

RULE NUMBER IV.A.2 : GUIDELINES FOR ARTICLES OF ASSOCIATION OF A CORPORATE INVESTMENT FUND

Attachment :
Decision of the Chairman of Bapepam
Number : Kep-18/PM/1996
Date : January 17, 1996

Articles of association of a corporate Investment Fund must contain at least the following:

1. the name and address of the company;
2. type of shares to be issued;
3. the time required for establishment;
4. the purpose and the goal of the company to act solely as an Investment Fund;
5. the paid in capital, which is at least 1% (one percent) of the authorized capital;
6. articles stating the tasks and the authority of the directors;
7. articles on quorums, voting rights, and decision making;
8. an article stating that members of the board of directors must act with good faith in the interests of the Investment Fund's shareholders;
9. articles on dissolution and liquidation;
10. an article stating that decisions require the approval of a majority of the directors;
11. an article stating that when the Investment Manager and or the directors of the Investment Fund violate Law Number 8 Year 1995 concerning the Capital Market, its implementing regulations, the Investment Fund management contract and or the articles of association of the Fund, Bapepam has authority to suspend business operations of the Fund, to protect the Fund's assets, and to appoint another Investment Manager to manage the Fund's assets, or to revoke the business license of the Fund;
12. an article stating that members of the board of directors of the Investment Fund have equal authority;

13. an article stating that approval of the general meeting of shareholders is not required for an open-end Investment Fund to issue new shares, to re-deem outstanding shares, and to re-sell redeemed shares;
14. an article stating that a corporate Investment Fund is not required to maintain reserves; and
15. an article stating that the formation of reserves, if any, must have prior approval from Bapepam.