



## ARTICLES OF ASSOCIATION PT BANK OCBC NISP TBK

### NAME AND DOMICILE

#### Article 1

1. This Limited Liability Company is called the limited liability company of “**PT Bank OCBC NISP Tbk**” (hereinafter in this Articles of Association shall be referred to as the “Company”), domiciled and having its head office in the South Jakarta.
2. The Company is able to open a branch or representative office in other places, either within or outside the territory of the Republic of Indonesia as determined by the Board of Directors with the approval of the Board of Commissioners.

### ESTABLISHMENT TERM OF THE COMPANY

#### Article 2

This Company is established for an unlimited period of time and started as a legal entity on 04-04-1941 (the fourth of April nineteen forty-one).

### PURPOSES AND OBJECTIVES AND BUSINESS ACTIVITIES

#### Article 3

1. Carry out the business of commercial bank including banking activities that carry out sharia business in accordance with the prevailing laws and regulations.
2. To achieve such purposes and objectives the Company is able to carry out the following main business activities:
  1. Collecting public's fund in the form of savings such as *giro* (clearing account), time deposit, deposit certificate, savings account and/or other forms equivalent to the foregoing;
  2. Providing credits either long term, medium-term or provided in the banking business;
  3. Issuing promissory notes;
  4. Purchasing, selling or guarantee on its own risk or for the interests and on the order of its customers, including:
    - a. money orders (*wesel*) including the money orders that are accepted by the

- bank with the validity period that is not longer than the common practice on the trading of such papers;
- b. promissory notes from other commercial papers with validity period of no longer than the common practice on the trading of such papers;
  - c. state treasury papers and the government letter of guarantee;
  - d. Certificates of the Bank of Indonesia (SBI);
  - e. bonds;
  - f. commercial papers with a validity period;
  - g. other commercial paper instruments with a validity period.
5. Transferring funds either for its own account or for the customers' benefit;
  6. Placing funds on, borrowing funds from, or lending funds to other banks, either using letters, means of telecommunications or with bearer money order, check or other means;
  7. Receiving payment from the receivables on commercial papers and undertaking calculation with or between third parties;
  8. Placing funds to other customers in the form of commercial papers that are listed or not listed on the stock exchange;
  9. Carry out factoring and credit card business activities;
  10. Issuing letters of credit in various forms and bank guarantees;
  11. Carry out activities in foreign currencies;
3. To support the Company's main business activities, the Company is able to carry out the following supporting business activities:
1. Providing safe deposits to keep valuable goods and commercial papers;
  2. Engage in the custodial activities for other party's interest based on a contract;
  3. Carry out trusteeship activities;
  4. Carry out capital investments on banks or other companies in the field of financial services such as factoring, funds management, leasing, venture capital, securities company, insurance, clearing and guarantee institution and the deposit and settlement institution;
  5. Acting as the founder and manager of pension funds;
  6. Carry out other businesses that are commonly carried out by a Commercial Bank provided that they are not contradicted with the prevailing laws and regulations.

## CAPITALISATION

### Article 4

1. This Company's Authorised Capital is Rp.6,250,000,000,000 (six trillion two hundred fifty billion Rupiah) divided into 50,000,000,000 (fifty billion) shares, each having a nominal value of Rp.125 (one hundred twenty-five Rupiah).
2. That Authorised Capital has been issued and subscribed and paid-up in full in the amount of 22,945,296,972 (twenty-two billion nine hundred forty-five million two hundred ninety-six thousand nine hundred seventy-two) shares with the aggregate nominal value of Rp.2,868,162,121,500 (two trillion eight hundred sixty-eight billion one hundred sixty-two million one hundred twenty-one thousand five hundred Rupiah).
3. 100% (one hundred per cent) from the nominal value of each share that has been issued above or in the aggregate of Rp.1,434,081,060,750 (one trillion four hundred and thirty-four billion eighty-one million sixty thousand seven hundred fifty Rupiah) has been fully subscribed by the relevant shareholders with the following details:
  - a. in the amount of Rp.1,068,614,799,375 (one trillion sixty-eight billion six hundred fourteen million seven hundred ninety-nine thousand three hundred seventy-five Rupiah) is the old subscription as set out in the deed Number: 62 dated 20-06-2012 (the twentieth of June two thousand twelve) made before me, the Notary, which the Company's data amendment notification had been accepted and recorded in the Legal Entity Administration System database of the Ministry of Law and Human Rights of the Republic of Indonesia Number: AHU-AH.01.10-28133 dated 31-07-2012 (the thirty first of July two thousand twelve) and had been registered in the Company Register Number: AHU-0069502.AH.01.09. Year 2012 dated 31-07-2012 (the thirty first of July two thousand twelve).
  - b. In the amount of Rp.365,466,261,375.00 (three hundred sixty-five billion four hundred sixty-six million two hundred sixty-one thousand three hundred seventy-five Rupiah) was subscribed with cash through the Limited Public Offering (Rights Issue) VII Year 2013 (two thousand thirteen).
  - c. In the amount of Rp.1,434,081,060,750 (one trillion four hundred thirty-four billion eighty-one million sixty thousand seven hundred fifty Rupiah) was the implementation of the bonus shares distribution that was paid up from the shares agio capitalization recorded in the Company's financial statements up to the financial year of 2017.

4. The subscription of shares is able to be conducted in the form of money or in other forms other than money or collection rights, in accordance with the prevailing laws and regulations and the Capital Market rules.
5. In carrying out the increase of capital, the Company must obtain approval from the General Meeting of Shareholders (hereinafter referred to as the GMS), and the GMS can delegate its authority to the Board of Directors and/or Board of Commissioners in relation to the determination of:
  - i. price, provided that it is not below the par value,
  - ii. time and procedures for capital increment,by taking into account the provisions as set out in these Articles of Association and the prevailing laws and regulations, including laws and regulations in the Capital Markets and Capital Markets Rules where the Company's shares are listed.
6. Every increase of capital through the issuance of Equity Type Securities (Equity Type Securities are Shares, Securities that can be exchanged with shares or Securities that contain rights to obtain shares from the Company as the issuer), conducted through the obligation to provide Preemptive Rights (hereinafter referred to as the "HMETD") or without providing HMETD shall be conducted by following the provisions of laws and regulations and Capital Markets Rules.
7. The Increase of the Company's Authorised Capital.
  - a) The increase of the Company's Authorised Capital can only be conducted based on the GMS' resolutions. The Amendment of Articles of Association in relation to the change in the authorised capital must be approved by the Minister of Law and Human Rights.
  - b) The increase of authorised capital that causes the issued and paid-up capital to become less than 25% (twenty-five percent) of the authorised capital, can only be conducted provided that:
    - b.1. - has obtained the GMS' approval to increase authorised capital;  
- has obtained the approval of the Minister of Law and Human Rights;  
The increase of issued and paid-up capital to become at least 25% (twenty-five percent) of the authorised capital must be conducted at the latest within six (6) months after the approval of the Minister of Law and Human Rights.
    - b.2. In the event the increase of the paid-up capital as stated in Article 4 paragraph 7.b.1 of the articles of association is not completely realized, the Company has to amend its articles of association again, so the authorised capital and the paid-up capital fulfil the provision of Article 33 paragraph (1) and

paragraph (2) of UUPT, within two (2) months after the term as set out in Article 4 paragraph 7.b.1 is not fulfilled.

b.3. the GMS approval as set out in Article 4 paragraph 7.b.1 shall include the approval to amend articles of association as referred to Article 4 paragraph 7.b.2.

- c) The amendment of articles of association in relation to the increase of the authorised capital becomes effective after the subscription of capital that has caused the paid-up capital to be less than 25% (twenty-five percent) from the authorised capital and contains the same rights as the other shares issued by the Company, by not reducing the Company's obligation to obtain the approval of the amendment to the articles of association from the Minister on the implementation of such increase of paid-up capital.
8. The Company is able to repurchase the fully paid shares up to 10% (ten per cent) from the number of issued and paid-up shares or other number if the laws applicable on the Company determined otherwise. The shares repurchase shall not reduce the Company's authorised capital, and the repurchased shares shall not be calculated in deciding the quorum at GMS and these shares shall not give right to cast votes in the GMS.

The shares repurchase shall take into account the prevailing laws and regulations specifically the laws and regulations in Capital Markets.

## **SHARES**

### **Article 5**

1. The Company's shares are registered shares
2. The Company only acknowledges one person or one (1) legal entity as the owner of one (1) share.
3. In the event that one (1) share for any reasons whatsoever becomes the ownership of several persons, then these joint owners shall appoint one of them in writing or other person as their joint representative and only the name of this representative that is registered in the Shareholders Register and this representative shall be considered as the valid holder of the shares and shall have the right to carry out and exercise all rights under the law that are available on these shares.
4. Every shareholder shall observe the articles of association and all resolutions that were validly cast in the GMS and the prevailing laws and regulations.

5. All shares issued by the Company are able to be encumbered as security by referring to the provisions of laws and regulations on the security encumbrance on shares, the laws and regulations in Capital Markets and the UUPT.
6. The evidence of Shares Ownership is as follows:
  - a. In the event the Company's shares are not included in the Collective Deposit at the Settlement and Depository Institution, then the Company shall provide the evidence of share ownership in the form of shares certificate or collective shares certificate to the shareholders.
  - b. In the event the Company's Shares are included in the Collective Deposit at the Settlement and Depository Institution, then the Company shall issue the certificate or written confirmation to the Settlement and Depository Institution as the evidence of registration in the Company's shareholders' register.
7. The Company's shares that are listed in the Stock Exchange shall be subject to the prevailing laws and regulations in Capital Markets and the Stock Exchange regulations where these shares are listed.

## **SHARES CERTIFICATE**

### **Article 6**

1. The Company is able to issue a collective share certificate that gives evidence of ownership of two (2) or more shares owned by a shareholder.
2. The shares certificate shall contain at least:
  - a. Names and addresses of the shareholders;
  - b. Number of the shares certificate;
  - c. Nominal value of the shares;
  - d. Issuance date of the shares certificate;

This matter is conducted by taking into account the prevailing laws and regulations specifically the Capital Markets regulations.
3. The collective shares certificate shall contain at least:
  - a. Names and addresses of the shareholders;
  - b. Number of the collective shares certificate;
  - c. Number of the shares certificates and the number of shares;
  - d. Nominal value of the shares;
  - e. Issuance date of the collective shares certificate;

This matter is conducted by taking into account the prevailing laws and regulations specifically the Capital Markets regulations.

4. Every shares certificate and/or collective shares certificate and/or convertible bonds and/or warrants and/or other securities that can be converted into shares must be printed and numbered and must have the issuance date and contain the signatures of the President Director or two (2) members of the Board of Directors or two (2) members of the Board of Commissioners who are appointed by the Board of Commissioners or those signatures are able to be directly printed on the relevant shares certificate and/or collective shares certificate and/or convertible bonds and/or warrants and/or other securities that can be converted into shares, by taking into account the prevailing laws and regulations in the Capital Markets and the prevailing regulations in the Stock Exchange where the Company's shares are listed.

## **REPLACEMENT SHARES CERTIFICATE**

### **Article 7**

1. The broken shares certificate and collective shares certificate:
  - a. In the event the shares certificate is broken, the replacement of such shares certificate is able to be conducted if:
    - 1) the party who submits a written request of replacement of the shares is the owner of this shares certificate; and
    - 2) the Company has obtained the broken shares certificate;
  - b. The Company shall destroy the original of the broken shares certificate after giving the replacement shares certificate.
2. In the event the shares certificate is lost, the replacement of this shares certificate is able to be conducted if:
  - a. the party who submits the request of shares replacement is the owner of this shares certificate;
  - b. the Company has obtained a report document from the Police Department of the Republic of Indonesia on the missing shares certificate;
  - c. the party who submits the request of shares replacement shall provide a guarantee that is considered sufficient by the Company's Board of Directors; and
  - d. the plan to issue the replacement of the missing shares certificate has been announced in the Stock Exchange where the Company's shares are listed within at least fourteen (14) days prior to the issuance of the replacement shares certificate.

3. The costs to issue this replacement shares certificate shall be borne by the relevant shareholder.
4. The issuance of the replacement shares certificate according to this article shall cause the original shares certificate to be null and void and the one that is valid for the Company is the replacement shares certificate.
5. The above provisions regarding the issuance of the replacement shares certificate shall also apply to the issuance of the replacement collective shares certificate or the Equity Securities.

### **COLLECTIVE DEPOSIT**

#### **Article 8**

1. The provisions on the Collective Deposit shall at least contain the following matters:
  - a. the shares in the Collective Deposit at the Depository and Settlement Institution must be registered in the Company's Shareholders Register on behalf of the Depository and Settlement Institution.
  - b. the shares in the Collective Deposit at the Custodian Bank or the Securities Company that are registered in the Securities account at the Depository and Settlement Institution are registered in the name of the relevant Custodian Bank or Securities Company on behalf of the account holder on such Custodian Bank or Securities Company.
  - c. if the shares in the Collective Deposit at the Custodian Bank are part of the Mutual Funds Securities Portfolio in the form of the collective investment contract and are not part of the Collective Deposit at the Depository and Settlement Institution then the Company shall register these shares in the Company's Shareholders Register in the name of the Custodian Bank for the interests of the holders of the Investment Unit from this Mutual Funds in the form of collective investment contract.
  - d. the Company shall issue the certificate or confirmation to the Depository and Settlement Institution as referred to in letter a above or to the Custodian Bank as referred to in letter c above as the evidence of registration in the Company's Shareholders Register;
  - e. the Company shall transfer the shares in the Collective Deposit that are registered in the name of the Depository and Settlement Institution or the Custodian Bank for the Mutual Funds in the form of the collective investment



- contract in the Company's Shareholders Register in the name of the Party who is appointed by the Depository and Settlement Institution or Custodian Bank;
- This request for transfer shall be submitted by the Depository and Settlement Institution or Custodian Bank to the Company or the Securities Administration Bureau that is appointed by the Company;
- f. the Depository and Settlement Institution, Custodian Bank or Securities Company shall issue the confirmation to the account holder as the evidence of registration in the Securities account;
  - g. in the Collective Deposit each share from the same type and classification that is issued by the Company is equal and is exchangeable between one and another;
  - h. The Company shall refuse the registration of shares into the Collective Deposit if the relevant shares certificate is lost or destroyed, unless the Party who requests such transfer is able to provide evidence and/or sufficient guarantee that such Party is the actual shareholder and the relevant shares certificate was actually lost or destroyed;
  - i. the Company shall refuse the registration of the shares in the Collective Deposit if such shares are encumbered, confiscated based on a court order or confiscated for a criminal investigation.
  - j. The Securities account holder whose securities are registered in the Collective Deposit are entitled to present and/or cast votes in the GMS in accordance with the number of shares that they owned in this account.
  - k. The Custodian Bank and the Securities Companies shall submit the list of Securities account together with the number of the Company's shares that are owned by each of the account holder at such Custodian Bank and Securities Company to the Depository and Settlement Institution to be subsequently delivered to the Company at the latest within one (1) business day prior to the announcement of the GMS;
  - l. The investment manager is able to present and cast vote in a GMS on behalf of the Company's shares that are part of the Collective Deposit at the Custodian Bank that are part of the Mutual Funds Securities portfolio in the form of the collective investment contract and are not part of the Collective Deposit at the Depository and Settlement Institution provided that such Custodian Bank shall inform the Company of the name of this Investment Manager at the latest within one (1) business day prior to the GMS announcement;

- m. The Company shall distribute dividends, bonus shares or other rights in relation to the shares ownership to the Depository and Settlement Institution on the shares that are in the Collective Deposit at the Depository and Settlement Institution and subsequently the Depository and Settlement Institution will distribute the dividends, bonus shares or other rights to the Custodian Bank and to the Securities Company for the interests of each of the account holders on such Custodian Bank and Securities Company;
  - n. The Company shall distribute dividends, bonus shares or other rights in relation to the shares ownership to the Custodian Bank on the shares that are in the Collective Deposit at the Custodian Bank that are part of the Mutual Funds Securities Portfolio in the form of collective investment contract and are not part of the Collective Deposit at the Depository and Settlement Institution; and
  - o. The time limitation to determine the Securities account holders who are entitled to obtain dividends, bonus shares or other rights in relation to the shares ownership in the Collective Deposit shall be determined by the GMS with the provision that the Custodian Bank and Securities Company shall deliver the list of the Securities account holders together with the number of the Company's shares that are owned by each of such Securities account holders to the Depository and Settlement Institution at the latest on the date that becomes the basis to determine the shareholders who are entitled to obtain dividends, bonus shares or other rights to be subsequently delivered to the Company at the latest within one (1) business day after such date that becomes the basis to determine the shareholders who are entitled to obtain dividends, bonus shares or other rights.
2. The provisions on the Collective Deposit shall be subject to the prevailing Capital Markets laws and regulations and the Stock Exchange regulations in the territory of the Republic of Indonesia where the Company's shares are listed.

## **SHAREHOLDERS REGISTER AND SPECIAL REGISTER**

### **Article 9**

- 1. The Board of Directors shall provide and keep the Shareholders Register, Special Register and other Company's documents in the Company's domicile.
- 2. The Shareholders Register shall record:

- a. names and addresses of the shareholders and/or the Depository and Settlement Institution or other party that is appointed by the account holder at the Depository and Settlement Institution;
  - b. the amount, number and the acquisition date of the shares owned by the shareholders;
  - c. amount that has been paid-up for each share;
  - d. name and address of the of the person or legal entity who has the pledge right over shares or as the holder of the fiducia security over shares and the date of obtaining such pledge right or the registration date of the fiducia security;
  - e. the description of the shares subscription in the forms other than money;
  - f. other descriptions that are considered as necessary by the Board of Directors;
3. The special register records the information regarding the shares ownership of the members of the Board of Directors and Board of Commissioners together with their families in the Company and/or in other Company and the date when these shares were acquired.
  4. Every change of address of a shareholder whose name is registered in the Company's Shareholders Register or Special Register must be notified in writing by the relevant shareholder to the Board of Directors. As long as such notification has not been accepted properly, then all of the letters or GMS announcements will be sent to the address that is lastly registered in the Company's Shareholders Register. Unless as otherwise provided in this articles of association.
  5. The Shareholders Register and the Special Register together with their amendments and records must be signed by two (2) members of the Board of Directors.
  6. The Board of Directors shall provide the Shareholders Register and Special Register in the Company's office, so the shareholder or his or her lawful representative is able to request that the Shareholders Register, specifically that is related to the relevant shareholder is presented to him or her during the Company's business hours.
  7. A lawful shareholder of the Company shall have the right to exercise all rights vested to a shareholder based on the prevailing laws and regulations by taking into account the provisions of this articles of association.
  8. A name registration of more than one (1) person for one (1) share or transfer of right from one (1) share to more than one (1) person is prohibited.

Therefore, in the event the joint ownership of one (1) share then the joint owners shall appoint one person amongst them that will represent them in this share ownership and who shall be considered as the holder of such share, whose name shall be registered as the shareholder in the Shareholders Register and on the relevant shares certificate.

In the event these joint owners are failed to notify the Company in writing regarding the appointment of the joint representative then the Company shall have the right to treat the shareholder whose name is registered in the Company's Shareholders Register as the one and only lawful holder of the share(s).

9. The Company's Board of Directors is able to appoint and authorise the Securities Administration Bureau to carry out the shares registration in the Shareholder Register and Special Register. Every registration or recordation in the Shareholders Register regarding a sale, transfer, encumbrance, pledge, assignment (*cessië*) that is related to the Company's shares or rights or benefits over shares shall be conducted in accordance with the provisions of this articles of association and the prevailing Capital Markets laws and regulations.

## **TRANSFER OF SHARES**

### **Article 10**

1. a. A transfer of right over shares shall be evidenced by a document that is signed by or on behalf of the Party who transfers the right and by or on behalf of the Party who accepts the relevant transfer of right over shares.
- b. The transfer of Right over shares that is part of the Collective Deposit is conducted by overbooking from one Securities account to another Securities account at the Depository and Settlement Institution, the Custodian Bank and the Securities Company.

The Transfer of right over shares Document shall be in the form as determined and/or acceptable to the Board of Directors provided that the transfer of right document over shares that are listed in the Stock Exchange shall comply with the prevailing regulations of the Stock Exchange where these shares are listed, without

limiting the prevailing laws and regulations of the Stock Exchange and the prevailing laws and regulations where the Company's shares are listed.

2. The transfer of right over shares that are not in accordance with the provision of this articles of association or not in accordance with the prevailing laws and regulations specifically the Capital Markets laws and regulations and the Stock Exchange regulations where the Company's shares are listed or without the approval from the authorised official, if required, shall not be valid on the Company.
3. the Board of Directors based on their own discretion and by giving reasons thereto is able to refuse to register a transfer of right over shares in the Shareholders Register if the provisions of this articles of association have not been fulfilled.
4. If the Board of Directors refuses to register the transfer of right over shares, then the Board of Directors shall send a notice of refusal to the party who is going to transfer his/her right at the latest within thirty (30) calendar days after the date of the request for such registration was accepted by the Board of Directors by taking into account the prevailing laws and regulations specifically in Capital Markets and the Stock Exchange regulations where the Company's shares are listed.
5. In the event there is a change of ownership over a share then the initial owner who is registered in the Shareholders Register is considered as the owner of such share until the name of the new owner has been registered in the Shareholders Register. Such matter shall take into account the prevailing laws and regulations in the Capital Markets and the Stock Exchange regulations where the Company's shares are listed.
6. Every person who obtain a right over shares due to the death of a shareholder or other causes that result a change of share ownership by law is able to present the evidence over his/her right as from time to time is able to be required by the Board of Directors, shall file a written request to be registered as the shareholder of these shares.  
The registration can only be conducted if the Board of Directors is able to accept either the legal basis of such evidence of right and without limiting the provisions of the articles of association.
7. The form and procedures of the transfer of right over shares that are traded in the Capital Markets shall comply with the prevailing laws and regulations in the Capital Markets and the Stock Exchange regulations where these shares are listed.
8. The shareholders as referred to in Article 12 paragraph (6) shall not transfer their shares for at least six (6) months since the GMS invitation by the Board of Directors

or Board of Commissioners or as the determination of the chairman of the district court.

## **THE GENERAL MEETING OF SHAREHOLDERS**

### **Article 11**

1. The General Meeting of Shareholders that hereinafter referred to as the GMS is:
  - a. Annual GMS;
  - b. Other GMS, that in these articles of association shall be referred to as the extraordinary GMS.
2. The term GMS in these articles of association shall mean both of the GMS, namely the Annual GMS and Extraordinary GMS, unless clearly determined otherwise.
3. The Company can hold GMS electronically and the provision on electronic GMS and the provider of e-GMS shall be in accordance with the Capital Markets regulation.
4. The Annual GMS shall be held annually at the latest within six (6) months after the end of the Company's financial year.
5. In the Annual GMS:
  - a. The Board of Directors shall submit the annual report as referred to in the prevailing laws and regulations that has been reviewed by the Board of Commissioners including the financial statements that have been audited by a Public Accountant to obtain the GMS' legalisation;
  - b. Shall determine the utilisation of profits, if the Company has the positive balance of profits;
  - c. If necessary, there is an appointment of the members of the Board of Directors and the Board of Commissioners and/or determination of the salaries and benefits for the Company's Board of Directors or honorarium and benefits for the Board of Commissioners;
  - d. There is an appointment of the public accountant and/or authorisation to the Board of Commissioners or the Board of Directors to appoint the public accountant;
  - e. The shareholders may decide other matters that have been submitted without limiting the provisions of these articles of association and the prevailing laws and regulations.
6. The approval of the annual report and the legalisation of the financial statements by the Annual GMS shall provide the acquittal and discharge of responsibilities to the members of the Board of Directors and Board of Commissioners on the

management and supervision that had been conducted during the previous financial year, provided that these actions are reflected in the annual report and the financial statements except for the act of embezzlement, fraud and other criminal acts.

7. The extraordinary GMS is able to be conducted at any time as needed to discuss and decide the submitted meeting agenda except for the meeting agenda as referred to in article 4 letter a, letter b and letter d by taking into account the prevailing regulations and the Company's articles of association.

## **VENUE, NOTICE, ANNOUNCEMENT, INVITATION, TIME, MEDIA AND LANGUAGE OF ANNOUNCEMENT OF THE GENERAL MEETING OF THE SHAREHOLDERS**

### **Article 12**

1. A GMS shall be conducted within the territory of the Republic of Indonesia, namely is able to be held in:
  - a. the Company's place of domicile; or
  - b. the place where the Company is conducting its main business activities;
  - c. capital of the province where the Company's place of domicile or main business activities is located; or
  - d. the province where the place of domicile of the Stock Exchange where the Company's shares are listed is located.
2. The notification of the GMS agenda to the authorised regulator is conducted in accordance with the prevailing laws and regulations.
3. Notice of the GMS shall be made at the latest within fourteen (14) days prior to the announcement of the GMS without taking into consideration the date of the notice and the date of the announcement.
4. The GMS announcement shall be made at the latest within twenty-one (21) days prior to the GMS, without taking into consideration the date of announcement and the date of GMS.
5. The holding of GMS as referred to in Article 11 of the Articles of Association can be conducted based on the request of:
  - a. One or more of the shareholders who jointly represent one-tenth (1/10) part or more of the total number of shares with voting rights with the provision that such proposal must:
    - i. be based on good faith;
    - ii. consider the Company's interests;
    - iii. constitute a request that requires a GMS' decision;

- iv. be directed to the Board of Directors by a registered letter accompanied by the reasons and materials associated with the matter that must be resolved in the GMS;
    - v. not contravene the prevailing laws and regulations, or;
  - b. the Board of Commissioners.
- 6. The implementation of the request to hold a GMS shall be conducted based on prevailing laws and regulations.
- 7. The announcement for the second GMS and third GMS shall be conducted by mentioning that the first GMS and second GMS had been held but it did not reach the quorum, without limiting the provisions of prevailing laws and regulations.
- 8. Proposals from the shareholders must be included in the GMS' agenda if the relevant proposals:
  - a. have been submitted in writing to the GMS' Organiser by one or more shareholders who represent at least one-twentieth (1/20) part of the total paid-up shares of the Company with valid voting rights, with the provision that such GMS agenda by the shareholders must:
    - i. be based on good faith;
    - ii. consider the Company's interests;
    - iii. constitute an agenda that requires a GMS' resolution;
    - iv. include the reasons and materials of the meeting agenda;
    - v. not contravene the prevailing laws and regulations.
  - b. have been received by the GMS organizer through the Registered Letter together with its reasons at least seven (7) calendar days prior to the issuance of the relevant GMS announcement.
  - c. Based on the opinion of the Board of Directors or Board of Commissioners, have met the requirements as set out in the prevailing laws and regulations.
- 9. Regarding the announcement, invitation, revision of invitation, re-invitation, Materials for Meeting Agenda and GMS Implementation including the Electronic GMS, second and third GMS, as well as determination of List of Shareholders who are entitled to attend in such GMS, GMS Procedures, Media for Announcement and Language for Announcement, shall be conducted based on the prevailing laws and regulations, mainly the Capital Markets regulations.

**CHAIRPERSON AND MINUTES OF THE GENERAL MEETING OF  
SHAREHOLDERS**



**Article 13**

1. The GMS shall be chaired by a member of the Board of Commissioners who is appointed by the Board of Commissioners. In the event that all members of the Board of Commissioners are absent or unavailable in which case it does not have to be proven to the third parties then the GMS shall be chaired by a member of the Board of Directors who is appointed by the Board of Directors. In the event that all members of the Board of Directors are absent or unavailable, the GMS is able to be chaired by a shareholder who is present at the GMS who is appointed from and by the GMS participants.

The chairperson of the GMS shall not have a conflict of interests with the agenda that will be decided in the GMS.

2. In the event the member of the Board of Commissioners who is appointed by the Board of Commissioners has a conflict of interests with the agenda that will be decided in the GMS then the GMS shall be chaired by another member of the Board of Commissioners who does not have a conflict of interests who is appointed by the Board of Commissioners.

If all members of the Board of Commissioners have conflict of interests, the GMS shall be chaired by a member of the Board of Directors who is appointed by the Board of Directors.

In the event that one of the Directors who is appointed by the Board of Directors has a conflict of interests on the matters that will be decided in the GMS, then the GMS shall be chaired by a member of the Board of Directors who does not have a conflict of interests. In the event that all members of the Board of Directors have conflict of interests, then the GMS shall be chaired by one of the non-controlling shareholders who is appointed by the majority of the other shareholders who are attending the GMS.

3. The chairperson of the Meeting shall have the right to request those who are present to prove their authorities in attending the Meeting.
4. All matters that are discussed and decided in the GMS shall be documented in the Minutes of Meeting, which legalisation shall be signed by the Chairperson of the Meeting and one of the shareholders or proxies of the shareholders who is appointed by and amongst them who are present in the Meeting.

These Minutes of Meeting shall become valid evidence towards all of the shareholders and third parties regarding the resolutions and all matters that were taken place in the Meeting.

The electronic GMS' Minutes must be made in the form of notarial deed by a notary who is registered with the Financial Services Authority without requiring signatures of the GMS participants.

In the situation where the GMS is a GMS that is only attended by Independent Shareholders, the GMS' Minutes must be made in the form of Deed of GMS Minutes made by a notary who is registered with the Financial Services Authority.

5. The signature as referred to in paragraph 4 of this article is not required if these Minutes of Meeting are made in the form of a Notary deed.
6. The minutes of meeting that are made in accordance with the provision of paragraph 4 and paragraph 5 of this article shall constitute as a valid evidence for all of the shareholders and third parties regarding the resolutions and all matters that were taken place in the Meeting.
7. Announcement of the abridged GMS Minutes including the results of the GMS resolutions shall be conducted in accordance with the prevailing laws and regulations.

## **QUORUM, VOTING RIGHTS AND RESOLUTIONS OF THE GENERAL MEETING OF SHAREHOLDERS**

### **Article 14**

Unless otherwise provided in these articles of association, the prevailing laws and regulations and regulations in the Capital Markets the attendance quorum and voting quorum of the GMS shall be as follows:

1. GMS for the agenda that must be resolved in the GMS, including the amendment of articles of association associated with the increase of Equity Securities within the limit of authorised capital, shall be conducted by referring to the following provisions:
  - a. in the GMS more than one-half (1/2) of the total number of shares with voting rights are present or represented and the GMS' resolutions are valid if approved by more than one-half (1/2) of all shares with voting rights that are present in the GMS;
  - b. in the event the quorum as referred to in letter a above is not fulfilled, then the second GMS is valid and shall have the right to adopt binding resolutions if in the GMS at least one-third (1/3) of the total number of shares are present or represented and the GMS resolutions are adopted if approved by more than one-half (1/2) of the total number of shares with voting rights that are present in

the GMS, except as otherwise provided in this articles of association and the prevailing laws and regulations.

- c. In the event the quorum of the second GMS is not fulfilled, the third GMS is valid and can adopt resolutions if attended by the shareholders from the shares with valid voting rights with the attendance quorum and voting quorum as determined by the authorised regulator based on the Company's request.
  - d. The provisions on the attendance quorum and voting quorum of the GMS as set out in letters a, b and c of this paragraph shall also be valid for the attendance quorum and voting quorum of the GMS for the meeting agenda of material transaction and/or change in the business activities, except for the agenda of material transaction in the form of transfer of the Company's assets or encumber the Company's assets as collaterals for debts that constitute more than fifty percent (50%) of the Company's net assets.
2. The GMS for the amendment of the Company's articles of association shall be conducted with the following provisions:
- a. the GMS is attended by the shareholders who represent at least two-third (2/3) of the total number of shares with valid voting rights and the resolutions are valid if approved by more than two-third (2/3) of the total number of shares with voting rights that are present at the GMS.
  - b. In the event the quorum as referred to in letter a above is not fulfilled, then the second GMS is able to adopt valid resolutions if attended by at least three-fifth (3/5) of the total number of shares with valid voting rights and the resolutions are valid if approved by more than one-half (1/2) of the total number of shares with voting rights that are present in the GMS.
  - c. In the event the quorum of the second GMS is not fulfilled, then the third GMS can be held with the requirement that the third GMS shall be valid and is able to adopt resolutions if attended by the shareholders from the shares with valid voting rights with the attendance quorum and voting quorum as determined by the authorised regulator based on the Company's request.

This amendment of articles of association shall be made in a Notary deed and in Indonesian language.

3. The GMS to transfer the Company's assets or encumber the Company's assets that constitute of more than fifty per cent (50%) of the Company's net assets in one or more transactions either that are related or not related between one and another, merger, consolidation, acquisition, spin-off, application for a request to declare

bankruptcy over the Company, and dissolution, shall be conducted with the following provisions:

- a. The GMS is attended by the shareholders who represent at least three-fourth (3/4) of the total number of shares with valid voting rights and the resolutions are valid if approved by more than three-fourth (3/4) of the total number of shares with voting rights that are present at the GMS.
  - b. In the event the quorum as referred to in letter a above is not fulfilled, then the second GMS is able to adopt valid resolutions if attended by at least two-third (2/3) of the total number of shares with valid voting rights and the resolutions are valid if approved by more than three-fourth (3/4) of the total number of shares with voting rights that are present in the GMS; and
  - c. In the event the attendance quorum of the second GMS is not fulfilled, then the third GMS can be held with the provision that the third GMS is valid and is entitled to adopt resolutions if attended by shareholders with valid voting rights with the attendance quorum and voting quorum as determined by the authorised regulator based on the Company's request.
4. GMS that is only attended by the Independent Shareholders (the meaning of an Independent Shareholder shall be as referred to in the Capital Markets Regulations), shall be conducted with the following provisions:
- a. GMS to decide matters with conflict of interests, the Information, Notification and Announcement of GMS shall be conducted by following the prevailing laws and regulations;
  - b. The GMS is attended by the independent shareholders who represent more than one-half (1/2) of the total number of shares with valid voting rights that are owned by the Independent shareholders and the resolutions are valid if approved by the Independent shareholders who represent more than one-half (1/2) of the total number of shares with valid voting rights that are owned by the independent shareholders.
  - c. In the event the quorum as referred to in letter b above is not fulfilled, then the second GMS is able to adopt valid resolutions if attended by the Independent shareholders who represent more than one-half (1/2) of the total number of shares with valid voting rights that are owned by the Independent shareholders and approved by more than one-half (1/2) of the total number of shares owned by the independent shareholders who are present in the GMS;

- d. If the attendance quorum on the second GMS is not fulfilled, the third GMS can be held with the requirement that the third GMS is valid and is entitled to adopt resolutions if attended by the independent shareholders from shares with valid voting rights with the attendance quorum as determined by the authorised regulator based on the Company's request; and
  - e. Resolutions of the third GMS shall be valid if approved by the Independent Shareholders representing more than fifty percent (50%) shares owned by the Independent Shareholders who attended the GMS.
5. The GMS for the agenda of amendment to the rights over shares in the event the Company has more than one (1) shares classification, shall follow the prevailing laws and regulations including the Capital Markets regulations.
  6. The ones who are entitled to attend the GMS are the shareholders whose names are registered in the Company's Shareholders Register on one (1) business day prior to the date of the GMS invitation or their proxies by taking into account the prevailing laws and regulations and the Stock Exchange regulations where the Company's shares are listed.
  7. In holding the GMS, the Company can invite other parties who are related to the GMS agenda.
  8. In a GMS each share gives its holder the right to cast one (1) vote.
  9. Members of Board of Directors, members of Board of Commissioners, and the Company's employees can act as the proxy in the GMS, however in the voting process such members of Board of Directors, members of Board of Commissioners, and/or the employees are prohibited to be proxies of the shareholders. In the situation where the authorisation is granted electronically, members of the Board of Directors, members of the Board of Commissioners, and/or the Company's employees are prohibited to act as proxies.
  10. All resolutions are adopted based on deliberation for consensus. If the deliberation for consensus cannot be achieved, the resolutions shall be adopted through voting. Voting shall be conducted verbally, unless if the Meeting Chairperson decides otherwise. In the voting process, the votes cast by the shareholders shall be valid for all shares that she/he owns and the shareholders shall not be entitled to authorise to more than one proxy for part of shares that she/he owns with different votes, by considering the prevailing laws and regulations.
  11. The shareholders with valid voting right who had attended physically or electronically but did not cast their votes or abstain, shall be considered as validly attending the

GMS and granted the same votes with the majority votes of the shareholders who cast their votes by adding such votes on the majority votes of the shareholders.

## **BOARD OF DIRECTORS**

### **ARTICLE 15**

1. The Company shall be managed by a Board of Directors.
2. The Board of Directors shall consist of at least three (3) members that consist of:
  - one (1) President Director
  - two (2) or more Directors one of whom can be appointed as the Vice President Director by taking into account the prevailing laws and regulations.
3. Unless provided otherwise in the prevailing laws and regulations, the members of the Board of Directors are appointed and dismissed by the GMS, such appointment shall be effective as of the date that is determined in the GMS where he/she (they) are appointed and shall be ended by the closing of the third (3<sup>rd</sup>) GMS after the date of their appointment.
4. The requirements of the members of the Board of Directors shall follow the:
  - a. The Law on Limited Liability Company;
  - b. The prevailing laws and regulations in the Capital Markets; and
  - c. The laws and regulations that are relevant to the Company's business activities.
5. The members of the Board of Directors whose terms of office has ended are able to be re-appointed by taking into account the provisions of paragraph 3 of this article.
6.
  - a. The Company must hold a GMS to carry out a change on members of Board of Directors who do not meet the requirements as set out in prevailing laws and regulations.
  - b. The GMS is able from time to time to dismiss one or more members of the Board of Directors before their terms of office have ended. This dismissal shall be valid after the closing of such meeting unless if there is other dismissal date that is determined in the GMS and/or as otherwise provided in the prevailing laws and regulations.
  - c. In the event the GMS dismisses a member of the Board of Directors as referred to in paragraph 6 b of this Article then such dismissal shall mention the reason thereof and gives the opportunity to the relevant member of the Board of Directors who is dismissed to defend himself/herself if such member of the Board of Directors attends the relevant GMS.

7. A member of the Board of Directors can be suspended by the Board of Commissioners by mentioning the reason thereof and the relevant member of Board of Directors must be informed in writing. The Board of Commissioners must hold a GMS to revoke or confirm such suspension decision that is conducted in accordance with prevailing laws and regulations.

8. A member of the Board of Directors is able to resign from his/her position by informing the Company regarding his/her intention in writing. The Company shall hold the GMS to decide the resignation request of the relevant member of the Board of Directors in accordance with the prevailing laws and regulations. Before the resignation is effective, the relevant member of the Board of Directors must remain obligated to complete her/his duties and responsibilities in accordance with the Articles of Association and prevailing laws and regulations.

The resigned member of the Board of Directors shall be free from her/his responsibilities after obtaining the acquit of responsibilities from the Annual GMS.

In the event the members of the Board of Directors are resigning and causing the number of the Board of Directors to be less than three (3) persons then such resignation becomes effective after the GMS' determination and after the appointment of the new members of the Board of Directors so it has fulfilled the minimum requirement of the number of the Board of Directors.

9. The GMS by considering the recommendations of the Board of Commissioners or Committee that carries out the nomination function is able to:

- appoint other person to fill in the position of a member of the Board of Directors who is dismissed from his/her office; or
- fill in the position of a member of the Board of Directors who is resigning from his/her office; or
- appoint a person to become a member of the Board of Directors to fill in a vacancy; or
- add the number of new members of the Board of Directors.

The term of office of a person who is appointed to substitute a dismissed member of the Board of Directors or a resigning member of the Board of Directors or to fill in the vacancy shall be for the remaining term of office of such dismissed/substituted Director and the term of office for the additional new members of the Board of Directors shall be for the remaining term of office of the Board of Directors who are still holding their office at that period unless if provided otherwise by the GMS.

10. The term of office of a member of the Board of Directors shall end automatically if such member of the Board of Directors:
  - a. declared bankrupt or put under guardianship under a court order; or
  - b. is no longer fulfilling the requirements of the prevailing laws and regulations; or
  - c. passed away; or
  - d. dismissed based on the GMS' decision.
11. If the office of a member of the Board of Directors is vacant for any reasons whatsoever, which is causing the number of the Board of Directors to be less than three (3) persons as referred to in the paragraph 2 of this article, then at the latest within ninety (90) days after such vacancy occurs, the Company shall hold a GMS to fill in such vacancy.
12. In the event the position of the President Director is vacant and during the period his/her replacement has not been appointed or has not assumed his/her position, then one of the members of the Board of Directors who is appointed by the Board of Directors meeting shall carry out the obligations as the President Director and shall have the same authority and responsibility as the President Director.  
In the event that all members of the Board of Directors are vacant then the provision of Article 19 paragraph 5 of the Company's Articles of Association shall apply.
13. Salary, service fees and other benefits of the members of the Board of Directors (if any) shall be determined by the GMS (and such authority is able to be assigned by the GMS to the Board of Commissioners).

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

### **Article 16**

1. The Board of Directors shall be fully responsible in carrying out their duties for the best interest of the Company in achieving its purposes and objectives. In carrying out such duties and responsibilities, the Board of Directors shall hold Annual GMS and other GMS as set out in these Articles of Association and prevailing laws and regulations.
2. Every member of the Board of Directors shall carry out his/her duties in good faith and full responsibility by taking into account the prevailing laws and regulations.
3. The Board of Directors shall have the right to represent the Company lawfully and directly either inside or outside the Court regarding all matters and in all event, bind the Company with other parties and other parties with the Company and shall carry



out all actions, either that is in the form of management or ownership, however, with the following limitation that for:

- a. lending the Company's money to other third party or borrowing money on behalf of the Company (excluding the money withdrawal from the opened Credit), which amount will be determined from time by the Board of Commissioners.
- b. Binding the Company as a guarantor/warrantor of a debt, which amount is determined from time to time by the Board of Commissioners;
- c. Pledging or encumbering the Company's assets which amount will be determined by the Board of Commissioners from time to time by taking into account the paragraph 4 below;
- d. Purchasing, selling or with other ways acquiring/releasing rights over immovable goods including the rights over land and/or building or shares in different companies, which amount that will be determined from time to time by the Board of Commissioners by taking into account the paragraph 4 below;
- e. Carrying out capital investment or divestment of the investment in other companies without limiting the licenses from the authorised institutions;
- f. Purchasing part or all of the security, either through a public auction or outside the public action based on the voluntary handover by the owner of the security or based on the power of attorney to sell outside the public auction from the owner of the security in the event the Debtor does not fulfill his/her obligations to the Company, with the provision that the repurchased security shall be immediately liquidated, which amount will be determined from time to time by the Board of Commissioners, by taking into account the prevailing laws and regulations.

The Board of Directors shall obtain the prior written approval from or the relevant deed is signed by the Board of Commissioners, without limiting the provision of the paragraph 4 below and the prevailing laws and regulations.

4. The legal action to transfer, release the rights or encumber all or most of the Company's assets namely with the value of more than fifty per cent (50%) of the Company's assets in one financial year in one transaction or several transactions cumulatively either that is independent or related between one and another shall obtain the GMS approval with the terms and conditions as set out in Article 14 paragraph 3 of the Company's articles of association.

5. The legal action to carry out the Material Transaction and the Certain Conflict of Interests Transactions as referred to in the prevailing laws and regulations shall obtain the Company's GMS approval, with the requirements as stated in the prevailing laws and regulations.
6.
  - a. Two (2) members of the Board of Directors jointly shall have the rights and are authorised to act for and on behalf of the Board of Directors and represent the Company.
  - b. A member of the Board of Directors shall not be authorised to represent the Company if:
    - there is a case in the court between the Company and such member of the Board of Directors.
    - Such member of the Board of Directors has a conflict of interests with the Company's interests.
    - A member of the Board of Directors who is suspended based on the provision of Article 15 paragraph 7 of these articles of association.
7. Without limiting their responsibilities the Board of Directors is able to appoint one or more proxies to act on behalf of the Board of Directors and for such purpose to give the power of attorney, the power of attorney shall authorise these proxies to carry out certain actions.
8. The distribution of duties and authorities of each member of the Board of Directors shall be determined by the GMS and such authority by the GMS is able to be assigned to the Board of Commissioners. In the event the GMS as referred to in this paragraph does not determine the division then such division of duties and authorities of each member of the Board of Directors shall be determined based on the Board of Directors' decision.
9. In the event the Company has conflicting interests with the personal interests of a member of the Board of Directors, then the Company shall be represented by other members of the Board of Directors and in the event the Company has conflicting interests with the interests of all members of the Board of Directors then in this situation the Company shall be represented by the Board of Commissioners. in the event the Company has conflicting interests with the interests of all members of the Board of Directors and Board of Commissioners then the Company shall be represented by another party appointed by the GMS by taking into account the prevailing laws and regulations.

10. In carrying out the legal action in the form of conflict of interests' transaction between the personal economic interests of a member of the Board of Directors, Board of Commissioners or shareholders with the Company's economic interest, the Board of Directors shall obtain the GMS approval with the requirements and provisions as set out in Article 14 paragraph (4) of the Company's Articles of Association by taking into account the prevailing laws and regulations.
11. The duties and authorities of a member of the Board of Directors who is in charge of the Sharia Business Unit is fully responsible on the management of the business activities based on the sharia principles and the prudential principles.

## **BOARD OF DIRECTORS' MEETING**

### **Article 17**

1. The Board of Directors' meeting, including the Board of Directors' meeting with the Board of Commissioners must be conducted regularly in accordance with the prevailing laws and regulations. In addition, the Board of Directors is able to carry out the Board of Directors meeting at any time if considered necessary by one member of the Board of Directors or based on the written request from one or more of the members of the Board of Commissioners or based on the written request of one (1) or more shareholders who jointly represent one-tenth (1/10) of the total issued and paid-up capital of the Company with valid voting rights or otherwise regulated in the prevailing laws and regulations or the prevailing mechanisms in the Company.
2. The announcement of the Board of Directors' meeting shall be conducted by the President Director or by a member of the Board of Directors who is entitled to represent the Board of Directors.
3. The announcement of the Board of Directors' meeting shall be sent by a registered mail or hand delivered with a proper receipt or with other means among others through electronic message, or facsimile that is confirmed in writing, which announcement shall be sent to the members of the Board of Directors at the latest within three (3) days prior to the Meeting or in a shorter period in the emergency situation as determined by the President Director or by a member of the Board of Directors who is authorised to represent the Company, provided that it is not in contrary to the prevailing laws and regulations.
4. The announcement shall include the Meeting agenda, date, time and Meeting venue.

5. The Board of Directors meeting shall be held on the Company's domicile or in the domicile of the Stock Exchange where the Company's shares are listed or in other areas in accordance with the requirements provided that it does not contravene with the prevailing laws and regulations.
6. If all members of the Board of Directors are present or represented the prior announcement is not required and the Board of Directors' meeting is able to adopt valid and binding resolutions.
7. All costs associated with the holding of the Board of Directors' meeting shall be borne by the Company.
8. The President Director shall chair the Board of Directors' meeting. In the event the President Director is absent or unable to attend, in which case it does not have to be proven to the third parties then one of the members of the Board of Directors who is present and chosen in this Meeting is able to chair the Board of Directors' Meeting.
9. A member of the Board of Directors can only be represented in a Meeting of the Board of Directors by another member of the Board of Directors by virtue of a power of attorney.
10. The Meeting of Board of Directors shall be valid and entitled to adopt binding resolutions if more than one-half (1/2) of the total members of Board of Directors are present or represented in the Meeting.
11. A resolution of the Meeting of the Board of Directors shall be adopted by deliberations to reach consensus. In the event of no consensus reached by deliberations, then the resolutions are adopted based on voting by virtue of affirmative votes of at least more than one-half (1/2) of the total votes cast in the Meeting.
12. In the event of tie votes between the affirmative and negative votes then the proposal is rejected.
13. a. Each attending member of the Board of Directors shall be entitled to cast 1 (one) vote and 1 (one) additional vote for each other member of the Board of Directors he/she represents.  
b. Each member of the Board of Directors who is personally in any way whatsoever either directly or indirectly has an interest in a transaction, contract or proposed contract, where the Company becomes one of the parties then this member shall state the nature of this interest in the Board of Directors' meeting and shall not be entitled to participate in the voting process in relation to the matters that are related

to such contract or transaction, unless otherwise provided by the Board of Directors' meeting.

c. The voting on a person is conducted with the closed signed ballot while the voting on other matters shall be conducted verbally unless decided otherwise by the Chairperson of the Meeting without objection from those who are present.

14. The results of the Board of Directors' meeting and the Board of Directors' meeting together with the Board of Commissioners shall be set out in Minutes of Meeting of Minutes of Board of Directors' Meeting, which implementation is conducted based on prevailing laws and regulations.

15. The Minutes of Board of Directors' meeting that is made in accordance with the provision of paragraph 13 of this article shall be a lawful evidence regarding the resolutions adopted in the relevant Board of Directors' meeting either for the members of the Board of Directors or third parties.

16. The Board of Directors is also able to adopt valid and binding resolutions without holding a Board of Directors' meeting provided that all members of the Board of Directors have been notified in writing regarding the relevant proposals and all members of the Board of Directors approve the proposal in writing and sign these approvals.

The resolutions adopted in such manner shall have the same power with the resolutions adopted lawfully in the Board of Directors' meeting.

## **THE BOARD OF COMMISSIONERS AND THE SHARIA SUPERVISORY BOARD Article 18**

### **I. The Board of Commissioners**

1. The Board of Commissioners shall supervise the policy and the management in general either regarding the Company or on the implementation of the management and giving advice to the Board of Directors.

2. The Board of Commissioners shall consist of at least three (3) members, which consists of:

- one (1) President Commissioner
- two (2) or more Commissioners, one or more of them can be appointed as the Vice President Commissioner.

by considering the prevailing laws and regulations.

3. The requirements of the Board of Commissioners shall follow the provisions of:

- a. Law on Limited Liability Company;
  - b. Prevailing Capital Markets laws and regulations; and
  - c. Laws and regulations that are relevant to the Company's business.
4. Every member of the Board of Commissioners is not able to act individually but shall be through the resolutions of the Board of Commissioners.
  5. Unless provided otherwise in the prevailing laws and regulations, the members of the Board of Commissioners are appointed and dismissed by the GMS where such appointment is valid after the date that is assigned in the GMS where he/she is (they) are appointed and ended by the closing of the third (3<sup>rd</sup>) Annual GMS after the date of their appointment.
  6. A member of the Board of Commissioners whose term of office has ended is able to be reappointed, by taking into account the provision of paragraph 5 of this article.
  7.
    - a. The Company must hold a GMS to carry out a change on members of Board of Commissioners who do not meet the requirements as set out in prevailing laws and regulations.
    - b. The GMS is able from time to time to dismiss one or more members of the Board of Commissioners before their terms of office have ended. This dismissal shall be valid after the closing of such GMS unless if there is another dismissal date that is determined in the GMS and/or as otherwise provided in the prevailing laws and regulations.
    - c. In the event the GMS dismisses a member of the Board of Commissioners as referred to in paragraph 7 b of this Article then such dismissal shall mention the reason thereof and gives the opportunity to the relevant member of the Board of Commissioners who is dismissed to defend himself/herself if such member of the Board of Commissioners attends the relevant GMS.
  8. The GMS by considering the recommendations of the Board of Commissioners or Committee that carries out the nomination function is able to:
    - appoint other person to fill in the position of a member of the Board of Commissioners who is dismissed from his/her office; or
    - fill in the position of a member of the Board of Commissioners who is resigning from his/her office; or
    - add the number of new members of the Board of Commissioners.

The term of office of a person who is appointed to substitute a dismissed member of the Board of Commissioners or a resigning member of the Board of Commissioners or to fill in the vacancy shall be for the remaining term of office of

such dismissed/substituted member of Board of Commissioners and the term of office for the additional new members of the Board of Commissioners shall be for the remaining term of office of the Board of Commissioners who are still holding their office at that period unless if provided otherwise by the GMS.

9. A member of the Board of Commissioners is able to resign from his/her position by informing the Company regarding his/her intention in writing. The Company shall hold the GMS to decide the resignation request of the member of the Board of Commissioners in accordance with the prevailing laws and regulations.

Before the resignation is effective, the relevant member of the Board of Commissioners must remain obligated to complete her/his duties and responsibilities in accordance with the Articles of Association and prevailing laws and regulations.

The resigned member of the Board of Commissioners shall be free from her/his responsibilities after obtaining the acquit of responsibilities from the Annual GMS.

In the event the members of the Board of Commissioners are resigning and causing the number of the Board of Commissioners to be less than three (3) persons then such resignation becomes effective after the GMS' determination and after the appointment of the new members of the Board of Commissioners so it has fulfilled the minimum requirement of the number of the Board of Commissioners.

10. The term of office of a member of the Board of Commissioners shall end automatically if such member of the Board of Commissioners is:
- a. declared bankrupt or put under guardianship under a court order; or
  - b. prohibited for holding a position as a member of the Board of Commissioners based on provisions of a law or prevailing laws and regulations; or
  - c. passed away; or
  - d. dismissed based on the GMS' decision.

11. The salary and other benefits of the members of the Board of Commissioners shall be determined by the GMS.

12. If a position of a member of the Board of Commissioners is vacant for any reasons whatsoever, which is causing the number of the Board of Commissioners to be less than three (3) persons as referred to in the paragraph 2 of this article, then at the latest within ninety (90) days after such vacancy occurs, the Company shall hold the GMS to fill in such vacancy by taking into account the prevailing laws and regulations.

13. In the event the position of the President Commissioner is vacant and during the period his/her replacement has not been appointed or has not assumed his/her position, then one of the members of the Board of Commissioners who is appointed by the Board of Commissioners' meeting shall carry out the obligations as the President Commissioner.

## **II. The Sharia Supervisory Board**

1. The Sharia Supervisory Board shall carry out their duties and responsibilities by giving advice and suggestions to the Board of Directors who oversee the sharia Business Unit and supervise the Bank's activities that are conducted based on the sharia principles to be in accordance with the prevailing sharia principles, among others consisting of:
  - a. Assessing and ensuring the fulfillment of the sharia principles in the operational and products guidelines that are issued by the Sharia Business Unit.
  - b. Supervise the development of new products of the Sharia Business Unit from the beginning until the issuance of such products.
  - c. Giving the sharia opinions on the new products of the Sharia Business Unit and/or restructured financing.
  - d. Requesting the religious opinion (*fatwa*) to the National Sharia Board for the new products of the Sharia Business Unit that has not obtained the *fatwa*.
  - e. Carrying out periodical review on the fulfillment of the Sharia principles on the mechanism of funds collection and distribution and the bank services.
  - f. Requesting data and information that are related to the sharia aspects from the Sharia Business Unit in the performance of its duties.
  - g. Submitting the sharia supervisory results to the Board of Directors, Board of Commissioners, the National Sharia Board-the Indonesian Clerics Assembly and Bank Indonesia in accordance with the prevailing laws and regulations.
2. The Sharia Supervisory Board shall consist of at least two (2) persons and at maximum three (3) persons or based on the prevailing regulations as set out by Bank Indonesia and other laws and regulations and one of them shall be appointed by the Company as the Chairman of the Sharia Supervisory Board.
3. The requirements of the Sharia Supervisory Board shall refer to the following regulations:
  - a. Sharia Banking Law;
  - b. The Bank Indonesia Regulation;



- c. Other prevailing laws and regulations;
  - d. Decision of the National Sharia Board-the Indonesian Clerics Assembly.
4. Every member of the Sharia Supervisory Board is unable to act individually but shall be in accordance with the Sharia Supervisory Board's resolutions.
  5. Unless provided otherwise in the prevailing laws and regulations the members of the Sharia Supervisory Board shall be appointed and dismissed by the GMS. The appointment of the Sharia Supervisory Board shall be effective as of the date as determined in the GMS where the Sharia Supervisory Board shall be appointed and dismissed on the closing of the third (3<sup>rd</sup>) Annual GMS after the appointment of the Sharia Supervisory Board. The members of the Sharia Supervisory Board whose terms of office have ended are able to be re-appointed.
  6. The GMS is able to authorise the Board of Commissioners to appoint the members of the Sharia Supervisory Board.
  7. The GMS at any time is able to dismiss one or more of members of the Sharia Supervisory Board before their terms of office have ended after the relevant member has been given the opportunity to defend himself/herself in the GMS. Such dismissal shall be effective as of the closing of such meeting unless if there is other dismissal date as determined by the GMS and/or unless provided otherwise under the prevailing laws and regulations.
  8. – A member of the Sharia Supervisory Board is able to resign from his/her position by informing the Company regarding his/her intention in writing.
    - the Company shall hold the GMS to decide the resignation request of the member of the Sharia Supervisory Board at the latest within sixty (60) days after receiving the resignation letter.
    - Unless provided otherwise in the prevailing laws and regulations in the event the Company does not carry out the GMS in the term as set out in this paragraph, then by the lapse of such term, the resignation of the member of the Sharia Supervisory Board becomes effective without the GMS' approval and such resignation shall be reported in the next GMS.
    - Before the resignation becomes effective, the relevant member of the Sharia Supervisory Board shall finish his/her duties and responsibilities in accordance with the Articles of Association and the prevailing laws and regulations.
    - The resigned member of the Sharia Supervisory Board shall be free from his/her responsibilities after obtaining the acquit of responsibilities from the Annual GMS.

- In the event a member of the Sharia Supervisory Board is resigning and causing the number of the Sharia Supervisory Board to be less than two (2) persons then such resignation becomes effective after the GMS' determination and after the appointment of the new members of the Sharia Supervisory Board so it has fulfilled the minimum requirement of the number of the Sharia Supervisory Board.
9. The term of office of a member of the Sharia Supervisory Board shall lapse automatically if such member of the Sharia Supervisory Board is:
- a. declared bankrupt or put under guardianship under a court order; or
  - b. prohibited for holding a position as a member of the Sharia Supervisory Board based on the provisions of the National Sharia Board regulations and/or the prevailing laws and regulations; or
  - c. passed away; or
  - d. dismissed as a result of the GMS' resolution; or
  - e. Included as the parties in the non-performing loan/financing

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

### **Article 19**

1. The Board of Commissioners at any time during the Company's business hours shall have the right to enter into the building and yard or other premises that is utilised or possessed by the Company, and shall have the right to review the books, letters and other evidence, review and reconcile the Company's cash flows, the Company's documents and assets and shall have the right to understand all actions that were performed by the Board of Directors.
2. The Board of Directors and every member of the Board of Directors shall provide all information that is related to the Company as required by the Board of Commissioners.
3. At any time the Board of Commissioners based on the resolutions of the Board of Commissioners' Meeting is able to suspend temporarily one or more members of the Board of Directors from his/her position (their positions) by giving the reasons thereof if such member of the Board of Directors has acted in contravention of the articles of association and/or prevailing laws and regulations.
4. The mechanism for holding the GMS to revoke or confirm the decision of such temporary suspension shall be conducted based on the prevailing laws and regulations.

5. In the event that all members of the Board of Directors are temporarily suspended or if for any reasons whatsoever there is no Board of Directors then the Board of Commissioners shall have the right to authorise one or more members of the Board of Commissioners to manage the Company temporarily and to act on behalf of and represent the Company.

## **BOARD OF COMMISSIONERS' MEETING**

### **Article 20**

1. The Board of Commissioners' meeting, including the Board of Commissioners' meeting with the Board of Directors must be conducted regularly in accordance with the prevailing laws and regulations. In addition, the meeting can be held if considered necessary by one member of the Board of Commissioners or based on the request of one (1) or more shareholders who jointly represent one-tenth (1/10) of the total issued and paid-up capital of the Company with valid voting rights or otherwise regulated in the prevailing laws and regulations or the prevailing mechanisms in the Company.
2. The announcement of the Board of Commissioners' meeting shall be conducted by the President Commissioner or if the President Commissioner is absent for any reasons whatsoever that is not required to be proven to third parties, then by the Vice President Commissioner, or if the Vice President Commissioner is absent or unable to do so for any reason whatsoever that is not required to be proven to third parties, then by one member of the Board of Commissioners.
3. The announcement of the Board of Commissioners' meeting shall be sent by a registered mail or hand delivered with a proper receipt or with other means among others through electronic message, or facsimile that is confirmed in writing, which announcement shall be sent to the members of the Board of Commissioners at the latest within three (3) days prior to the Meeting or in a shorter period in the emergency situation as determined by the President Director or Vice President Commissioner or by a member of the Board of Commissioners, provided that it is not regulated otherwise in the prevailing laws and regulations.
4. The announcement shall include the Meeting agenda, date, time and Meeting venue.
5. The Board of Commissioners meeting shall be held on the Company's domicile or in the domicile of the Stock Exchange where the Company's shares are listed or in

other areas in accordance with the requirements provided that it does not contravene with the prevailing laws and regulations.

6. If all members of the Board of Commissioners are present or represented the prior announcement is not required and the Board of Commissioners' meeting is able to adopt valid and binding resolutions.
7. All costs associated with the holding of the Board of Commissioners' meeting shall be borne by the Company.
8. The President Commissioner shall chair the Board of Commissioners' meeting. In the event the President Commissioner is absent or unable to attend, in which case it does not have to be proven to the third parties then the meeting shall be chaired by one member of the Board of Commissioners who is appointed by and from members of the Board of Commissioners who attend in that Meeting.
9. A member of the Board of Commissioners can only be represented in a Meeting of the Board of Commissioners by another member of the Board of Commissioners by virtue of a power of attorney.
10. The Meeting of Board of Commissioners shall be valid and entitled to adopt binding resolutions if more than one-half (1/2) of the total members of Board of Commissioners are present or represented in the Meeting.
11. A resolution of the Meeting of the Board of Commissioners shall be adopted by deliberations to reach consensus. In the event of no consensus reached by deliberations, then the resolutions are adopted based on voting by virtue of affirmative votes of at least more than one-half (1/2) of the total votes cast in the Meeting.
12. In the event of tie votes between the affirmative and negative votes then the proposal is rejected.
13. a. Each attending member of the Board of Commissioners shall be entitled to cast 1 (one) vote and 1 (one) additional vote for each other member of the Board of Commissioners he/she represents.  
b. Each member of the Board of Commissioners who is personally in any way whatsoever either directly or indirectly has an interest in a transaction, contract or proposed contract, where the Company becomes one of the parties then this member shall state the nature of this interest in the Board of Commissioners' meeting and shall not be entitled to participate in the voting process in relation to the matters that are related to such contract or transaction, unless otherwise provided by the Board of Commissioners' meeting.

- c. The voting on a person is conducted with the closed signed ballot while the voting on other matters shall be conducted verbally unless decided otherwise by the Chairperson of the Meeting without objection from those who are present.
14. The results of the Board of Commissioners' meeting and the Board of Commissioners' meeting together with the Board of Directors shall be set out in Minutes of Meeting of Minutes of Board of Directors' Meeting, which implementation is conducted based on prevailing laws and regulations.
15. The Minutes of Board of Commissioners' meeting that is made in accordance with the provision of paragraph 13 of this article shall be a lawful evidence regarding the resolutions adopted in the relevant Board of Commissioners' meeting either for the members of the Board of Commissioners or third parties.
16. The Board of Commissioners is also able to adopt valid and binding resolutions without holding a Board of Commissioners' meeting provided that all members of the Board of Commissioners have been notified in writing regarding the relevant proposals and all members of the Board of Commissioners approve the proposal in writing and sign these approvals.
- The resolutions adopted in such manner shall have the same power with the resolutions adopted lawfully in the Board of Commissioners' meeting.

## **BUSINESS PLAN, FINANCIAL YEAR AND ANNUAL REPORT**

### **Article 21**

1. The Board of Directors shall prepare and implement the annual business plan.
2. The Board of Directors shall submit the annual business plan to the Board of Commissioners to obtain its approval prior to the commencement of the financial year.
3. The business plan as referred to in paragraph 1 shall be submitted prior to the commencement of the next financial year.
4. The Company's financial year shall be from the first (1<sup>st</sup>) of January to the thirty-first (31<sup>st</sup>) of December. By the end of December every year the Company's books shall be closed.
5. The Board of Directors shall prepare the annual report and made it available in the Company's office to be reviewed by the shareholders as of the announcement date of the Annual GMS.
6. In the period of maximum four (4) months after the Company's books are closed, the Board of Directors shall prepare the annual report based on the prevailing laws

and regulations. The annual report shall be signed by all members of the Board of Directors and Board of Commissioners. In the event there is a member of the Board of Directors and/or the Board of Commissioners who does not sign the annual report, they shall state their reasons in writing, in the event that a member of the Board of Directors and/ or the Board of Commissioners does not sign and does not provide the reason in writing then they will be deemed to have approved the content of the annual report.

7. The Board of Directors shall deliver the Company's financial statements to the Public Accountant that was approved by the GMS for their review. The audit report result from the Public Accountant shall be submitted in writing to the Annual GMS. The Annual Report shall be made available in the Company's office since the date of the announcement of the GMS until the date of the GMS is held, for review by the shareholders.
8. The approval on the Annual Report including ratification of the financial statements and supervisory assignment report of the Board of Commissioners shall be conducted by the Annual GMS.
9. The Company shall announce the Balance Sheets and Profit and Loss Statements in an Indonesian language newspaper with national circulation in accordance with the procedures as set out in Regulation Number X.K.2 concerning the Obligation to Submit the Periodical Financial Statements.

## **AUDIT COMMITTEE**

### **Article 22**

1. In the framework of general control as determined in the Implementation Standard for the Bank's Internal Audit Function, the Board of Commissioners shall take the final responsibility of supervision through the Audit Committee.
2. The Audit Committee shall have the duty to evaluate the audit findings results of the Internal Audit Work Unit and other duties in accordance with the prevailing laws and regulations.
3. The requirements for a member of the Audit Committee, organizational structure, work procedures, authority, responsibility, appointment and dismissal and others as well as the decided matters are regulated in accordance with the prevailing laws and regulations.
4. The Board of Directors is responsible for the Implementation of the Bank's Internal Audit Function in accordance with the prevailing laws and regulations.

## **USE OF PROFITS AND DISTRIBUTION OF DIVIDENDS**

### **Article 23**

1. The net profits of the Company in a financial year as stated in the balance sheets and profit and loss statements that have been approved by the Annual GMS and constitute a positive balance of profits, shall be distributed in accordance with its method of use as determined by the GMS.
2. If the profit and loss statements in a financial year indicated a loss that cannot be covered by the reserve funds, then such loss shall remain recorded and entered in the profit and loss statements calculation and in the subsequent financial year the Company is considered as not receiving any profits as long as the loss recorded and entered in the profit and loss statements has not been fully recovered, subject to the provisions of the prevailing laws and regulations.
3. In the event that the Annual GMS has not determined other uses, then the net profits after deducted by the statutory reserve funds in accordance with the Laws and the Articles of Association will be distributed as dividends.
4. Dividends can only be distributed from the net profits of the Company after deducted by the statutory reserve funds according to the resolution made at the GMS, in which resolution it shall also be determined the time of payment and the type of dividends. The dividends per one share shall be paid to a person in whose name the share is registered in the Shareholders Register on the business day that will be determined by or based on the authority made by the GMS where the decision to distribute the dividends has been made. The payment day shall be announced by the Board of Directors to all shareholders in an Indonesian language newspaper with national circulation as determined by the Board of Directors, with the provision that if the dividends are distributed in cash, the Company must pay such cash dividends to the entitled shareholders at the latest within thirty (3) days after the announcement of the abridged minutes of GMS that decides the distribution of such cash dividends by taking into account the prevailing laws and regulations.
5. If the profit and loss statements in a financial year stated a loss that cannot be covered by the reserve funds as set out in Article 23 of this articles of association, then the loss shall remain recorded and entered in the profit and loss statements and in the subsequent financial year the Company is considered as not receiving any profits as long as the loss recorded and entered in the profit and loss statements

has not been fully recovered, without limiting the provisions of the prevailing laws and regulations.

6. The Board of Directors based on the resolution of the Board of Directors' Meeting with the approval of the Board of Commissioners' Meeting shall have the right to distribute interim dividends if the Company's financial condition allows it, with the requirement that such interim dividends shall be calculated with the dividends distributed based on the subsequent Annual GMS Resolution that are made in accordance with the provisions of the Articles of Association by taking into account the prevailing laws and regulations in the Capital Market and the Stock Exchange in Indonesia where the Company's shares are listed.
7. By considering the earnings of the Company in the relevant financial year from the net earnings as stated in the balance sheets and profit and loss statements that have been ratified by the Annual GMS and after deducted with the Income Tax deduction, with the approval of the GMS a *tantiem*/bonus can be distributed to the members of the Board of Directors and Board of Commissioners of the Company, which amount shall be determined by the GMS.
8. Dividends that remained un-claimed after five (5) years as of the date that was determined for the dividends payment had been lapsed will be deposited in the special reserve funds. The GMS shall regulate the procedures to withdraw the dividends that had been deposited in the special reserve funds. Dividends that had been deposited in the special reserve funds as set out above and left un-claimed within ten (10) years shall be forfeited by the Company.

## **USE OF RESERVE FUNDS**

### **Article 24**

1. The Company shall set aside certain amount from the net profits in every financial year for reserve, as determined by the GMS and by taking into account the prevailing laws and regulations.
2. This set aside obligation for reserve funds shall be applicable if the Company has positive balance of profits.
3. The set aside of the net profits in the reserve funds is made until it reaches a minimum of twenty per cent (20%) of the total issued and paid-up capital.
4. The reserve funds that have not reached the amount as stated in paragraph 3 of this Article can only be used to cover losses that could not be covered by other reserves.



5. If the amount of the reserve funds has exceed twenty per cent (20%) of the total issued and paid up capital, the GMS is able to decide for the excess to be used for the Company's purposes.
6. The Board of Directors shall manage the excess of the reserve funds as stipulated in paragraph 5 of this Article, for it to receive profits, in a manner that is deemed appropriate with the approval of the Board of Commissioners and by taking into account the prevailing laws and regulations. Any profits received from the Reserve Fund shall be included in the profit/ loss statements of the Company.

## **AMENDMENT OF THE ARTICLES OF ASSOCIATION**

### **Article 25**

1. Amendment of the Articles of Association shall take into account the Law on Limited Liability Company and/ or Capital Market regulations.
2. Amendment of the Articles of Association shall be determined by the GMS in accordance with the provision as stipulated in Article 14 paragraph 2 of this Articles of Association.
3. Amendment of the provisions of the Articles of Association that are related to the change of the Company's name and/or domicile; purpose and objective and business activities; duration of the Company, amount of the authorised capital, reduction of issued and paid-up capital and/or change of status of the Company from an ordinary company into a public company or vice versa, should obtain approval from the Minister according to the prevailing laws and regulations.
4. Amendment of the Articles of Association other than the matters as stipulated in paragraph 3 of this Article should only be notified to the Minister by taking into account the prevailing laws and regulations as stipulated in the Law concerning Limited Liability Company.
5. Resolution in relation to the reduction of capital should be notified in writing to all creditors of the Company and announced by the Board of Directors in one (1) Indonesian language newspaper that is circulated or widely distributed in the Company's domicile and in the State Gazette of the Republic of Indonesia within at the latest seven (7) calendar days after the date of the resolution for such reduction of capital.

## **MERGER, CONSOLIDATION, ACQUISITION AND SPIN-OFF**

### **Article 26**

1. Merger, Consolidation, Acquisition or Spin-Off shall be determined by the GMS in accordance with the terms as stipulated in Article 14 paragraph 3 of this Articles of Association.
2. A Spin-Off shall be determined by the GMS by taking into account Article 14 paragraph 3 of these Articles of Association.
3. Further provisions on Merger, Consolidation, Acquisition and Spin-Off shall be in accordance with the prevailing laws and regulations specifically the Capital Market laws and regulations.

## **DISSOLUTION AND THE END OF LEGAL ENTITY STATUS**

### **Article 27**

1. Dissolution of the Company shall be made by virtue of the GMS' resolutions in accordance with the terms as stipulated in Article 14 paragraph 3 of these Articles of Association.
2. Further provisions on Dissolution, Liquidation and the End of the Legal Entity Status shall be as stipulated in the prevailing laws and regulations specifically the Capital Market laws and regulations.

## **DOMICILE**

### **Article 28**

In the matters relating to the Company, the shareholders are deemed to have their place of domicile in the addresses as set out in the Shareholders Register by taking into account the prevailing laws and regulations and regulations of the Capital Market and regulations of the Stock Exchange where the shares of the Company are listed.

## **CLOSING PROVISION**

### **Article 29**

1. These Articles of Association are applicable for the Company except as otherwise regulated in the laws and regulations of the Capital Markets.
2. All other matters that have not or are not yet sufficiently regulated in these articles of association shall be resolved by the GMS.