

ATTACHMENT

Decree of the Board of Directors
PT Kliring Penjaminan Efek Indonesia
Number : Kep-007/DIR/KPEI/0505
Dated : 13-05-2005

Amended by:
Decree of the Board of Directors
PT Kliring Penjaminan Efek Indonesia
Number : Kep-004/DIR/KPEI/0806
Dated : 09-08-2006

RULE NUMBER: V-1

CLEARING AND TRANSACTION SETTLEMENT GUARANTEE OF DEBT SECURITIES

1. DEFINITION

- a) Unless defined otherwise, all words and/or terms herein bear meanings similar to those applied in Law Number 8 Year 1995 regarding Capital Market and Implementing Regulations thereof.
- b) In this Rule, the following refer to as:
 - (i) **Settlement Agent** is a KSEI Account Holder appointed by AK-EBU to deliver and/or receive funds and/or Debt Securities in correlation with a Debt Securities transaction performed by AK- EBU.
 - (ii) **Collateral** is an asset deposited by AK-EBU in KPEI for the purpose of Debt Securities transaction settlement.
 - (iii) **Free Collateral** is Collateral that can be used as reference for the calculation of Transaction Limit.
 - (iv) **Debt Securities Clearing Member (AK- EBU)** is a Stock Exchange Member that has met KPEI requirements prerequisite to obtaining Debt Securities Clearing and Transaction Settlement Guarantee services.
 - (v) **Transaction Limit** is a value determined by KPEI, as a maximum limit imposed upon AK-EBU for the exercise of Debt Securities transactions.
 - (vi) **Stock Exchange** is PT Bursa Efek Surabaya or other parties licensed by Bapepam dan LK to operate and provide a Debt Securities trading system and/or facility.
 - (vii) **Debt Securities** are Scripless Debt Securities listed and traded in the Stock Exchange.
 - (viii) **Force Majeure** is any occurrence and/or condition beyond the capacity and ability of Stock Exchange and/or KPEI and/or KSEI to act upon, resulting into the function failure of the primary system of Stock Exchange and/or KPEI and/or KSEI, and/or any situation

including but not limited to war, whether declared or otherwise, rebellion, conflagration, flood, earthquake, public disorder, sabotage, strike, and other similar conditions and situations of the same nature.

- (ix) **Default** is the non-fulfillment in part or in whole of the obligation of AK-EBU to settle payment of a named amount of funds and/or deliver Debt Securities to KPEI or inability to execute DvP or RvP instruction of AK-EBU and/or Settlement Agent.
- (x) **Clearing** is the process to determine rights and obligations arising from a Debt Securities transaction.
- (xi) **KSEI** is PT Kustodian Sentral Efek Indonesia that functions as the Central Depository and Settlement Institution.
- (xii) **Netting** is a clearing activity performed by KPEI resulting into the net rights and/or obligations upon funds of each AK-EBU.
- (xiii) **NPF (Final Settlement Value)** is default compensation calculated against the highest value arising between:
 - (a) 2.5% X Nominal Value; or
 - (b) Absolute Value (WAP Consolidation – Transaction Price) X Nominal Value.
- (xiv) **Per-Transaction** is a Clearing activity conducted by KPEI upon every Corporate Bond transaction affecting the Corporate Bond and/or fund rights and/or obligations of each AK-EBU.
- (xv) **Debt Securities Settlement Account** is a KPEI account at KSEI used for the purpose of Debt Securities transaction settlement.
- (xvi) **Settlement Date** is an Exchange Day determined by Stock Exchange or AK-EBU on which to settle a Debt Securities transaction.
- (xvii) **AK-EBU Proxy** is a person appointed by AK-EBU to act on its behalf in administrative proceedings concerning Debt Securities transactions.

2. SERVICE PRODUCTS

In providing Debt Securities Clearing and Stock Exchange Transaction Settlement Guarantee services, KPEI performs the following:

- a) Netting and/or Per-Transaction upon Debt Securities transactions exercised by AK-EBU in Stock Exchange;
- b) settlement process coordination upon Debt Securities transactions with KSEI;
- c) receives payment of an amount of funds from AK-EBU and/or Settlement Agent;
- d) receives delivery of Debt Securities from AK-OK and/or Settlement Agent;
- e) delivers an amount of funds to AK-EBU and/or Settlement Agent;

- f) delivers Debt Securities to AK-EBU and/or Settlement Agent;
- g) requests and obtains AK-EBU information concerning but not limited to the following matters:
 - i) Financial Position/Financial Report;
 - ii) Signature specimen;
 - iii) Corporate Address;
 - iv) Identity of Limited Liability functionaries;
 - v) Account Status at KSEI;
 - vi) Account Mutation at KSEI.
- h) blocking of rights of AK-EBU in a case of violation toward provisions herein;
- i) specifically in the implementation of its Stock Exchange Settlement Guarantee function, KPEI may request KSEI to block, unblock, debit and/or credit the accounts of AK-EBU;
- j) request Stock Exchange to impose suspension or lift suspension upon AK-EBU;
- k) undertaking of other necessary actions to preserve the order and efficient conduct of Clearing in the occurrence of cases in which Debt Securities transaction settlement cannot be performed under normal circumstances.

3. CLEARING AND GUARANTEE SERVICE FEES

- a) Clearing And Guarantee Service Fee charged upon each transaction is an amount of 30% (Thirty percent) against the transaction fee charged by Stock Exchange.
- b) Taxes arising as a result thereof are borne by AK-EBU.
- c) Service payment obligation is to be deposited by AK-EBU into the KPEI account by no later than the 12th day of the subsequent month.

4. DEBT SECURITIES CLEARING MEMBER (AK-EBU)

- a) Stock Exchange Members eligible to become AK-EBU are those deemed worthy through assessment by KPEI, especially viewed from the element of credit risk, and are acceptable as AK-EBU.
- b) Provisions and conditions to become AK-EBU are as follows:
 - i) Signing of Clearing Membership agreement and submitting of AK-EBU Application;
 - ii) Submitting to KPEI of:
 - (a) Company Articles of Association and amendments thereto;
 - (b) Recent financial report and supporting documents;
 - iii) Submitting of specimen company seal, signatures of board members, signatures of commissioners (should it be necessary according to provisions under applicant's Articles of Association/Act of Establishment), and signatures of officials authorized to sign documents related to Clearing activities;

- iv) Submitting of documents stating willingness to:
 - (a) Pay Guarantee Fund, manner of which is determined by KPEI;
 - (b) Grant approval to KPEI to obtain information and/or documents deemed necessary by KPEI from Stock Exchange, KSEI and/or Payment Bank concerning the activities of respective AK-EBU;
 - (c) Grant approval to KPEI to withhold the rights of respective AK-EBU to be used for Debt Securities transaction settlement purposes in the case whereas AK-EBU fails to meet obligations toward KPEI;
 - (d) Give clarification concerning KPEI service products.
 - v) Pledging of AK-EBU's wealth, category, amount and manner of which is determined by KPEI;
 - vi) Bear responsibility upon all information submitted to KPEI;
 - vii) Appointment of no less than 2 (two) AK-EBU Proxies who have met provisions and conditions set forth by KPEI.
- c) Those Stock Exchange Members that have already become and are still Clearing Members are only obligated to meet conditions as intended under Number 4 Letter b) i).
 - d) The rights and obligations of the AK-EBU are among others:
 - i) Every AK-EBU is entitled to use facilities provided by KPEI in accordance with KPEI Rules;
 - ii) Every AK-EBU is entitled to obtain reports and information provided by KPEI;
 - iii) Every AK-EBU is obligated to be in the knowledge of, subject and bound to KPEI Rules;
 - iv) Every AK-EBU is obligated to be accountable for the fulfillment of obligations arising as the result of each of its performed Debt Securities transactions;
 - v) Every AK-EBU is obligated to convey report to KPEI upon any change of company data, including but not limited to changes in main shareholders, change in working capital, decisions of the General Meeting of Shareholders, changes in the Articles of Association, change in the composition of activists, corporate address, company status and civil court cases or other cases arising between respective AK-EBU and any of its clients or any other third party that may influence the work proficiency of the company, by no later than 1 (one) Exchange Day as from the occurrence of such a change; and
 - vi) The AK-EBU is to bear full financial responsibility upon all actions undertaken by AK-EBU Proxies.

5. GUARANTEE FUND

- a) The amount of Guarantee Fund retributed for each Debt Securities transaction is in accordance with Bapepam dan LK Rule regarding Guarantee Fund.
- b) The Guarantee Fund payment obligation as provisioned under Number 5. a) herein is to be deposited by AK-EBU into the KPEI account by no later than the 12th day of the subsequent month.
- c) Guarantee Fund is managed in seclusion by KPEI.

- d) Guarantee Fund is managed and administered by KPEI in implementation of its Stock Exchange Transaction Settlement Guarantee function.
- e) An AK-EBU failing to deposit Guarantee Fund will be imposed a sanction according to provisions under Number 11 herein and be reported to Stock Exchange.
- f) The obligation to refund upon the use of Guarantee Fund for the benefit of an AK-EBU in Default remains attached and must be settled by respective AK-EBU
- g) The managing and use of Guarantee Fund is periodically reported by KPEI to Bapepam dan LK.

6. COLLATERAL

- a) Collateral functions as one of the components in the calculation of Transaction Limit.
- b) AK-EBU may increase Transaction Limit by manner of depositing Collateral.
- c) Collateral may come in the form of:
 - i) Cash and/or cash equivalent;
 - ii) Securities;
 - iii) Bank Guarantee; and/or
 - iv) Other instruments of exchange.
- d) In the case whereas AK-EBU is in potential loss exceeding Collateral value, respective AK-EBU is obligated to deposit additional Collateral.
- e) AK-EBU may retrieve Free Collateral by forwarding a Collateral retrieval request to KPEI. KPEI returns such Collateral to AK-EBU in due consideration to Free Collateral availability.

7. DEBT SECURITIES TRANSACTION CLEARING

- a) The Clearing activity is performed by Netting and/or Per-Transaction.
- b) Netting can only be performed upon a transaction with a Settlement Date falling on the same Exchange Day.
- c) The Clearing process produces electronic Clearing Documents that consist of:
 - i) Debt Securities Clearing Result List (DHK-EBU), which is a document that contains detailed Debt Securities rights and obligations of each AK-EBU;
 - ii) Debt Securities Transaction Settlement Report (LPT-EBU), which is a document that contains the status of the fulfillment of rights and obligations of each AK-EBU.

- d) DHK-EBU as intended under Number 7 Letter c) i) herein functions as a KPEI invoicing document to the AK-EBU pursuant to fulfillment of obligations.
- e) The Clearing process and activity is conducted under the following provisions:
 - i) Based on the Debt Securities Transaction List issued by Stock Exchange, KPEI calculates the rights and obligations of each AK-EBU.
 - ii) The calculation result as intended under Number 7 Letter e) i) herein is stated in the DHK-EBU in electronic form on the Exchange Day of the Debt Securities transaction (T+0) at 19:00 Western Indonesia Time.
 - iii) Based on such a DHK-EBU, by no later than 1 (one) Exchange Day preceding the Settlement date (S-1) at 14:00 Western Indonesia Time, AK-EBU is obligated to deliver electronic confirmation to KPEI.
 - iv) The confirmation as intended under Number 7 Letter e) iii) herein states among others:
 - (a) allocation upon performed transactions;
 - (b) name of party;
 - (c) settlement value;
 - (d) Clearing category;
 - (e) Tax information; or
 - (f) Appointed Settlement Agent (if any).
 - v) Based on the AK-EBU confirmation, as intended under Number 7 Letter e) iii) herein, KPEI issues a DHK-EBU that has been matched with the aforementioned confirmation by no later than 1 (one) Exchange Day preceding Settlement Date (S-1) at 14:15 Western Indonesia Time.
 - vi) In a case whereas based on the confirmation delivered by AK-EBU to KPEI, contained in the DHK-EBU as intended under Number 7 Letter e) iii) herein stating that the settlement has been performed by a Settlement Agent appointed by AK-EBU, the affirmation of such a Settlement Agent will be electronically delivered to KPEI by no later than 1 (one) Exchange Day preceding the Settlement Date (S-1) at 16:00 Western Indonesia Time.
 - vii) Should Settlement Agent reject or not deliver affirmation upon DHK-EBU as intended under Number 7 Letter e) vi) herein, AK-EBU is obligated to conduct allocation and settle its performed Debt Securities transaction.
 - ii) Following receipt of affirmation from Settlement Agent as intended under Number 7 Letter e) vi) herein or rejection as intended under Number 7 Letter e) vii) herein, KPEI will make adjustments toward DHK-EBU by issuing a final DHK-EBU.

8. FULFILMENT OF RIGHTS AND OBLIGATIONS

- a) Fulfillment of AK-EBU's rights and/or obligations is made on Settlement Date falling on:
 - i) The 2nd Exchange Day proceeding transaction (T+2) for the Regular Market; or
 - ii) The 1st Exchange Day (T+1) until the 7th Exchange Day proceeding transaction (T+7), determined by AK-EBU as the Settlement Date for the Negotiable Market.

- b) Fulfillment of AK-EBU rights and/or obligations is performed by means of Clearing system implemented upon such a Debt Securities as follows:
 - i) In the case AK-EBU prefers Netting, fulfillment of AK-EBU obligations will be performed by depositing Debt Securities and/or funds into the KPEI Debt Securities Settlement Account by no later than the Settlement Date at 12:00 Western Indonesia Time; while the fulfillment of AK-EBU rights will be performed by KPEI by depositing Debt Securities and/or funds into the AK-EBU Securities Account and/or Settlement Agent Securities Account by no later than the Settlement Date at 15:00 Western Indonesia Time;
 - ii) In the case AK-EBU prefers Per-Transaction, fulfillment of AK-EBU rights and/or obligations will be performed by providing Debt Securities and/or funds in the AK-EBU Securities Account and/or Settlement Agent Securities Account accompanied with DvP (Delivery versus Payment) or RvP (Receive versus Payment) instruction by no later than the Settlement Date at 15:00 Western Indonesia Time;
 - iii) In the case whereas fulfillment of obligations cannot be performed by means of Netting as intended under Number 8 Letter b) i) herein, fulfillment of AK-EBU rights and/or obligations will be performed by means of Per-Transaction by no later than at 15:00 Western Indonesia Time.
- c) In the case whereas the fulfillment of AK-EBU obligations cannot be performed according to provisions as intended under Number 8 Letter b) herein, concerning AK-EBU will be declared as in Default.
- d) In the occurrence of Default, KPEI will request KSEI to cancel the settlement instruction related to such a Default.
- e) In the occurrence of Default as intended in provisions under Number 8 Letter c) herein, provisions under Number 10 herein regarding Default in the Fulfillment of Rights and Obligations and Countermeasures thereof will prevail.
- f) Upon receipt of report from KSEI on AK-EBU and/or Settlement Agent obligation fulfillment status according top latest DHK-EBU, KPEI will issue an LPT-EBU on Settlement Date at a time determined by KPEI.

9. TAX ADMINISTRATION

- a) KPEI performs calculation of Income Tax related to Debt Securities transaction in compliance with prevailing tax regulations.
- b) Calculation of Income Tax as intended under Number 9 Letter a) herein is performed by KPEI according to information delivered by AK-EBU or Settlement Agent. KPEI will not be held accountable for the formal or material authenticity upon such tax information delivered to KPEI.
- c) KPEI performs Income Tax deduction upon every Debt Securities transaction performed by AK-EBU for the benefit of concerning AK-EBU and every Debt Securities transaction that involves Settlement Agent in compliance with prevailing provisions governing taxation. Such an Income Tax is to be reimbursed to the party bearing the status of deductor on the Exchange Day

similar to that in which such an Income Tax deduction was performed.

10. NON FULFILMENT OF RIGHTS AND OBLIGATIONS AND COUNTERMEASURES THEREOF

- a) In the case whereas by 15:00 Western Indonesia Time (S+1) AK-EBU or Settlement Agent fails to meet obligations in accordance with latest DHK-EBU, AK-EBU will be declared as in Default KPEI will further report the matter to the Stock Exchange.
- b) AK-EBU in Default may convey request for renegotiation to transaction counterpart AK-EBU that has met obligations by no later than the Settlement Date (S+0) at 17:00 Western Indonesia Time.
- c) In the case whereas such a request for renegotiation is accepted, AK-EBU in Default is obligated to settle obligations by no later than 1 (one) Exchange Day proceeding Settlement Date (S+1) at 12:00 Western Indonesia Time.
- d) In the case whereas AK-EBU in Default does not deliver a request for renegotiation or whereas a request for renegotiation as intended in provisions under Number 10 Letter b) herein is rejected, AK-EBU in Default is imposed with NPF, under which obligations are to be settled by no later than the following Exchange Day at 12:00 Western Indonesia Time.
- e) In the case whereas AK-EBU in Default still fails to settle obligations following the renegotiating process, AK-EBU in Default will be imposed with NPF, under which obligations are to be settled by no later than the following Exchange Day at 13:00 Western Indonesia Time.
- f) In the case whereas settlement failure falls on an Exchange Day, on which the intended Debt Securities are no longer available as the result of the Issuer's performance of redemption upon such Debt Securities or other actions, AK-EBU in Default will be imposed with NPF, under which obligations are to be settled by no later than the current Exchange Day at 17:00 Western Indonesia Time.
- g) In the case whereas AK-EBU in Default fails to settle NPF obligations by the determined time, KPEI will deliver compensation in the amount of NPF to the AK-EBU that has met obligations.
- h) In the case whereas AK-EBU in Default fails to settle NPF obligations by the determined time, the concerning AK-EBU will be imposed a fine in the amount of 0.25% (zero point twenty five percent) against AK-EBU in Default obligation value per-Calendar Day.
- i) AK-EBU in Default obligations will be invoiced by KPEI keeping in account all rights receivable by AK-EBU upon the following Exchange Day.
- j) In the case whereas AK-EBU is declared to be in Default as the result of non-performance of renegotiation or failure in the process of negotiation, KPEI may take the following measures:
 - i) utilize AK-EBU collateral;
 - ii) sell and/or liquidate other assets (not included AK-EBU Stock Exchange Shares) pledged to KPEI;
 - iii) in the case whereas utilization of collateral and other assets as

- intended under Number 10 Letters j) i) and ii) herein is insufficient to meet obligations toward KPEI, KPEI is entitled to sell AK-EBU in Default Stock Exchange Shares;
- iv) in the case whereas the process of selling AK-EBU in Default Stock Exchange Shares fails, KPEI may file a bankruptcy suite against AK-EBU in Default through Bapepam dan LK.
- k) All expenses arising as the result of handling the failure of AK-EBU in Default will fully be borne and be for the account of AK-EBU in Default.

11. VIOLATIONS AND SANCTIONS FOR AK-EBU

- a) A violation is an action or activity undertaken by AK-EBU that is contradictory to KPEI Rules regarding Services Provided by KPEI.
- b) Violation as intended under Number 11 Letter a) herein, comprises but is not limited to:
 - i) Non-settlement of Guarantee Fund including Fine;
 - ii) Non-settlement of Clearing service fee;
 - iii) Non-settlement of NPF and/or fine;
 - iv) Inability to meet provisions set forth by KPEI.
- c) Measures or sanctions that may be imposed by KPEI upon AK-EBU include the following:
 - i) Written Reprimand;
 - ii) Written Reprimand plus administration fee;
 - iii) Fine;
 - iv) Suspension (from receiving KPEI services);
 - v) Revocation of AK-EBU status.
- d) Sanctions as intended under Number 11 Letter c) herein may be imposed in stages or altogether at once, and in such a case sanctions serve only as a description of category of sanctions that may be imposed upon AK-EBU in violation to KPEI Rules.
- e) Other than sanctions that may be imposed upon AK-EBU as intended under Number 11 Letter c) herein, KPEI has the authority to reveal AK-EBU in violation through announcement issued by KPEI or published through mass media in printed and/or electronic form.
- f) The written reprimand sanction as intended under Number 11 Letter c) ii) is imposed according to the following provisions:
 - i) The First Written Reprimand plus a maximum administration fee of Rp.2.500.000,- (two million five hundred thousand Rupiah) and/or Transaction Limiting upon concerning AK-EBU through the Stock Exchange of 5 (five) Exchange Days.
 - ii) Should within a period of 3 (months) months as from the issuance of The First Written Reprimand AK-EBU if found to be in violation, KPEI will issue The Second Written Reprimand plus a maximum administration fee of Rp.5.000.000,- (five million Rupiah) and/or the forwarding of an appeal to the Stock Exchange as to suspend the Debt Securities Trading Permit of concerning AK-EBU for a maximum of 10 (ten) Exchange Days.
 - iii) Should within a period of 3 (months) months as from the issuance of The Second Written Reprimand AK-EBU if found to be in violation,

KPEI will issue The Third Written Reprimand plus a maximum administration fee of Rp. 100.000.000,- (one hundred million Rupiah), and giving KPEI the right to forward an appeal to the Stock Exchange for the revocation of concerning AK-EBU's Debt Securities Trading Permit.

- g) In the case of administration fee being imposed upon an AK-EBU as intended under Number 11 Letter f) herein, such an administration fee is to be deposited into the KPEI account by no later than 4 (four) Exchange Days as from the imposing of such an administrative fee by KPEI.
- h) In the case whereas AK-EBU does not pay the administration fee within the determined time, KPEI will impose suspension upon concerning AK-EBU plus a delay fine in the amount of 1% (one percent) against the administration fee for every Calendar Day of delay.
- i) In the case whereas AK-EBU is imposed a fine sanction, such a fine is to be deposited into the KPEI account by no later than the following Exchange Day as from the imposing of such a fine.
- j) In the case whereas AK-EBU is imposed a Debt Securities Trading Permit revocation sanction by the Stock Exchange, such an action will be followed by the revocation of respective AK-EBU's status approval.
- k) The revocation of an AK-EBU's Debt Securities Trading Permit and/or Clearing Membership does not relieve respective AK-EBU of the responsibility to settle all its obligations toward other AK-EBUs, KPEI, and/or other parties in compliance with prevailing laws.
- l) Should any of AK-EBU obligations remain following such a revocation, in compliance with this Rule, KPEI has the authority to sell any of AK-EBU's assets in the custody of KPEI including Shares or its derivatives in the Stock Exchange for the settlement of such remaining obligations.
- m) An AK-EBU rejecting sanction upon it may forward a complaint addressed to Bapepam dan LK within a period of 10 (ten) Exchange Days as from the date such a sanction is made effective.
- n) In the case whereas such a rejection upon sanction is refused by Bapepam dan LK, then the sanction will be enforced; and in the case such a rejection is acceptable to Bapepam dan LK, then the intended sanction will be revoked or adjusted by ruling of Bapepam dan LK. Such a revocation or adjustment will be announced by KPEI.

Resolved in Jakarta, on this day of August 9th 2006

Inarno Djajadi
President Director

Hoesen
Director