total shares with valid voting rights owned by the independent shareholders;

c. In the event the quorum referred to in point (b) of this paragraph (3) is not reached, then a second Meeting may be convened and shall be attended by the independent shareholders representing more than 1/2 (one-half) of total shares with valid voting rights owned by the independent shareholders and the resolution shall be adopted based on affirmative votes of more than 1/2 (one-half) of total shares owned by the independent shareholders that are present at the GMS; and

d. In the event the quorum for attendance referred to in point (c) of this paragraph is not reached, then upon the request of the Company, the quorum for attendance, voting for resolution, invitation and the schedule of the third GMS shall be determined by the Chairman of Bapepam-LK.

4. General Meeting of Shareholders for changing the composition of the Board of Commissioners and/or for issuing Equity Securities and/or for increasing the issued and paid-up capital shall be convened under the following requirements:

   a. The General Meeting of Shareholders shall be attended by the holder of Dwiwarna Series A Share and other shareholders and/or their legal proxies jointly representing
more than 1/2 (one-half) of total shares with valid voting rights and the resolution shall be lawful if approved by said holder of Dwiwarna Series A Share and based on affirmative votes of more than 1/2 (one-half) of total shares with valid voting rights attending the Meeting.

b. in the event the quorum referred to in point (a) of this paragraph (4) is not reached, then a second Meeting may be convened and shall be attended by the holder of Dwiwarna Series A Share and other shareholders and/or their legal proxies jointly representing at least 1/3 (one-third) of total shares with valid voting rights and the resolution shall be lawful if approved by said holder of Dwiwarna Series A Share and based on affirmative votes of more than 1/2 (one-half) of total shares with valid voting rights attending the Meeting.

c. in the event the quorum for attendance for the second Meeting referred to in point (b) of this paragraph is not reached, then upon the request of the Company, the quorum for attendance, voting for resolution, invitation and the schedule of the third GMS shall be determined by the Chairman of Bapepam-LK, provided that such third Meeting must be attended and approved by the holder of Dwiwarna Series A Shares.
5. General Meeting of Shareholders for amendment of the Company’s Articles of Association which require the approval of the relevant Minister, shall be convened under the following requirements:

a. The amendment of Articles of Association shall be resolved by General Meeting of Shareholders which is attended by the holder of Dwiwarna Series A Share and other shareholders and/or their legal proxies jointly representing at least 2/3 (two-third) of total shares with valid voting rights and the resolution shall be lawful if approved by said holder of Dwiwarna Series A Share and based on affirmative votes of more than 2/3 (two-third) of total shares with valid voting rights attending the Meeting.

b. in the event the quorum referred to in point (b) of this paragraph (5) is not reached, then a second Meeting may be convened and shall be attended by the holder of Dwiwarna Series A Share and other shareholders and/or their legal proxies jointly representing at least 1/3 (one-third) of total shares with valid voting rights; and the resolution shall be lawful if approved by said holder of Dwiwarna Series A Share and based on affirmative votes of at least more than 1/2 (one-half) of total shares with valid voting rights attending the Meeting.
c. in the event the quorum for attendance for the second Meeting referred to in point (b) of this paragraph is not reached, then upon the request of the Company, the quorum for attendance, voting for resolution, invitation and the schedule of the third GMS shall be determined by the Chairman of Bapepam-LK, provided that such third Meeting must be attended and approved by the holder of Dwiwarna Series A Shares.

6. Without prejudice to the prevailing statutory and regulatory provisions Amalgamation, Merger, Acquisition, Separation, Declaration of Bankruptcy and Dissolution of the Company may only be effected by virtue of the resolution of General Meeting of Shareholders under the following requirements:

a. The General Meeting of Shareholders must be attended by the holder of Dwiwarna Series A Share and other shareholders and/or their legal proxies jointly representing at least 3/4 (three-fourth) of total shares with valid voting rights and the resolution shall be lawful if approved by said holder of Dwiwarna Series A Share and based on affirmative votes of at least 3/4 (three-fourth) of total shares with valid voting rights attending the Meeting.

b. in the event the quorum referred to in point (a) of this paragraph (6) is not reached, then a second Meeting may be convened and shall be attended by the holder of Dwiwarna
Series A Share and other shareholders and/or their legal proxies jointly representing at least 2/3 (two-third) of total shares with valid voting rights; and the resolution shall be lawful if approved by said holder of Dwiwarna Series A Share and based on affirmative votes of at least more than 3/4 (three-fourth) of total shares with valid voting rights attending the Meeting.

c. in the event the quorum for attendance for the second Meeting referred to in point (b) of this paragraph is not reached, then upon the request of the Company, the quorum for attendance, voting for resolution, invitation and the schedule of the third GMS shall be determined by the Chairman of Bapepam-LK, provided that such third Meeting must be attended and approved by the holder of Dwiwarna Series A Shares.

7. Those who may attend a General Meeting of Shareholders are the Shareholders whose names have been recorded in the list of Company’s shareholders 1 (one) business day prior to the date of Notice to Call for General Meeting of Shareholders and with due observance of the statutory and regulatory provisions and the regulations of the Stock Exchange on which the Company’s shares are listed.

8. The Shareholders may be represented by another shareholder or any third party by virtue of a proxy especially given for such
purpose and with due observance of the prevailing laws and regulations.

9. The Chairperson of the Meeting is entitled to request that the proxy to represent the shareholder be shown to him at the time the meeting is held.

10. At the General Meeting of Shareholders, each share shall give its owner the right to cast 1 (one) vote.

11. The Shareholders who have valid voting rights at a General Meeting of Shareholders but cast blank votes or abstains shall be deemed to have cast the same vote with the majority of votes of the other Shareholders at the Meeting.

12. The Shareholders who are unable to attend a General Meeting of Shareholders may be represented by their representative by filling in the proxy which form shall be determined by the Company’s Board of Directors, provided that the members of the Board of Directors, the members of the Board of Commissioners and the employees of the Company may act as proxies at the General Meeting of Shareholders, however, votes cast by them as proxies shall not be counted in a voting.

13. The voting shall be conducted verbally, unless otherwise determined by the Chairperson of the Meeting.

14. All resolutions shall be adopted in deliberation to reach a consensus. If the resolution based upon the principle of the
deliberation to reach a consensus is not reached, the resolution
shall be adopted by voting based on the affirmative votes as
provided for in these Articles of Association.

**UTILIZATION OF PROFITS**

**Article 26**

1. The utilization of the net profits including the amount of
provision for possible losses shall be decided by the General
Meeting of Shareholders.

2. All net profits less the provision for possible losses referred to
in paragraph (1) of this Article shall be distributed to the
Shareholders as dividends unless otherwise determined by the
General Meeting of Shareholders.

3. In addition to deciding the utilization of the net profits referred
to in paragraph (2) of this Article, the General Meeting of
Shareholders may decide the utilization of the net profits for
other distribution such as percentage of profits for the Board of
Directors and the Board of Commissioners, bonus for the
employees, or a portion of the net profits set aside for the
Company’s reserves which are used, among others, for
expansion of the Company’s business, the amounts of which in
percentage shall be decided every year by the General Meeting
of Shareholders.
4. The dividends referred to in paragraph (2) of this Article may only be distributed if the Company has a credit balance.

5. The use of net profits for the percentage of profits for the Board of Directors and the Board of Commissioners and bonus for the employees as referred to in paragraph (3) of this Article shall be effected as long as such percentage and bonus have not yet been budgeted and calculated as expenses for the current year.

6. In case the Company has no net profits but has a high performance as indicated by the achievement of the target which must be achieved, the Company may give such percentage to the members of the Board of Directors and the members of the Board of Commissioners and such bonus to the employees to the extent such percentage and bonus have been budgeted and calculated as expenses.

7. In case the profit and loss account for a fiscal year shows a loss which can not be covered by the sinking fund / reserve fund, such a loss shall still be recorded in the Company book of account and in the coming years the Company shall be considered to get no profits as long as the loss so recorded has not yet been covered wholly, without prejudice to the statutory and regulatory provisions.

8. Except the portion of dividends which is the right of the Republic of Indonesia, the dividend which is not taken within a period of 5 (five) years after it is made available for payment
shall be put in the specific reserve fund which is established for a specific purpose.

9. The dividend which has been put in the specific fund referred to in paragraph (8) of this Article and is not taken within a period of 10 (ten) years shall become the right of the Company.

10. The Company may distribute the interim dividend before the Company’s fiscal year comes to an end if it is asked by the Shareholders representing at least 1/10 (one-tenth) of the issued shares, with due observance of the projection of the profit to obtain and the financial condition of the Company.

11. The distribution of the dividend referred to in paragraph (10) of this Article shall be determined according to the decision of the Board of Directors after obtaining approval of the Board of Commissioners.

12. If after the fiscal year ends it is found that the Company sustains a loss, the interim dividend which has been distributed shall be returned by the Shareholders to the Company;

13. The Board of Directors and the Board of Commissioners shall jointly and severally be responsible for the loss sustained by the Company when the Shareholders cannot return the interim dividend referred to in paragraph (12) of this Article.

**UTILIZATION OF RESERVE FUND**

**Article 27**
1. The Company shall establish legal reserves and other reserves.

2. If the Company has a credit balance the net profits may be set aside for the reserves referred to in paragraph (1) of this Article.

3. The net profits shall be set aside for the legal reserves referred to in paragraph (1) of this Article until the legal reserves amount to, at least, 20% (twenty percent) of the amount of the issued and paid-up capital.

4. The legal reserves referred to in paragraph (1) of this Article which have not yet reached the amount referred to in paragraph (3) of this Article may only be used for covering the loss sustained by the Company which can not be covered by other reserves.

5. If the amount of the legal reserves referred to in paragraph (1) of this Article has exceeded 20% (twenty percent) aforesaid. The General Meeting of Shareholders may decide the surplus of the reserve fund to be used for other purpose of the Company.

6. The Board of Directors shall manage the reserve fund so as to get profits from the reserve fund in such a manner as the Board of Directors may deem fit with the approval of the Board of Commissioners, with due observance of the statutory and regulatory provisions.
7. The profits obtained from the reserve fund shall be included in the profit and loss account.

AMENDMENT OF THE ARTICLES OF ASSOCIATION

Article 28

1. Amendments of the Articles of Association shall be determined with due observance of the Company Law and/or the regulations of Capital Market.

2. The notice to call for the General Meeting of Shareholders for Amendment of the Articles of Association must clearly mention the agenda for amendment of the Articles of Association.

3. The General Meeting of Shareholders for amendment of the Articles of Association must be attended and approved by the Holder of Dwiwarna Series A Share in accordance with the provisions as provided for in Article 25, and the amendment of Articles of Association which require no approval of the relevant Minister must still be attended and approved by the Holder of Dwiwarna Series A Share.

4. Amendments of the provisions of the Articles of Association concerning the change of name and/or domicile of the Company, purposes and objectives and business activities, duration, amount of the authorized capital, reduction of the issued capital and paid-up capital, and/or change of status of the Company from Closed (Non-Public) Company to Open (Public) Company,
or vice versa, must obtain approval from the Minister as provided for in the Company Law.

5. Amendments of the Articles of Association on the matters other than those referred to in paragraph (4) of this Article shall be sufficiently reported to the Minister with due observance of the provisions of the Company Law.

6. The provisions with regard to the reduction of capital shall comply with the prevailing laws and regulations, especially the regulation on Capital Market.

MERGERS, AMALGAMATIONS, ACQUISITIONS AND SEPARATION

Article 29

1. Merger, Amalgamation, Acquisition and Separation shall be determined by General Meeting of Shareholders in accordance with the provisions as provided for in Article 25 paragraph (6) of these Articles of Association.

2. Further provisions with regard to Merger, Amalgamation, Acquisition and Separation shall refer to the prevailing laws and regulations, especially the regulation on Capital Market.

DISSOLUTION, LIQUIDATION AND TERMINATION OF LEGAL ENTITY STATUS

Article 30
1. The Company may be dissolved by virtue of a resolution of the General Meeting of Shareholders with due observance of the provisions as provided for in Article 25 paragraph (6).

2. If the Company is dissolved by virtue of a resolution of the General Meeting of Shareholders or by order of the court, a Liquidator shall conduct the liquidation of the Company.

3. The Liquidator shall be accountable to the General Meeting of Shareholders or the court ordering him to conduct the liquidation process of the Company.

4. The liquidator must notify the Minister of the liquidation process, and announce the final result of the liquidation process in a newspaper after the General Meeting of Shareholders gives the release and discharge to the liquidator or after the court accepts the accountability report of the liquidator appointed by the court.

5. Provisions with regard to dissolution, liquidation and termination of legal entity status of the Company shall refer to the prevailing laws and regulations, especially the regulation on Capital Market.

CLOSING PROVISIONS

Article 32
Any matters which are not covered or not sufficiently provided for in these Articles of Association shall be resolved by the General Meeting of Shareholders.

Finally, the Appearer acting in his aforementioned capacity states that the composition of the Shareholders, the Board of Commissioners and the Board of Directors of the Company shall be as follows:

I. The Company’s Shareholders have fully paid-up the shares mentioned in Article 4 paragraph (3), namely 1 (one) Dwiwarna Series A Share and 18,240,995,999 (eighteen billion two hundred forty million nine hundred ninety-five thousand nine hundred and ninety nine) Series B Shares, having a total nominal value of Rp. 9,120,498,000,000.00 (nine trillion one hundred twenty billion four hundred and ninety-eight million rupiah), with the following breakdown:

A. THE REPUBLIC OF INDONESIA:

a. 1 (one) Dwiwarna Series A Share, having a nominal value of Rp. 500.00 (five hundred rupiah) or having a total nominal value of Rp. 500.00 (five hundred rupiah);

b. 15,653,127,999 (fifteen billion six hundred fifty-three million one hundred twenty-seven thousand nine hundred and ninety-nine) Series B Shares, having an
aggregate nominal value of Rp. 7,825,563,999,500.00
(seven trillion eight hundred twenty-five billion five
hundred sixty-three million nine hundred ninety-nine
thousand and five hundred rupiah).

B. PT BANK MANDIRI (Persero) Tbk which subscribes
1,935,738,000 (one billion nine hundred thirty-five million
seven hundred and thirty-eight thousand) Series B Shares
having a total nominal value of Rp. 967,869,000,000.00
(nine hundred sixty-seven billion eight hundred and sixty-nine
million Rupiah).

C. PT ANGKASA PURA II (Persero) which subscribes
403,634,000 (four hundred three million six hundred and
thirty-four thousand) Series B Shares having a total nominal
value of Rp. 201,817,000,000.00 (two hundred one billion
eight hundred and seventeen million Rupiah).

D. PT ANGKASA PURA I (Persero) which subscribes
248,496,000 (two hundred forty-eight million four hundred
and ninety-six thousand) Series B Shares having a total
nominal value of Rp. 124,248,000,000.00 (one hundred
twenty-four billion two hundred and forty-eight million
Rupiah).

II. Composition of the members of the Board of Directors and the
Board of Commissioners shall be as follows:
1) THE BOARD OF COMMISSIONERS:

President Commissioner : Mr. HADIYANTO;
Commissioner : Mr. SAHALA LUMBAN GAOL;
Commissioner : Mr. WENDY ARITENANG YAZID;
Independent Commissioner : Mr. ABDULGANI;
Commissioner : Mr. ADI RAHMAN ADIWOSO.

2) THE BOARD OF DIRECTORS:

President Director : Mr. EMIRSYAH SATAR;
Director : Mr. AGUS PRIYANTO;
Non-Affiliated Director : Mr. ELISA LUMBANTORUAN;
Director : Mrs. ACHIRINA;
Director : Mr. HADINOTO SOEDIGNO;
Director : Mr. ARI SAPARI;

Furthermore, the appearer aforesaid gives power on my Notarial employee to apply for approval of and to notify the Minister of Law and Human Rights of the Republic of Indonesia with regard to the amendments of these Articles of Association.

The appearer is known to me, the Notary

the Appearer warrants that his identity is true in accordance with the relevant documents shown to me, the Notary and he shall be fully responsible for the truth of his identity, and furthermore he has declared to have understood and acknowledged the contents of this Deed.
IN WITNESS WHEREOF,

this Deed was drawn up as minutes and executed in Jakarta, on the day and date first above written, in the presence of:

- Mrs. Dahlia, Sarjana Hukum, born in Kotabumi, on May 10, 1968 (the tenth day of May one thousand nine hundred and sixty-eight), residing in Jakarta Selatan, Jalan Pengadegan Barat III Nomor 16. Rukun Tetangga 001, Rukun Warga 006, Kelurahan Pengadegan, Kecamatan Pancoran; and

- Mrs. Ai Tanti Yulianti, Sarjana Hukum, born in Garut, on July 7, 1972 (the seventh day of July one thousand nine hundred and seventy-two), residing in Jakarta Timur, Jalan Raya Kalisari Nomor 44. Rukun Tetangga 002, Rukun Warga 003, Kelurahan Kalisari, Kecamatan Pasar Rebo;

both being the Notary’s assistants, serving as witnesses.

After this deed had been read out by me, the Notary, to the appearer and witnesses, the same was forthwith signed by the appearer, witnesses and me, the Notary.

Executed without any alteration.

“ISSUED AS A TRUE COPY”

Notary in Jakarta,

(Signature) FATHIAH HELMI, SH

Stamp duty of Rp. 6,000
TRANSLATOR’S STATEMENT
No. 01/UG/I/17-11

I, the undersigned, **Umar Feisal, BA., BBA.,** a translator of English - Indonesian v.v., duly sworn, practicing in the Special Capital Region of Jakarta, by virtue of Decree of the Governor thereof No. 309/1982 dated April 8, 1982, hereby certify that this translation is a true and correct English version of the document “**Akta Pernyataan Keputusan Rapat Umum Pemegang Saham Luar Biasa PT. Garuda Indonesia (Persero) No. 24**” shown to me.

Jakarta, January 17, 2011

**UMAR FEISAL, BA, BBA**
Sworn and Authorized Translator