

RULE NO. VI.B1 : LICENSING OF A SECURITIES ADMINISTRATION AGENCY

Attachment

Decision of the Chairman of Bapepam

Number : Kep-35/PM/1996

Date : January 17, 1996

1. An application for a business license as a Securities Administration Agency must be submitted to Bapepam in 4 (four) copies using Form Number VI.B.1-1, attachment 1 of this rule.
2. An application for the business license as a Securities Administration Agency referred to in item 1 of this rule shall be accompanied by the following documents:
 - a. a deed of establishment, approved by the Minister of Justice;
 - b. the tax registration number of the company;
 - c. an operational manual on activities to be performed and a description of the physical facilities to be used;
 - d. a 3 (three) year operational plan for the Securities Administration Agency which contains at least:
 - 1) an estimate of prospective Issuers that will use the Securities Administration Agency's services; and
 - 2) the location and layout, a fireproof storage room for securities, communication facilities such as telephones, facsimiles, telex, computers, and other supporting facilities in order to perform the process of registration in a fast, safe and efficient manner.
 - e. the opening balance sheet of the company, audited by an Accountant registered with Bapepam;
 - f. a list and data regarding the boards of directors and commissioners as well as employees who answer directly to directors, accompanied by the following documents:
 - 1) curriculum vitae;
 - 2) the last formal education diploma;
 - 3) a Broker-Dealer education certificate;
 - 4) an identity card; and
 - 5) 1 (one) 4x6 cm photograph.
 - g. a list of responsible authorities and computer experts that includes:
 - 1) curriculum vitae;
 - 2) identity cards;
 - 3) a copy of a passport (for non-Indonesians);

- 4) work permits (IKTA) for non-Indonesians;
 - 5) copies of the last formal education diploma and a certificate showing Capital Market expertise; and
 - 6) 1(one) 4x6 cm photograph.
- h. evidence of paid in capital of at least Rp. 500.000.000 (five hundred million rupiahs).
3. An operational manual which contains at least:
 - a. the organizational structure, including job descriptions, the authority and responsibilities of officers who answer directly to directors, and employment regulations of the Securities Administration Agency;
 - b. procedures relating to the flow of documents and work;
 - c. samples of contracts with Issuers and or clients and a schedule of fees for services such as registration, splitting of share certificates, combining share certificates, issuing new certificates, issuing substitute shares and other services; and
 - d. a list and the specifications of computer(s) to be used.
 4. In establishing or adjusting the registration fee, and other administration fees, the Securities Administration Agency must have prior agreement from Issuers that use its services. In addition, the Securities Administration Agency must consider the interests of securities holders.
 5. Contracts between a Securities Administration Agency and Issuers should be notarized and contain matters relating to Securities Administration Agency functions such as securities administration service activities, transfer of ownership, delivery or receiving of securities certificates and the charges relating to such services.
 6. The Issuer and the Securities Administration Agency are jointly and severally responsible for losses which are caused by negligence in performing their duties as provided in the contract between them, and or by an unwarranted delay in the securities administration process.
 7. The Securities Administration Agency must properly maintain records on each securities account, and keep a copy of such records in a separate and safe place.
 8. In processing an application for a Securities Administration Agency business license, Bapepam will examine the completeness of the documents, and may conduct interviews, as well as an on the spot inspection, if deemed necessary.
 9. If the application referred to in item 1 of this rule does not meet the requirements, Bapepam will inform the applicant by a letter stating that:
 - a. the application is incomplete, using Form Number VI.B.1-2, attachment 2 of this rule; or
 - b. the application is rejected, using form Number VI.B.1-3, attachment 3 of this rule.
 10. If the application referred to in 1 of this rule meets the requirements, Bapepam will grant a business license as a Securities Administration Agency to the applicant, using Form Number VI.B 1-4, attachment 4 of this rule.

FORM NUMBER : VI.B.1-1

Attachment : 1
Rule Number : VI.B.1

Number : ,19....
Enclose :
Subject : Application for a business License as a Securities Administration Agency

To
Chairman of Bapepam
at
.....

We hereby submit our application for a business license as a Securities Administration Agency.
For your consideration, we submit the following data:

1. Name of Applicant :

2. Address of Applicant :

(Street & Number)

..... - □□□□

(City & Postal Code)

3. Name of the Securities Administration Agency:

.....

4. Tax Registration Number: □.□□□.□□□□.□-□□□

5. Address of Securities Administration Agency

.....

(Street & Number)

..... - □□□□□

(City & Zip Code)

6. Paid in Capital :

7. Telephone, Telex, and Facsimile number :

.....

8. Number and date that the Articles of Association were approved by the Minister of Justice

.....

9. Contact Person :

(attach authorization letter)

To complete this application, we attach the following documents :

1. the company's deed of establishment approved by the Minister of Justice;
2. the company's tax registration number;

3. An operational manual on activities to be performed;
4. a three-year operational plan for the Securities Administration Agency;
5. an opening balance sheet of the company audited by an Accountant registered with Bapepam;
6. a list of names and data regarding the board directors, commissioners and employees one level below the directors;
7. a list of responsible authorities and computer experts; and
8. evidence of paid in capital.

Thank you for your attention.

Applicant
stamp duty

.....
(Full Name)

FORM NUMBER : VI.B.1-2

Attachment : 2
Rule Number : VI.B.1

Number : S- /PM/19 Jakarta, ...19..
Enclose :
Subject : Notification of incomplete data in an application for a business license as a
Securities Administration Agency

To

in
.....

Referring to your letter Number dated..... regarding , we hereby
notify you that your application is incomplete because it does not contain the following :

1.
2.
3.

With respect to the matters above, we hereby inform you that your application will not be
further processed until you supply the information referred to above.

Please be advised accordingly.

CAPITAL MARKET SUPERVISORY
AGENCY

Chairman,

.....
NIP.....

Cc:

1. Secretary of Bapepam ;
2. Heads of Bapepam Bureaus

FORM NUMBER : VI.B.1-3

Attachment : 3
Rule Number : VI.B.1

Number : Jakarta ,19..
Enclose :
Subject : Rejection of an Application for a Business License as a Securities Administration
Agency

To
.....
in
.....

Referring to your letter Number: dated, regarding, after examining your application, we hereby inform you that your application is rejected for the following reasons:

1.
2.
3.

Please be advised accordingly.

CAPITAL MARKET SUPERVISORY
AGENCY
Chairman,

.....
NIP.

- Cc:
1. Secretary of Bapepam;
 2. Heads of Bapepam Bureaus

FORM NUMBER : VI.B.1-4

Attachment : 4
Rule Number : VI.B.1

DECISION OF THE CAPITAL MARKET SUPERVISORY AGENCY DECISION

NUMBER: KEP...../PM/19..

CONCERNING

GRANTING A BUSINESS LICENSE FOR A SECURITIES ADMINISTRATION AGENCY

TO.....

(NPWP : □□□□□□□□-□□□)

CHAIRMAN OF CAPITAL MARKET SUPERVISORY AGENCY

- Reading : The Application letter for a business license as a Securities Administration Agency from : Number:.....date
- Considering : That Your application has met the requirements established for granting a business license as a Securities Administration Agency;
- Bearing in mind : 1. Law Number 8, 1995 concerning the Capital Market (State Gazette Number 64, 1995, Additional State Gazette Number 3608);
2. Regulation of the Government of the Republic of Indonesia Number 45, 1995 concerning Implementation of the Capital Market activities (State Gazette Number 86, 1995, Additional State Gazette Number 3617);
3. Decision of the Chairman of the Capital Market Supervisory Agency, Number KEP- .../PM/1996 concerning Licensing of Securities Administration Agencies

HAS DECIDED:

Stipulated : **DECISION OF THE CHAIRMAN OF THE CAPITAL MARKET SUPERVISORY AGENCY CONCERN-ING GRANTING A SECURITIES ADMINISTRATION AGENCY BUSINESS LICENSE TO PT.....**

Article 1

Granting a business license as a Securities Administration Agency to PT....., with a main office in

Article 2

This decision is effective as of the date of issuance.

Article 3

If this decision is found to be defective, it will be corrected.

Issued in : Jakarta

On :

CAPITAL MARKET SUPERVISORY
AGENCY

Chairman,

.....

NIP.