

STATEMENT OF MEETING RESOLUTIONS
PT BANK PEMBANGUNAN DAERAH JAWA TIMUR Tbk.

Number: 22.-

- On this day, Thursday, the thirteenth day of July two thousand and seventeen (13-07-2017), from two thirty five (02:35) p.m., West Indonesian Time until the execution of this deed;
- I, **SITI NURUL YULIAMI, Sarjana Hukum, Magister Kenotariatan, Notary Public in Surabaya**, in the presence of witnesses known to me, Notary Public, and whose names are stated at the end of this deed;
- on the request of the Board of Directors of limited liability company - PT BANK PEMBANGUNAN DAERAH JAWA TIMUR Tbk or also called PT BANK JATIM, Domiciled in Surabaya, a limited liability company duly established by virtue of a Deed of Company Establishment, dated the first day of May one thousand nine hundred and ninety nine (01-05-1999), Number : 1, made before Raden SONNY HIDAYAT JULISTYO, Sarjana Hukum, Notary Public in Surabaya and totally modified to be adjusted to Indonesian Law Number : 40 Year 2007 about Limited Liability Company, and amendments thereto as stated in the Deed of CONFIRMATION OF RESOLUTIONS OF EXTRA-ORDINARY GENERAL MEETING OF STOCKHOLDERS OF PT BANK PEMBANGUNAN DAERAH JAWA TIMUR, dated the thirtieth day of December two thousand and eight (30-12-2008), Number ; 38, made before UNTUNG DARNOSOEWIRJO, Sarjana Hukum, at that time Notary Public in Surabaya, and ratified by the competent authority by virtue of Decision of Minister of Law and Human Rights, Republic of Indonesia, dated the twenty third day

of April two thousand and nine (23-4-2009), Number : AHU-15113.AH.01.02 Tahun 2009, related to:

- Deed of STATEMENT OF DECISION OF EXTRA-ORDINARY GENERAL MEETING OF STOCKHOLDERS OF PT BANK PEMBANGUNAN DAERAH JAWA TIMUR, dated the twenty fifth day of April two thousand and twelve (25-04-2012), Number : 89, made before FATHIAH HELMI, Sarjana Hukum, Notary Public in Jakarta, ratified by the competent authority by virtue of Decision of Minister of Law and Human Rights, Republic of Indonesia, dated the thirtieth day of April two thousand and twelve (30-04-2012), Number : AHU-22728.AH.01.02.TAHUN 2012;
- While the Articles of Association have been modified and adjusted to the Regulation of Financial Service Authority, Number : 32/POJK.04/2014 and Regulation of Financial Service Authority, Number : 33/POJK.04/2014 and other Rules in Capital Market and their modifications as stated in the Deed of MINUTES OF ANNUAL GENERAL MEETING OF STOCKHOLDERS (GMOS), FINANCIAL YEAR 2014, PT BANK PEMBANGUNAN DAERAH JAWA TIMUR Tbk, dated the eighth day of April two thousand and fifteen (08-04-2015, Number : 23, made before BAMBANG HERU DJUWITO, Sarjana Hukum, Magister Hukum, Notary Public in Surabaya, received and filed in the Legal Entity Administration System, Ministry of Law and Human Rights, Republic of Indonesia, on the twenty seventh day of April two thousand and fifteen (27-04-2015, Number : AHU-AH.01.03-0927645;

- Deed of MINUTES OF ANNUAL GENERAL MEETING OF STOCKHOLDERS (GMOS), FINANCIAL YEAR 2015, PT BANK PEMBANGUNAN DAERAH JAWA TIMUR Tbk, dated the twenty ninth day of January two thousand and sixteen (29-01-2015), Number : 97, made before the same Notary Public;
- Deed of MINUTES OF EXTRA-ORDINARY GENERAL MEETING OF STOCKHOLDERS (GMOS), PT BANK PEMBANGUNAN DAERAH JAWA TIMUR Tbk, dated The twenty fourth day of June two thousand and sixteen (24-06-2016), Number : 103, made before the same Notary Public;
- Deed of STATEMENT OF MEETING RESOLUTIONS, dated the twenty first day of December two thousand and sixteen (21-12-2016), Number : 39, made before the same Notary Public, received and filed in the Legal Entity Administration System, Ministry of Law and Human Rights, Republic of Indonesia, on the third day of January two thousand and seventeen (03-01-2017), Number : AHU-AH.01.03-0000508 ;
- Deed of STATEMENT OF MEETING RESOLUTIONS, PT BANK PEMBANGUNAN DAERAH JAWA TIMUR Tbk, dated the twenty fifth day of January two thousand and seventeen (25-01-2017), Number : 35, made before me, Notary Public, received and filed in the Legal Entity Administration System, Ministry of Law and Human Rights, Republic of Indonesia, on the twenty sixth day of January two thousand and seventeen (26-01-2017), Number : AHU-AH.01.03-0035197 ;

- Deed of STATEMENT OF MEETING RESOLUTIONS, PT BANK PEMBANGUNAN DAERAH JAWA TIMUR Tbk, dated the nineteenth day of April two thousand and seventeen (19-04-2017), Number : 53, made before me, Notary Public, received and filed in the Legal Entity Administration System, Ministry of Law and Human Rights, Republic of Indonesia, on the sixteenth day of May two thousand and seventeen (16-05-2017), Number : AHU-AH.01.03-0136291;
- Deed of MINUTES OF EXTRA-ORDINARY GENERAL MEETING OF STOCKHOLDERS (GMOS), PT BANK PEMBANGUNAN DAERAH JAWA TIMUR Tbk. Year 2017, dated the fifteenth day of June two thousand and seventeen (15-06-2017), Number : 43, made before the same Notary Public;

hereinafter referred to as '**Company**',

to prepare Statement of Resolutions of General Meeting of Stockholders Year 2017 of the Company.

- The meeting was attended by the Board of Directors of the Company:

1. Mister Raden SOEROSO, Sarjana Ekonomi, Magister Manajemen, born in Solo, on the tenth day of September one thousand nine hundred and fifty four (10-09-1954), Indonesian Citizen, Employee of State-Owned Company, residing at Jalan Nusa Indah Atas 1-A, Rukun Tetangga 007, Rukun Warga 008, Kelurahan Jatimulyo, Kecamatan Lowokwaru, Kota

Malang, Bearer of ID-Card with Resident Registration Number
: 3573051009540003 ;

- temporarily staying in Surabaya ;
- according to his declaration, in this respect acting in his capacity as the President Director of the Company;

2. Mister RUDIE HARDIONO, born in Malang, on the fifth day of November one thousand nine hundred and fifty eight (05-11-1958), Indonesian Citizen, Private Employee, residing at Jalan Mandasia No. 11, Rukun Tetangga 001, Rukun Warga 008, Kelurahan Jatimulyo, Kecamatan Lowokwaru, Kota Malang, Bearer of ID-Card with Resident Registration Number : 3573050511580004;

- temporarily staying in Surabaya ;
- according to his declaration, in this respect acting in his capacity as Operations Director of the Company;

3. Mister SU'UDI, born in Pati, on the third day of January one thousand and sixty one (03-01-1961), Indonesian Citizen, Employee of Province-Owned Company, residing at Jalan Bendul Merisi Utara 7/16, Rukun Tetangga 003, Rukun Warga 011, Kelurahan Bendul Merisi, Kecamatan Wonocolo, Kota Surabaya, Bearer of ID-Card with Resident Registration Number : 3578040301610010 ;

- according to his declaration, in this respect acting in his capacity as Medium and Corporation Business Affairs Director of the Company

4. Mister Engineer TONY SUDJIARYANTO, Magister Manajemen, born in Kediri, on the seventh day of August one thousand nine hundred and fifty nine (07-08-1959), Indonesian Citizen, Public Servant (PNS), residing at Jalan Klampis Semolo Timur 25/AB-53, Rukun Tetangga 001, Rukun Warga 009, Semolowaru, Kecamatan Sukolilo, Kota Surabaya, Bearer of ID-Card with Resident Registration Number : 3578090708590001 ;

- according to his declaration, in this respect acting as Retail, Consumer and Syariah Business Director and as acting Compliance and Human Capital Director of the Company;

according to their declaration, jointly acting in their capacities as :

- a. Board of Directors of the Company;
- b. Attorney of the Extraordinary General Meeting of Stockholders as stated in the DEED OF MINUTES OF EXTRA-ORDINARY GENERAL MEETING OF STOCKHOLDERS (GMOS), PT BANK PEMBANGUNAN DAERAH JAWA TIMUR Tbk., Year 2017, dated the fifteenth day of June two thousand and seventeen (15-06-2017), Number : 43, made before me, Notary Public.

The appearers are known to me, Notary Public.

The appearers acting in their aforementioned capacities declared therein that :

- As stated in the DEED OF MINUTES OF EXTRA-ORDINARY GENERAL MEETING OF STOCKHOLDERS (GMOS), PT BANK PEMBANGUNAN DAERAH JAWA

TIMUR Tbk., Year 2017, dated the fifteenth day of June two thousand and seventeen (15-06-2017), Number : 43, made before me, Notary Public, it was resolved to :

Approve the modifications of :

1. The following Articles of the Articles of Association of the Company hereunder :

- 1) Article 10 Section (1);
- 2) Article 10 Section (7);
- 3) Article 11 Section (4) dictum c;
- 4) Article 12 Section (4);
- 5) Article 13 Section (2);
- 6) Article 14 Section (8);
- 7) Article 14 Section (19) dan Section (20);
- 8) Article 15 Section (3);
- 9) Article 15 Section (4);
- 10) Article 15 Section (11);
- 11) Article 15 Section (12) dictum a;
- 12) Article 15 Section (15) dictum f;
- 13) Article 15 Section (15) dictum h;
- 14) Article 16 (Title);
- 15) Article 16 Section (5) dictum c;
- 16) Article 16 Section (12) & Section (13);
- 17) Article 18 Section (11) dictum a;
- 18) Article 18 Section (12) dictum e;
- 19) Article 19 Section (1);
- 20) Article 19 Section (7) and Section (9);
- 21) Article 20;
- 22) Article 20 Section (3);
- 23) Article 21 Section (3);

24) Article 22 Section (3);

25) Article 24 Section (6);

2. Authorize and empower the Board of Directors of the Company to re-issue or codify the Articles of Association of the Company;
3. Grant a power of attorney with substitution right in favor of Board of Directors of the Company to take all necessary actions for applying for ratification, filing notification and registration of the modified Articles of Association.

Thereafter, the whole Articles of Association of the Company shall be worded and spelled hereunder:

NAME AND DOMICILE

ARTICLE 1

(1) This Limited Liability Company is named PT BANK PEMBANGUNAN DAERAH JAWA TIMUR Tbk., hereinafter referred to as 'Company', domiciled at Jalan Basuki Rachmad 98-104 Surabaya;

(2) The Company may open branches or representative offices in any other places, both inside and outside the territory of the Republic of Indonesia, as determined by the Board of Directors and subject to the prevailing law and regulations.

DURATION

ARTICLE 2

The Company is incorporated for an unlimited time as of the fifth day of May one thousand nine hundred and ninety nine (05-05-1999).

GOALS, OBJECTIVES AND BUSINESS ACTIVITIES

ARTICLE 3

- (1) The Goals and Objectives of the Company are to deal with Banking businesses pursuant to the prevailing law and regulations.
- (2) To attain the goals and objectives, the Company may do the following business activities:

2.1. Main Business Activities

- a. raising funds from the public in forms of savings/deposits in current accounts, time deposits, deposit certificates, savings and/ or other similar accounts;
- b. granting credit facilities;
- c. issuing promissory notes;
- d. purchasing, selling or guaranteeing at its own risk or for the interest and at the order of the customer:
 1. Drafts including the drafts accepted by the Company as a Bank for which the validity period is

not longer than the normal practices in the trade of the said instrument;

2. Promissory notes and other commercial papers, the validity period of which is not longer than the normal practices in the trade of the said instrument;
 3. State treasury instruments and government bond;
 4. Certificate of Bank Indonesia (SBI);
 5. Bond;
 6. Commercial paper with a validity period pursuant to the prevailing law and regulations;
 7. Other securities instruments with a validity period pursuant to the prevailing law and regulations;
- e. transferring money for both its own interest or the interest of the customers;
- f. placing funds in, borrowing funds from, or lending funds to another bank, either by using instrument (letter), telecommunications facility and sight draft, checks or other facilities;
- g. receiving the payment of securities bills and making calculation with or inter third parties;
- h. placing funds from one customer to another in form of securities which are not listed on a Stock Exchange;

- i. Dealing with foreign exchange and/or serving as a foreign exchange bank pursuant to the prevailing law and regulations;
- j. providing funds and/or dealing with other activities including delivering services under Syariah principles pursuant to the prevailing law and regulations;
- k. Dealing with other banking businesses pursuant to the prevailing law and regulations both in domestic and foreign countries.

2.2. Supporting Business Activities

In order to support the main business activities, the Company also deals with the following supporting business activities:

- a. Offering deposit box services for valuables and securities;
- b. Offering custodian services for the interests of other parties under contracts;
- c. Partially or fully acquiring collaterals through auctions or alike based on voluntary surrender by the owners of the collaterals or based on a power to sell out of auctions from the owners of the collaterals when the relevant debtors fail to satisfy their liabilities to the Company, on condition that the acquired collaterals must be immediately cleared.

- d. Serving factoring activities, credit card business and trusteeship activities;
- e. Participating in capitalizations by other banks or financial institutions in forms of business rentals, venture capitals, securities businesses and deposit and settlement clearing agencies, or establishing new companies pursuant to the prevailing law and regulations.
- f. Participating in temporary capitalization activities to cope with credit or financing incompliances based on Syariah principles, on condition that the participation must be abandoned timely pursuant to the prevailing law and regulations.
- g. Founding pension fund management and pension fund board pursuant to the prevailing pension fund law and regulations.
- h. Offering technical supports to both City-Regency Owned Companies and Legal Entities (Limited Liability Companies) in Provincial Government in East Java and City/Regency Governments all over East Java Province to manage cash and finance.
- i. Dealing with other business activities commonly run by banks pursuant to the prevailing law and regulations.

CAPITAL

ARTICLE 4

(1) The authorized capital of the Company shall be IDR 9,000,000,000,000.00 (nine trillion Indonesian Rupiahs only) represented in 36,000,000,000 (thirty six billion) pieces of stocks, consisting of :

- 24,000,000,000 (twenty four billion) pieces of Series-A Stocks each with nominal value of IDR 250.00 (two hundred and fifty Indonesian Rupiahs only) per stock, totally with nominal value IDR 6,000,000,000,000.00 (six trillion Indonesian Rupiahs only); and
- 12,000,000,000 (twelve billion) pieces of Series-B Stocks each with nominal value of IDR 250.00 (two hundred and fifty Indonesian Rupiahs only) per stock, totally with nominal value IDR 3,000,000,000,000.00 (three trillion Indonesian Rupiahs only);

(2) Of the authorized capital, 14,946,299,182 (fourteen billion nine hundred and forty six million two hundred and ninety nine thousand one hundred and eighty two) pieces of stocks with total nominal value IDR 3,736,574,795,500.00 (three trillion seven hundred and thirty six billion five hundred and seventy four million seven hundred and ninety five thousand five hundred Indonesian Rupiahs) have been subscribed and fully paid in for :

- a. 11,934,147,982 (eleven billion nine hundred and thirty four million one hundred and forty seven thousand nine hundred and eighty two) pieces of Series-A Stocks, totally with nominal value IDR

2,983,536,995,500.00 (two trillion nine hundred and eighty three billion five hundred and thirty six million nine hundred and ninety five thousand five hundred Indonesian Rupiahs only); and

b. 3,012,151,200 (three billion twelve million one hundred and fifty one thousand two hundred) pieces of Series-B Stocks, totally with nominal value IDR 753,037,800,000.00 (seven hundred and fifty three billion thirty seven million eight hundred thousand Indonesian Rupiahs only);

(3) One hundred percent (100%) of subscribed stocks 14,946,299,182 (fourteen billion nine hundred and forty six million two hundred and ninety nine thousand one hundred and eighty two) pieces with total nominal value IDR 3,736,574,795,500.00 (three trillion seven hundred and thirty six billion five hundred and seventy four million seven hundred and ninety five thousand five hundred Indonesian Rupiahs) have been fully paid in to the Company with the following details :

a. 11,934,147,982 (eleven billion nine hundred and thirty four million one hundred and forty seven thousand nine hundred and eighty two) pieces of Series-A Stocks, totally with nominal value IDR 2,983,536,995,500.00 (two trillion nine hundred and eighty three billion five hundred and thirty six million nine hundred and ninety five thousand five hundred Indonesian Rupiahs only) by :

- East Java Provincial Government as many as 7,676,913,648 (six billion six hundred and seventy six million nine hundred and thirteen thousand six hundred and forty eight) pieces of Series-A Stocks, totally with nominal value IDR 1,919,228,412,000.00 (one trillion nine hundred and nineteen billion two hundred and twenty eight million four hundred and twelve thousand Indonesian Rupiahs only);
 - City/Regency Governments as many as 4,257,234,334 (four billion two hundred and fifty seven million two hundred and thirty four thousand three hundred and thirty four) pieces of Series-A Stocks, totally with nominal value IDR 1,064,308,583,500.00 (one trillion sixty four billion three hundred and eight million five hundred and eighty three thousand five hundred Indonesian Rupiahs only) by :
- b. 3,012,151,200 (three billion twelve million one hundred and fifty one thousand two hundred) pieces of Series-B Stocks, totally with nominal value IDR 753,037,800,000.00 (seven hundred and fifty three billion thirty seven million eight hundred thousand Indonesian Rupiahs only) for :
- IDR 745,884,250,000.00 (seven hundred and forty five billion eight hundred and eighty five million two hundred and fifty thousand Indonesian Rupiahs only) raised from the Initial Public Offering in Year 2012 in accordance with

the Deed of STATEMENT OF MEETING RESOLUTIONS, dated the nineteenth day of July two thousand and twelve (19-07-2012), Number : 18, made before WACHID HASYIM, Sarjana Hukum, Notary Public in Surabaya, the Deed of Amendment to Articles of Association of which have been received and recorded in the Database of the Legal Entity Administration System of Ministry of Law and Human Rights , Republic of Indonesia , on the thirty first day of August two thousand and twelve (31-08-2012), Number AHU-AH.01.10-31887;

- IDR 6,843,150,000.00 (six billion eight hundred and forty three million one hundred and fifty thousand Indonesian Rupiahs only) raised from MESOP Program – Phase 1 Year 2016 based on total number of executed and recorded stock options as addition to subscribed and fully paid in capital during period of the first day of August two thousand and sixteen (01-08-2016) until the thirteenth day of September two thousand and sixteen (13-09-2016);
- IDR 310,400,000.00 (three hundred and ten million four hundred thousand Indonesian Rupiahs only) raised from MESOP Program – Phase 1 – Window Exercise Year 2017, based on total number of executed and recorded stock options as addition to subscribed and fully paid in capital during period of the first day of February two thousand and seventeen (01-02-

2017) until the fourteenth day of March two thousand and seventeen (14-03-2017);

- (4) The payment of stocks in any other forms other than in the form of cash (money), either in the form of monies and /or other assets.

Stock payment by monies must be evidenced with a lawful payment to the account of the Company. Stock payment tangible assets and/or intangible assets must be consistent with the following provisions.

- a. the assets placed as capital payment must be advised to the public when addressing summons of General Meeting of Stockholders (hereinafter referred to as GMOS);
- b. the assets placed as capital payment must be appraised by an appraiser registered in the Financial Service Authority (hereinafter referred to as OJK) or its Substitute, free of any encumbrance, not being put as collateral in any manner whatsoever or, under any circumstances, being under any confiscation;
- c. It is approved by a GMOS with quorum as set forth in Article 14;
- d. In case that the assets used as capital payment are in form of stocks of a limited liability company which conducts Public Offering or a public company listed in a Stock Exchange, the price of the stocks shall be quoted based on fair market value; and

- e. In case that the payment is by retained earnings, additional paid in capital (APIC), the Company's net profits, and/or element of the capital itself, then the retained earnings, APIC, the Company's net profits and/or other elements of the Company's capital shall be included in the latest Annual Financial Statements which have been audited by a Public Accountant registered in the Financial Services Authority with unqualified opinion.
- (5) The stocks in portfolio shall be issued by the Board of Directors in accordance with the Company's capital requirement at time, price, terms and conditions affected by the a Meeting of Board of Directors and pursuant to the provisions set forth in these Articles of Association, and prevailing law and regulations and Capital Market rules in Indonesia, on condition that the price in the right issue is not under the par value.
- (6) Any capital increase through issue of Equity Securities (Equity Securities are Securities which may be exchanged with (converted into) stocks or Securities containing the right to obtain stocks from the Company as the issuer), shall be subject to the following provisions:
- a. Any capital increase through issue of Equity Securities which are carried out based on order, the said increase shall be obligated to be carried out by granting Preemptive Rights to Subscribe Securities (hereinafter shall be referred to as HMETD) to the stockholders whose names are listed in the Company's stock

register on the date determined/specified by a GMOS approving the issue of such Equity Securities in a total amount equivalent to the total stocks which have been registered/listed in the Company's stock register in the name of each stockholder on the relevant date.

b. Without prejudice to the applicable Capital Market rules, the issuance of Equity Securities without providing HMETD to the stockholders shall be executable in case the stocks are issued :

- b.1. to the Company's employees;
- b.2. to other bondholders or holders of Equity Securities, which have been issued and approved by a GMOS;
- b.3. for a purpose of reorganization and/or restructuring, and approved by a GMOS;
- b.4. in consistent with the Capital Market rules accepting capital increase without HMETD.

c. The HMETD must be transferable and tradable within a period of time stipulated by the prevailing laws and regulations and Capital Market rules.

d. Equity Securities issued by the Company and not subscribed by the holder of HMETD must be allocated to all stockholders ordering additional Equity Securities, provided that if the total of Equity Securities so ordered exceeds the total of Equity Securities which shall be issued, the said Equity Securities which are not subscribed shall be allocated in equivalence or

proportional to the total of HMETD exercised by each stockholder ordering additional Equity Securities.

- e. In case there are still Equity Securities remaining unsubscribed by the stockholders as set forth in paragraph 6 dictum d of thereof, if there are standby purchasers, the said Equity Securities must be allocated to a certain party who acts as the standby purchaser with the same price, terms and conditions.
 - f. The issue of stocks in portfolio to holders of Equity Securities shall be executable by the Board of Directors based on resolutions of the previous GMOS of the Company, approving the relevant issue of the Securities.
 - g. Paid-up capital increase shall be effective after payment, and the stocks issued shall be provided with the same rights as the ones having the same classification as issued by the Company, without prejudice to the obligation of the Company to send the notification to the Minister. (The Minister is the one assigned and accountable in law and human rights issues, or his substitute).
- (7) Authorized capital increase shall be subject to resolution of a GMOS. Amendment to the Articles of Association to change modify authorized capital provisions must be approved by the Minister of Law and Human Rights, on the following conditions:

- a. The authorized capital increase resulting a decrease in the subscribed and paid-in capital to be less than 25% (twenty five percent) of the authorized capital, may be executed on conditions :
 - a.1. The authorized capital increase has been approved by a GMOS
 - a.2. The authorized capital increase has been approved the Minister of Law and Human Rights;
 - a.3. The subscribed capital increased and paid-in capital increase to minimally 25% of the total of authorized capital increase shall be executed in not later than 6 (six) months after the date of approval by the Minister of Law and Human Rights.
 - a.4. In case the subscribed capital increase as set forth in Article 4 Section (7) dictum a point a.3 thereof is not fully satisfied, the Company must re-modify its Articles of Association, so that its authorized capital and paid-in capital satisfy the provisions set forth in the Law of Limited Liability Company (UUPT), within 2 (two) months as of the period set forth in Article 4 Section (7) dictum a point a.3 is not satisfied.
 - a.5. The approval by a GMOS as set forth in Article 4 Section (7) dictum a point a.1 shall

also include an approval to modify the Articles of Association as set forth in Article 4 Section (7) dictum b.

b. Modification to Articles of Association for the authorized capital increase shall be effective after the paying-in of the capital, causing the amount of paid-in capital at least 25% (twenty five percent) of the authorized capital and having the same rights as the other stocks issued by the Company shall, with due observance of the provisions set forth in the Articles of Association, without prejudice to the obligation of the Company to secure an approval for the modification to the Articles of Association from the Minister of Law and Human Rights concerning with the paid-in capital increase.

(8) Any capital increase through issue of Equity Securities may be inconsistent with the aforementioned provisions, unless otherwise stipulated in the prevailing law and regulations and Capital Market rules, specifically the Stock Exchange guidelines.

STOCKS

ARTICLE 5

(1) In these Articles of Association, 'stocks' comprise Series-A stocks and Series-B stocks. The 'stockholders' are defined as the holder of Series-A stocks and Series-B stocks, unless otherwise clearly specified.

(2) All stocks of the Company shall be registered stocks and issued in the name of their relevant owners registered/listed in the Stockholder Register and comprising the ones of Series-A stocks to be held by East Java Provincial Government and City/Regency Governments in East Java Province and Series-B stocks that may be held by any member of the Board of Directors and the Board of Commissioners, employees, East Java Provincial Government and City-Regency Governments in East Java Province and the public.

- a. A series-A stock is a stock granting privileges to its lawful holder in quorum presence and approval of GMOS as set forth in Article 14 thereof to :
 1. Attend meetings and approve assignment, dismissal and resignation of any member of Board of Directors and Board of Commissioners.
 2. Attend meetings and approve modifications to Articles of Association, issue of securities equity or escalation of subscribed capital and paid-in capital.
 3. Attend meetings and approve paying-in stocks with any assets, saved monies, in forms of both tangible assets and intangible assets.
 4. Attend meetings and approve merger, acquisition, taking-over and separation and application for certified bankruptcy status and liquidation of the Company.

- b. Saved for the privileges as set forth in Section (2) dictum a thereof, the holders of Series-B stocks has the same rights as the ones of the holders of Series-A stocks do;
- (3) The total composition of the subscribed stocks shall be 100% (one hundred percent), on condition that the maximum limit of Series-B stocks shall be less than 33% (thirty three percent, and the rest shall be of the Series-A stocks.
- (4) Unless otherwise specified, both Series-A stockholders and Series-B stockholders shall have the same rights and each of the stocks is provided with 1 (one) voting right.
- (5) In case a stock, due to any causes, shall fall under the ownership of more than 1 (one) person, those who jointly have the said stock shall be obligated to designate one person among them or any other person in writing and only this designated person shall be registered as their lawful joint proxy in the Stockholder Register and/or Special Register of the Company, entitling to exercise the rights granted by law upon the relevant stock pursuant to the prevailing law and regulations.
- (6) In case those jointly holding the stock are negligent to notify the appointment of their joint proxy to the Company, the Company shall treat the stockholder whose name is registered/listed in the Stockholder Register of the Company as the only lawful stockholder of the relevant stock(s).
- (7) In case the provision set forth in Section (6) thereof is not yet satisfied, the corresponding stockholders shall not be entitled

to vote in a GMOS, and the payment of the relevant dividend shall be suspended;

- (8) For the Company stocks listed in the Indonesian Stock Exchange, the regulations set forth in the capital market and the guidelines of stock exchange where the stocks are listed shall prevail;

STOCK CERTIFICATES

ARTICLE 6

- (1) Evidences of Stock Ownership are as follows:

- a. In case the Company's Stocks are not filed in the Collective Deposit with the Depository and Settlement Agency, the Company shall provide an evidence of stock ownership in form of a stock certificate or collective stock certificate to the relevant stockholder;
- b. In case the Company's Stocks are filed in the Collective Deposit with the Depository and Settlement Agency, the Company shall issue a certificate or written confirmation to the Depository and Settlement Agency as an evidence of the recording in the stockholder register of the Company;
- c. The Company shall issue the stock certificate in the name of its relevant owner registered/listed in the Stockholder Register of the Company, pursuant to the prevailing law and regulations and Capital Market rules and applicable Stock Exchange guidelines where the Company's stocks are listed in.

(2) The Company may issue a collective stock certificate as an evidence of ownership of 2 (two) or more stocks by a stockholder.

(3) The stock certificate shall minimally indicate the following items :

- a. Name and address of the Stockholders;
- b. Stock certificate number;
- c. Stock nominal value;
- d. Date of stock certificate issue;

(4) The collective stock certificate shall minimally indicate :

- a. Name and address of the Stockholders;
- b. Collective stock certificate number;
- c. Series number of stock certificate and number of stocks;
- d. Stock nominal value and stock collective value;
- e. Date of collective stock certificate issue;

(5) The fractional stock certificate shall minimally indicate :

- a. Name and address of fractional stock and fractional stock nominal value;
- b. Fractional stock certificate number and cause of stock fraction;
- c. Fractional stock certificate number and nominal value;
- d. Date of fraction stock certificate issue;

(6) Each stock certificate and/or collective stock certificate and/or convertible bond and/or warrant and/ or other stock

convertible into stocks must bear the signatures of the President Director and the President Commissioner, or in case the President Commissioner is not present or unavailable due to any reasons whatsoever, where it is not to be proved to any third parties, it shall be jointly signed by the President Director a member of Board of Commissioners, or in case the President Director and President Commissioner are not present or unavailable due to any reasons whatsoever, where it is not to be proved to any third parties, it shall be jointly signed by a member of Board of Directors and a member of Board of Commissioners, and the relevant signatures may be directly printed on the stock certificate and/or collective stock certificate and/or convertible bond and/or warrant and/or other securities convertible into stocks pursuant to the prevailing law and regulations and Capital Market rules and the guidelines in Stock Exchange where the Company's stocks are listed in.

- (7) All stock certificates and/or collective stock certificates issued by the Company may be encumbered or put as collateral pursuant to the prevailing law and regulations and Capital Market rules and Limited Liability Company (UUPT) Law.

REPLACEMENT OF STOCK CERTIFICATES

ARTICLE 7

- (1) In case the stock certificates are ruptured, a replacement for the stock certificates may be issued on the following conditions:

- a. the party requesting for the replacement of stock certificates is the lawful owner of the said stock certificates;
 - b. the Company has received the ruptured stock certificates;
 - c. the original of the ruptured stock certificates shall be returned to the Company and replaced with new stock certificates bearing the same series number as one indicated on the original stock certificates;
 - d. the Company shall annihilate (write off) the original and ruptured stock certificates after a replacement of stock certificates have been granted/issued.
- (2) In case the stock certificates are lost, the replacement for the lost stock certificates may be issued on conditions:
- a. the party requesting for the replacement for the lost stock certificates is the lawful owner of the said stock certificates;
 - b. the Company has received a Loss Report from Indonesian Police Department with regard to the loss of the said stock certificates;
 - c. the party requesting in writing for the replacement of stock certificates shall submit a guarantee when deemed necessary by the Board of Directors of the Company; and
 - d. the plan for the issuance of the replacement of the lost stock certificates has been announced on the Stock

Exchange where the Company's stocks are listed in not later than 14 (fourteen) days before the planned date of issuance of the replacement of the stock certificates.

COLLECTIVE DEPOSIT

ARTICLE 8

(1) The Stocks in Collective Deposit shall be subject to the following provisions :

- a. The stocks in Collective Deposit in a Depository and Settlement Agency shall be recorded in the Stock Register of the Company in the name of the Depository and Settlement Agency for the interest of the account holder in the Depository and Settlement Agency.
- b. The stocks in Collective Deposit in a Custodian Bank or Security Company recorded in security account in the Depository and Settlement Agency shall be recorded in the name of the Custodian Bank or Security Company for the interest of the account holder in the Custodian Bank or Security Company.
- c. In case the stocks in Collective Deposit in a Custodian Bank pertain to be part of a portfolio of mutual funds in form of a collective investment contract and is excluded from a Collective Deposit in Depository and Settlement Agency, the Company shall record them in the Stock Register of the Company in the name of the Custodian Bank for the interest of the owner of the unit of mutual fund in form of collective investment contract.

- d. The Company shall address a certificate or confirmation to Depository and Settlement Agency in writing as set forth in dictum d of this Section or a Custodian Bank as set forth in dictum c of this Section as an evidence of recording in the Stock Register of the Company
- e. The Company shall mutate the stocks in Collective Deposit registered in the name of Depository and Settlement Agency or Custodian Bank for mutual funds in form of a collective investment contract in the Stock Register of the Company into the name of an entity appointed by the Depository and Settlement Agency or Custodian Bank. The request for such mutation shall be addressed by the Depository and Settlement Agency or Custodian Bank to the Company or Stock Administration Bureau authorized by the Company.
- f. The Depository and Settlement Agency or Custodian Bank or Security Company shall issue a confirmation to the account holder as an evidence of recording in a security account.
- g. In the Collective Deposit, each stock of the same classification issued by the Company shall be equal and exchangeable one another.
- h. The Company shall reject recording of stocks into the Collective Deposit in case the stock certificate is lost, unless otherwise the party requesting the mutation submit acceptable evidences and/or sufficient warranties to prove that he/she is the lawful stockholder

and the stock certificate is truly lost or damaged..

- i. The Company shall reject recording of stocks into the Collective Deposit in case the stocks are pledged, under confiscation based on a court verdict or confiscated for criminal investigation purposes.
- j. The holder of security account whose Security is recorded in a Collective Deposit shall be entitled to attend and/or exercise voting rights in a General Meeting of Stockholders in accordance to the number of stocks in such account.
- k. The Custodian Bank and Security Company shall submit list of security account and amount of stocks of the Company owned by each account holder in the Custodian Bank and Security Company to the Depository and Settlement Agency to be further forwarded to the Company in not later than 1 (one) business day prior to the summon of a GMOS.
- l. The Investment Manager shall be entitled to attend and/or exercise voting rights in a GMOS for the stocks of the Company in the Collective Deposit in the Custodian Bank and pertaining to be part of a portfolio of mutual funds in form of a collective investment contract and is excluded from a Collective Deposit in Depository and Settlement Agency, on condition that the Custodian Bank shall advise the name of the Investment Manager to the Company in not later than 1 (one) business day prior to the summon of a GMOS.

- m. The Company shall surrender dividends, bonus stocks or other rights in relation with the stock ownership to the Depository and Settlement Agency for stocks in a Collective Deposit in Depository and Settlement Agency. Thereafter the Depository and Settlement Agency shall handover dividends, bonus stocks or other rights to the Custodian Bank and Security Company for the interests of each account holder in the Custodian Bank and Security Company.
- n. The Company shall surrender dividends, bonus stocks or other rights in relation with the stock ownership to the Custodian Bank for stocks in a Collective Deposit in the Custodian Bank and pertaining to be part of a portfolio of mutual funds in form of a collective investment contract and is excluded from a Collective Deposit in Depository and Settlement Agency.
- o. The time limit for determining the security account holder entitling to gain dividends, bonus stocks or other rights in relation with the stock ownership in Collective Deposit shall be decided by a General Meeting of Stockholders, on condition that the Custodian Bank and Security Company submit a list of security account holders and amount of stocks of the Company owned by each of the security account holders to the Depository and Settlement Agency not later than the date adopted as a basis for determining the stockholders entitling to gain dividends, bonus stocks or other rights, to be further forwarded to be further forwarded to the Company in not later than 1 (one) business day after the date adopted as a basis for

determining the stockholders entitling to gain dividends, bonus stocks or other rights.

- (2) The provisions on the Collective Deposit shall be subject to the prevailing law and regulations and Capital Market rules and guidelines of Stock Exchange where the Company's stocks are listed in.

STOCK REGISTER AND SPECIAL REGISTER

ARTICLE 8

1. The Board of Directors or their assign shall properly prepare and keep the Stock Register and the Special Register of the Company in the business domicile of the Company.
2. The Stock Register of the Company shall bear the details of :
 - a. Name and Address of each stockholder;
 - b. Amount, Series Number and Date of Gain of stock certificate and collective stock certificate held by each stockholder;
 - c. Amount paid for each stock;
 - d. Name and Address of person or legal entity having pledge right holding and/or holding fiduciary security over the stock and date of gain of pledge right and/or fiduciary security;

- e. Remarks about non-cash payment for stocks;
 - f. Change of stock ownership;
 - g. Other details deemed necessary by the Board of Directors and/or required by the prevailing law and regulations.
3. The Special Register shall contain details about stock ownership by members of Board of Directors and members of Board of Commissioners and their families in the Company and/or other companies, and the date of gain and change of ownership of the stocks.
4. a. Each stockholder shall diligently notify every change of his/her address to the Board of Directors in writing. As long as such notification is not yet addressed to the Board of Directors, all summons, notifications and correspondence concerning dividend distribution and other stock rights to the stockholder shall be lawfully sent to the address lastly recorded in the Stock Register of the Company.
- b. Any recording and/or modification in the Stockholder Register shall be confirmed and signed by a member of Board of Directors and a member of Board of Commissioners, unless otherwise the Board of Directors authorizes the Stock Administration Bureau to do the same.
5. The Board of Directors shall file and keep the Stockholder

Register and the Special Register properly.

6. Each stockholder or his/her lawful proxy shall be entitled to consult the Stock Register and Special Register of the Company related with him/her during the business hours of the Company.
7. The Board of Directors of the Company may designate and authorize to the Stock Administration Bureau to register the stocks in the Stockholder Register and the Special Register. Any registration or recording in the Stockholder Register including registration of sale, transfer, mortgage by collateral, pledge or fiduciary security related to the Company stocks or rights to or interest in the stocks shall be executed pursuant to the Articles of Association and prevailing law and regulations and Capital Market rules.
8. The provisions of this article shall affect to the extent that it is not otherwise regulated in the prevailing law and regulations and Capital Market rules and Stock Exchange guidelines.

TRANSFER OF STOCK RIGHTS

ARTICLE 10

- (1) a. Any transfer of stock shall be by virtue of a deed of stock transfer to be signed by the transferor and transferee or their authorized proxies to convince the Board of Directors that the stock transfer is lawful and in compliance with the provisions set forth in these Articles of Association. The deeds of stock

transfer must be in forms as specified or approved by the Board of Directors.

- b. The forms and procedures of stock transfer traded in the Capital shall comply with the provisions set forth in the prevailing law and regulations and Capital Market rules.

Any transfer of stock listed in Collective Deposit shall be processed by mutating the stock from a security account into another security account in a Depository and Settlement Agency, Custodian Bank and Security Company.

The deeds of stock transfer must be in forms as specified or approved by the Board of Directors, on condition that the deeds of transfer of stocks listed in Stock Exchange shall comply with the provisions in the Stock Exchange where the stocks are listed in, without prejudice to the prevailing law and regulations and provisions and guidelines in Stock Exchange where the stocks are listed in.

- c. Any transfer of Series-A stocks shall take place only between and by the holders of Series-A stocks.

(2) Any transfer of stocks conflicting with the provisions set forth in the Articles of Association of the Company or prevailing law and regulations or without approval from the competent authority, when required, shall be illegal to the Company.

(3) The Board of Directors may refuse to record the transfer of stock in the Stock Register of the Company on their

own discretion and by giving the reasons of objection when it does not comply with the provisions set forth in these Articles of Association or one of prevailing stock transfer requirements is not satisfied.

- (4) In case the Board of Directors refuses to record the stock transfer, they shall properly address a notification of objection to the transferor within 30 (thirty) days after the date of acceptance of request for stock transfer recording by the Board of Directors, without prejudice to the prevailing law and regulations and Capital Market rules and guidelines in Stock Exchange where the stocks are listed in.
- (5) In case of a change in ownership right to a stock, the original/former owner registered/listed in the Stockholder Register shall be considered as the owner of the said stock until the name of a new owner of relevant said stock has been registered/listed in the Stockholder Register, in compliance with the prevailing law and regulations and the Capital Market rules and guidelines in Stock Exchange where the stocks are listed in.
- (6) One gaining stock rights due to death of a stockholder or any other reasons lawfully causing a transfer of stock rights may present evidence of his/her ownership by filing a written application for a registration as a lawful stockholder subject to requirements affected by the Board of Directors. The registration shall be subject to acceptance of lawful evidences by the Board of Directors, without prejudice to the provisions set forth in these Articles of Association.

- (7) The terms and conditions of transfer of stocks traded in Capital Market shall comply with the provisions affected in the Capital Market and Stock Exchange where the stocks are listed in, saved for transfer of Series-A stocks that shall be exclusively transacted between and by Series-A stocks as provided in Article 10 Section (10 dictum c of the Articles of Association of the Company.

GENERAL MEETING OF STOCKHOLDERS (GMOS)

ARTICLE 11

- (1) In these Articles of Association of the Company, a GMOS shall comprise :
- a. Annual General Meeting of Stockholders (AGMOS);
and
 - b. Other GMOS, commonly known as Extraordinary General Meeting of Stockholders (EGMOS).
- (2) The terminology of GMOS in these Articles of Association may refer to both, Annual General Meeting of Stockholders (AGMOS), unless otherwise specified.
- (3) An AGMOS shall be convened on annual basis, not later than 6 (six) months after the relevant Financial Year is closed.
- (4) In an AGMOS :
- a. The Board of Directors shall present :

- An Annual Report that has been reviewed by the Board of Commissioners for further approval by the GMOS;
 - An Annual Report that has been audited by a public accountant for further confirmation by the GMOS;
- b. In case of surplus profit, the Company shall appropriate it.
- c. The hiring and dismissal of a Registered Public Accountant or Public Accountant Office to deliver service of audit on the annual historical financial information is to be resolved by a GMOS of the Company by well considering the proposals by the Board of Commissioners.

In case THE GMOS fails to appoint a Registered Public Accountant or Public Accountant Office to deliver service of audit on the annual historical financial information, it may delegate the authority to the Board of Commissioners by providing:

- a) The reason of delegating the authority; an
 - b) Criteria or qualifications of the Registered Public Accountant or Public Accountant Office to be hired.
- d. The meeting committee may resolve other items of meeting agenda that have been indicated in summon of

GMOS without prejudice to the provisions set forth in these Articles of Association.

- (5) The approval of the Annual Report and the confirmation of the Financial Report by an AGMOS shall mean the conferment of full acquittal and discharge to the members of the Board of Directors and Board of Commissioners regarding their management and supervision performed during the relevant accounting year to which the Annual Report relates, to the extent that such actions are reflected in the Annual Report and Financial Report.
- (6) In case the members of Board of Directors and Board of Commissioners fail to summon and convene an AGMOS within the time limit, the stockholders shall be entitled to summon on the account of the Company after gaining a permit from the Head of Court having jurisdiction in the domicile of the Company.
- (7) An EGMOS may be convened anytime when deemed necessary to discuss and resolve about any meeting agenda as set forth in Section (4) dictum a and dictum c of this Article.
- (8) An EGMOS shall be held in compliance with the prevailing law and regulations in the Indonesian Capital Market and the provisions set forth in the Articles of Association of the Company.

VENUE, ANNOUNCEMENT, SUMMON AND TIME OF GENERAL MEETING OF STOCKHOLDERS

ARTICLE 12

(1) A GMOS shall be in the territory of Republic of Indonesia, specifically in :

- a. The domicile of the Company;
- b. The business site of the Company;
- c. The domicile of Stock Exchange where the stocks of the Company are listed in.

(2) The GMOS shall be announced and the stockholders shall be summoned properly.

(3) The GMOS shall be announced not later than 14 (fourteen) days' time prior to the date of summon of GMOS, excluded date of announcement and date of summon of GMOS.

(4) a. The summon of GMOS shall be in not later than 21 (twenty one) days' time prior to the date of GMOS, excluded date of summon and date of GMOS.

b. The second summon of GMOS shall be in not later than 7 (seven) days' time prior to the date of the second GMOS, excluded date of summon and date of GMOS and it is to be completed with notification that the first GMOS had been convened, yet the meeting quorum was not satisfied.

c. The summon of GMOS as set forth in dictum a shall minimally bear date, time, venue, provisions about one entitling to attend the GMOS, items of meeting agenda of the GMOS and notification that the materials to be discussed in the GMOS have been readily available for

the Stockholders as the date of summon of GMOS until the date of convene of the GMOS.

- d. The second GMOS shall be held in not earlier than 10 (ten) days' time and later than 21 (twenty one) days' time of the date of the first GMOS.
- e. Notwithstanding other provisions set forth in the Articles of Association of the Company, the Board of Directors and Board of Commissioners shall summon the Meeting pursuant to the procedures set forth therein.
- f. The announcement about and summon of General Meeting of Stockholders shall be minimally released through :
 - (a) 1 (one) Indonesian daily newspaper published nationwide;
 - (b) Website of Indonesian Stock Exchange; and
 - (c) Website of the Company in both Indonesian and English versions.
- e. In the second summon of the General Meeting of Stockholders, it shall be advised that the first summon of the General Meeting of Stockholders has been addressed, yet the required quorum was not satisfied.
- f. This provision affects without prejudice to the Capital Market rules and Stock Exchange guidelines as well as other prevailing laws and regulations.

- g. The Company shall prepare the items of meeting agenda in form of both physical documents and electronic ones from the date of summon of meeting until the convene of the General Meeting of Stockholders in consistence with other Capital Market rules in Indonesia.
- (5) The a GMOS as set forth in Section (2) thereof may be convened on the request of 1 (one) or more stockholders jointly representing 1/10 (one tenths) or more of the total number of stocks with lawful voting rights.
- (6) The request for a convene of GMOS as set forth in Section (5) thereof shall be addressed to the Board of Directors by registered mail and provided with the reasons with due observance to the prevailing law and regulations, including the Capital Market rules.
- (7) The reasons as set forth (6) thereof shall include, but not limited to, the fact that :
- a. The Board of Directors fails to convene an AGMOS pursuant to these Articles of Association;
 - b. The office term of the Board of Directors and/or Board of Commissioners will soon end; or
 - c. The Board of Directors is unavailable or there is a conflict of interest between the Board of Directors and the Company.

- (8) The Board of Directors shall announce the GMOS to the stockholders in not later than 15 (fifteen) days after the date of request for convene of GMOS as set forth in Section (6) thereof is received by the Board of Directors.
- (9) In case the Board of Directors fails to announce the GMOS as set forth in Section (8) thereof, the stockholders may re-address a request for the convene of GMOS to the Board of Commissioners.
- (10) a. The Board of Commissioners shall announce the GMOS to the stockholders in not later than 15 (fifteen) days after the date of request for convene of GMOS as set forth in Section (9) thereof is received by the Board of Commissioners.
- b. In case the Board of Commissioners fails to announce the GMOS as set forth in dictum a thereof, the stockholders may as set forth in Section (9) thereof may request to the Head of Court having jurisdiction in the domicile of the Company to grant a permit for convening a GMOS.
- c. The stockholders gaining a court verdict permitting the convene of the GMOS as set forth in dictum b thereof shall announce, summon and convene the GMOS pursuant to prevailing law and regulations, including the Capital Market rules in Indonesia.
- (11) a. In case the Board of Directors or the Board of Commissioners fail to announce the GMOS to the stockholders within the time limits as set forth in Section

(8) and Section (10) dictum a, the Board of Directors or the Board of Commissioners shall announce :

- 1) That there had been a request by the Stockholders to convene a GMOS;
 - 2) The reasons why the GMOS was not convened.
- b. The announcement of GMOS as set forth in dictum a thereof shall be advertised in not later than 15 (fifteen) days after the date of request for convene of GMOS by the Stockholders.
- c. The announcement about and summon of GMOS shall be minimally released through :
- (a) 1 (one) Indonesian daily newspaper published nationwide;
 - (b) Website of Indonesian Stock Exchange; and
 - (c) Website of the Company in both Indonesian and English versions.
- d. The GMOS announcing procedures as set forth in dictum a thereof shall be in compliance with the prevailing law and regulations, including the Capital Market rules in Indonesia.

CHAIRMAN AND MINUTES OF GENERAL MEETING OF STOCKHOLDERS (GMOS)

ARTICLE 13

- (1) The GMOS shall be chaired by one of the members of Board of Commissioners.

In case the President Commissioner is not present or unavailable due to any reasons whatsoever, where it is not to be proved to any third parties, it shall be chaired by a member of Board of Directors appointed by the Board Directors.

In case all members of Board of Directors are not present or unavailable due to any reasons whatsoever, where it is not to be proved to any third parties, it shall be chaired by a stockholder present in the GMOS and appointed from and by the GMOS attendants.

- b. Unless otherwise specified, a GMOS shall be chaired by a member of Board of Commissioners appointed by a meeting of Board of Commissioners or in case the corresponding member of Board of Commissioners, due to any causes, is absent and the absence needs not be proved to any third parties, the meeting shall be chaired by a member of Board of Commissioners entitled to represent the Board of Directors pursuant to Article 14 Section 7 thereof, and in case there is member of Board of Directors present in the GMOS, it shall be chaired by one appointed from and by those present in the GMOS.

- (2) In case the member of Board of Commissioners appointed by the Board of Commissioners has conflict of interest in

the line with the item of meeting agenda to be resolved in the GMOS, the GMOS is to be chaired by another member of Board of Commissioners not having such conflict of interest.

In case all member of Board of Commissioners have conflict of interest in the line with the item of the meeting agenda to be resolved in the GMOS, the GMOS is to be chaired by a Member of Board of Directors appointed by the Board of Directors.

In case the member of Board of Directors appointed by the Board of Directors has conflict of interest in the line with the item of the meeting agenda to be resolved in the GMOS, the GMOS is to be chaired by another member of Board of Directors not having such conflict of interest.

In case all member of Board of Directors have conflict of interest in the line with the item of the meeting agenda to be resolved in the GMOS, the GMOS is to be chaired by one of the independent Stockholders appointed by the majority Stockholders present in the meeting.

- (3) All discussed and resolved in the GMOS shall be recorded in Minutes of GMOS.
- (4) The Minutes of GMOS shall be made in compliance with the provision set forth in Section (3) thereof and serve as lawful evidences for the whole stockholders and third parties with regard to all discussions in and resolutions taken in the GMOS.

**QUORUM, VOTING RIGHTS, RESOLUTION & PROCEDURES
OF GENERAL MEETING OF STOCKHOLDERS (GMOS)**

ARTICLE 14

(1) Unless otherwise provided in these Article of Association, the GMOS may proceed on conditions :

- a. It is attended by stockholders or their lawful proxies representing more than $\frac{1}{2}$ (half) of the total number of stocks with lawful voting rights and approved by more than $\frac{1}{2}$ (half) of the total number of stocks with lawful voting rights attending the meeting, unless otherwise provided in the prevailing law and regulations.
- b. The secondly summoned GMOS is lawful and entitled to take binding resolutions when attended by stockholders or their lawful proxies representing minimally $\frac{1}{3}$ (one thirds) of the total number of stocks with lawful voting rights and approved by more than $\frac{1}{2}$ (half) of the total number of stocks with lawful voting rights attending the meeting, unless otherwise provided in the prevailing law and regulations.
- c. In case the attendance quorum of the secondly summoned GMOS is not satisfied, on the request of the Company, the attendance quorum, the voting limit for taking resolutions, summon and time of convene of GMOS shall be provided by the Financial Service Authority (OJK).

(2) Designation, dismissal and resignation of Board of Directors and Board of Commissioners shall be resolved by a GMOS and subject to the prevailing law and regulations, the GMOS may proceed on conditions :

- a. It is attended by stockholders or their lawful proxies representing more than $\frac{1}{2}$ (half) of the total number of stocks with lawful voting rights which consist of minimally $\frac{2}{3}$ (two thirds) of the total number of Series-A stocks, and approved by more than $\frac{1}{2}$ (half) of the total number of stocks with lawful voting rights attending the meeting and partially representing more than $\frac{1}{2}$ (half) of the total number of Series-A Stocks present in the GMOS.
- b. In case the quorum provided in dictum a thereof is not satisfied, resolutions taken in a secondly summoned GMOS shall be lawful when it is attended by minimally $\frac{1}{3}$ (one thirds) of the total number of stocks with lawful voting rights which consist of more than $\frac{1}{2}$ (half) of the total number of Series-A stocks, and approved by more than $\frac{1}{2}$ (half) of the total number of stocks with lawful voting rights attending the meeting and partially representing more than $\frac{1}{2}$ (half) of the total number of Series-A Stocks present in the GMOS.
- c. In case the attendance quorum of the secondly summoned GMOS is not satisfied, on the request of the Company, the attendance quorum, the voting limit for taking resolutions, summon and time of convene of GMOS shall be provided by the Financial Service Authority (OJK).

(3) Any modification to the Articles of Association shall be made in Indonesian language version and by a GMOS, and the GMOS may proceed on conditions :

- a. It is attended by stockholders or their lawful proxies representing minimally $\frac{2}{3}$ (two thirds) of the total number of stocks with lawful voting rights which consist of more than $\frac{1}{2}$ (half) of the total number of Series-A stocks, and approved by minimally $\frac{2}{3}$ (two thirds) of the total number of stocks with lawful voting rights attending the meeting and partially representing more than $\frac{1}{2}$ (half) of the total number of Series-A Stocks present in the GMOS.
- b. In case the quorum provided in dictum a thereof is not satisfied, resolutions taken in a secondly summoned GMOS shall be lawful when it is attended by minimally $\frac{3}{5}$ (three fifths) of the total number of stocks with lawful voting rights which consist of more than $\frac{1}{2}$ (half) of the total number of Series-A stocks, and approved by minimally $\frac{2}{3}$ (two thirds) of the total number of stocks with lawful voting rights attending the meeting and partially representing more than $\frac{1}{2}$ (half) of the total number of Series-A Stocks present in the GMOS.
- c. In case the attendance quorum of the secondly summoned GMOS is not satisfied, on the request of the Company, the attendance quorum, the voting limit for taking resolutions, summon and time of convene of GMOS shall be provided by the Financial Service Authority (OJK).

(4) In regard with issue of Equity Securities, escalation of subscribed and paid-in capital and non-cash stock payment with either tangible or intangible assets, the GMOS may proceed on conditions :

- a. It is attended by stockholders or their lawful proxies representing minimally $\frac{2}{3}$ (two thirds) of the total number of stocks with lawful voting rights which consist of more than $\frac{1}{2}$ (half) of the total number of Series-A stocks, and approved by minimally $\frac{2}{3}$ (two thirds) of the total number of stocks with lawful voting rights attending the meeting and partially representing more than $\frac{1}{2}$ (half) of the total number of Series-A Stocks present in the GMOS.
- b. In case the quorum provided in dictum a thereof is not satisfied, resolutions taken in a secondly summoned GMOS shall be lawful when it is attended by minimally $\frac{3}{5}$ (three fifths) of the total number of stocks with lawful voting rights which consist of more than $\frac{1}{2}$ (half) of the total number of Series-A stocks, and approved by minimally $\frac{2}{3}$ (two thirds) of the total number of stocks with lawful voting rights attending the meeting and partially representing more than $\frac{1}{2}$ (half) of the total number of Series-A Stocks present in the GMOS.
- c. In case the attendance quorum of the secondly summoned GMOS is not satisfied, on the request of the Company, the attendance quorum, the voting limit for taking resolutions, summon and time of convene of

GMOS shall be provided by the Financial Service Authority (OJK).

(5) Without prejudice to the prevailing law and regulations, any merger, acquisition, taking over, separation, application of certified bankruptcy status and liquidation shall be subject to an approval by a GMOS on the following conditions:

- a. It is attended by stockholders or their lawful proxies representing minimally $\frac{3}{4}$ (three fourths) of the total number of stocks with lawful voting rights which consist of more than $\frac{1}{2}$ (half) of the total number of Series-A stocks, and approved by more than $\frac{2}{3}$ (two thirds) of the total number of stocks with lawful voting rights attending the meeting and partially representing more than $\frac{1}{2}$ (half) of the total number of Series-A Stocks present in the GMOS.
- b. In case the quorum provided in dictum a thereof is not satisfied, resolutions taken in a secondly summoned GMOS shall be lawful when it is attended by minimally $\frac{2}{3}$ (two thirds) of the total number of stocks with lawful voting rights which consist of more than $\frac{1}{2}$ (half) of the total number of Series-A stocks, and approved by more than $\frac{3}{4}$ (three fourths) of the total number of stocks with lawful voting rights attending the meeting and partially representing more than $\frac{1}{2}$ (half) of the total number of Series-A Stocks present in the GMOS.
- c. In case the attendance quorum of the secondly summoned GMOS is not satisfied, on the request of the Company, the attendance quorum, the voting limit for

taking resolutions, third summon and time of convene of GMOS shall be provided by the Financial Service Authority (OJK).

(6) Any legal action to transfer the assets of the Company or put more than 50% (fifty percent) of the total net assets of the Company, either in a single transaction or in multiple transactions related one another as collaterals in 1 (one) or more book years, shall be subject to an approval by a GMOS on the following conditions:

- a. It is attended by stockholders or their lawful proxies representing minimally $\frac{3}{4}$ (three fourths) of the total number of stocks with lawful voting rights and approved by more than $\frac{3}{4}$ (three fourths) of the total number of stocks with lawful voting rights attending the meeting.
- b. In case the quorum provided in dictum a thereof is not satisfied, resolutions taken in a secondly summoned GMOS shall be lawful when it is attended by minimally $\frac{2}{3}$ (two thirds) of the total number of stocks with lawful voting rights and approved by more than $\frac{3}{4}$ (three fourths) of the total number of stocks with lawful voting rights attending the meeting.
- c. In case the attendance quorum of the secondly summoned GMOS is not satisfied, on the request of the Company, the attendance quorum, the voting limit for taking resolutions, summon and time of convene of GMOS shall be provided by the Financial Service Authority (OJK).

(7) A GMOS shall approve any transaction with conflict of interest (as defined in the Regulation of Financial Service Authority [POJK]) subject to the following conditions :

- a. Any stockholder having conflict of interest is assumed to have the same decision as the one resolved by independent stockholders that do not have any conflict of interests;
- b. It is attended by stockholders or their lawful proxies representing more than $\frac{1}{2}$ (half) of the total number of stocks with lawful voting rights held by independent stockholders and the resolution shall be lawful when approved by independent stockholders representing more than $\frac{1}{2}$ (half) of the total number of stocks with lawful voting rights held by independent stockholders.
- c. In case the quorum provided in dictum b thereof is not satisfied, resolutions taken in a secondly summoned GMOS shall be lawful when it is attended by stockholders or their lawful proxies representing more than $\frac{1}{2}$ (half) of the total number of stocks with lawful voting rights held by independent stockholders and the resolution shall be lawful when approved by independent stockholders representing more than $\frac{1}{2}$ (half) of the total number of stocks with lawful voting rights held by independent stockholders and attending the meeting.
- d. In case the quorum provided in dictum c thereof is not satisfied, on the request of the Company, the attendance quorum, the voting limit for taking

resolutions, summon and time of convene of GMOS shall be provided by the Financial Service Authority (OJK).

- (8) The stockholders entitling to attend a General Meeting of Stockholders shall be the ones whose names are listed in the Company Stock Register 1 (one) business day prior to the date of summon of the General Meeting of Stockholders pursuant to the prevailing law and regulations and guidelines in Stock Exchange where the stocks of the Company are listed in.
- (9) Any stockholder may be represented by another stockholder or any third party by means of a Power of Attorney and pursuant to the prevailing law and regulations.
- (10) The Chairman of Meeting shall be entitled to ask the proxy to show the Power of Attorney before him/her when the GMOS is being convened.
- (11) In the GMOS, each stock in the meeting is provided with one lawful voting right in favor of its relevant holder.
- (12) The members of Board of Directors and Board of Commissioners and employees of the Company may act as proxies in a GMOS, yet in the voting for appointment of members of Board of Directors, the relevant members of Board of Commissioners and/or employees of the Company shall be prohibited to act as proxies.

- (13) Resolutions of Meetings are to be taken amicably. In case of no amicable resolution taken, it shall be resolved based on the portions of for votes as provided in these Articles of Association.
- (14) Each stockholder shall fully observe and respect all of the provisions set forth in these Articles of Association and resolutions lawfully taken in a GMOS.
- (15) The stockholders may take final and binding resolutions without convening a GMOS on condition that all stockholders have been notified about the proposals in writing and they grant the addressed proposals in writing and affix their signatures upon their approvals. Such meeting resolutions shall be as lawful and binding as the ones lawfully taken in a GMOS.
- (16) In a GMOS, the GMOS procedures shall be distributed to stockholders present in the GMOS.
- (17) The GMOS procedures as set forth in Section (16) thereof shall be read to the attendants before proceeding into commencement of the GMOS.
- (18) In the GMOS opening, the Chairman shall minimally advise the following information to the meeting committee :
- a. General conditions of the Company in brief;
 - b. Items of meeting agenda;
 - c. Procedures of taking resolutions in regard with the items of the meeting agenda;

- d. Procedures for exercising rights of the stockholders to address questions and/or opinions.
- (19) A General Meeting of Stockholders with an agenda on change of stock rights is attended by Stockholders in a stock classification affected by the change of a stock rights in certain stock classification, on condition :
- (a) The General Meeting of Stockholders may proceed when attended and/or represented by minimally $\frac{3}{4}$ (three fourths) of the total stocks issued in the relevant classification and affected by the change of stock rights, unless otherwise the prevailing law and regulations requires larger quorums.
 - (b) In case the quorum provided in Section (a) is not satisfied, the secondly summoned General Meeting of Stockholders may take lawful and binding resolutions when attended and/or represented by minimally $\frac{2}{3}$ (two thirds) of the total stocks issued in the relevant classification and affected by the change of stock rights.
 - (c) The resolutions of General Meeting of Stockholders as set forth in Section (a) and Section (b) shall be lawful when approved by more than $\frac{3}{4}$ (three fourths) of the total stocks with lawful voting rights attending the meeting, unless otherwise the prevailing law and regulations requires greater number of for votes; and
 - (d) In case the quorum provided in Section (b) is not satisfied, the thirdly summoned General Meeting of

Stockholders shall be lawful and entitled to take resolutions when attended by holders of stocks affected by the change of stock rights subject to attendance quorum and resolution quorum required by the Financial Service Authority (OJK) on the request of the Company.

- (20) In case of stocks affected by change of stock rights in a certain stock classification as provided in Section 19 has no voting rights, the holders of such stock classification are entitled to attend and exercise voting rights in a GMOS concerning with the change of stock rights in the relevant stock classification

BOARD OF DIRECTORS

ARTICLE 15

- (1) The Company shall be undertaken and managed by a Board of Directors, the total number of members of which shall minimally be 4 (four), and one them shall be designated as the President Director pursuant to the prevailing law and regulations and Capital Market rules.
- (2) Each member of Board of Directors shall comply with :
- a. Law of Limited Liability Company (UUPT);
 - b. Law and regulations in Capital Market; and
 - c. Law and regulations applicable to the business of the Company.
- (3) Job Specifications to be a member of Board of Directors :

A. General Specifications :

1. One assignable as a member of Board of Directors shall be an individual qualifying the job specifications hereunder when hired and during his office :

- a. Having strong morale, confidence and integrity;
- b. Capable of taking legal actions;
- c. 5 (five) years prior to the hiring and during his office, never :

1) bankrupt;

2) be a member of Board of Directors and/or Board of Commissioners sentenced to be guilty and causing the bankruptcy of a company;

3) be a prisoner due to a crime causing financial loss to the country and/or financial sectors; and

4) be a member of Board of Directors and/or Board of Commissioners who, during his office :

a) never convened any Annual General Meeting of Stockholders;

b) never got acceptance from a General Meeting of Stockholders for accountability reports as a member of Board of Directors and/or Board of Commissioners; or submitted accountability reports as a member of Board of Directors

and/or Board of Commissioners to a General Meeting of Stockholders; and

c) ever caused a company having gained permit, approval or registration from the Financial Service Authority failed to satisfy its obligation to submit required annual and/or financial reports to the Financial Service Authority;

d. having commitment to comply with the prevailing law and regulations; and

e. having knowledge and expertise in the fields required by emitent or public companies.

2. The job specifications to be satisfied by a member of Board of Directors shall comply with the prevailing law and regulations and Capital Market rules in Indonesia.

B. Special Requirements :

Each of the hired members of Board of Directors shall immediately satisfy special requirements detailed in a resolution of GMOS.

C. Other Requirements :

1. Passing fit and proper test pursuant to the standards affected by Bank Indonesia or other prevailing fit and proper test regulations;

2. Majority members of Board of Directors shall not have familial relationships up to the second generation with any other member of Board of Directors and/or Board of Commissioners.
- (4) The term of office of a member of Board of Directors is as of the date enumerated in the General Meeting of Stockholders until the closing of 5th Annual General Meeting of Stockholders after the date of hiring, unless otherwise specified in the General Meeting of Stockholders. A member of Board of Directors may be rehired for a second office term when he proves to have contributed to good job performance as evidenced with achievements of targets set in a General Meeting of Stockholders for each of the members of Board of Directors without prejudice to the right of a General Meeting of Stockholders to dismiss him anytime due to reasons provided in Section (13) of this Article.
- (5) A GMOS may hire someone else to substitute the post of a dismissed member of Board of Directors or vacant post of a member of Board of Directors. The office term of the hired to substitute to the post of a dismissed member of Board of Directors or vacant post of a member of Board of Directors shall be the rest office term of the substituted member, unless otherwise specified in the GMOS.
- (6) In case of addition of number of members of Board of Directors, the office term of the newly hired member(s) ends when the office terms of the lastly and existing members of Board of Directors does, unless otherwise specified in the GMOS.

(7) Designation Procedures :

a. Members of Board of Directors are designated and dismissed by a GMOS;

b. Any candidate member of Board of Directors shall be nominated in a GMOS by stockholders minimally representing 20% (twenty percent) of the total stocks with lawful voting rights without prejudice to the prevailing law and regulations.

(8) In addition to the procedures set forth in Section (7) thereof, the detailed procedures for designating a member of Board of Directors shall be specified in a decision of a GMOS.

(9) The members of Board of Directors earn salary and facilities and/or benefits, the amount and package of which are quoted based on decision of a GMOS and the authority of such GMOS may be delegated to the Board of Commissioners.

(10) In case due to any reasons whatsoever, the post of one member or more of Board of Directors is or are vacant, a GMOS shall be convened in not later than 90 (ninety) days as of the date of vacancy to fill it without prejudice to the prevailing law and regulations, including the Capital Market rules in Indonesia.

(11) In case due to any causes, there is a vacant position and/or permanent absence of a member of Board of Directors requiring a tentative substitution under the prevailing law and regulations, the provisions hereunder prevail :

- a. In case of vacancy and/or permanent absence of one or more members of Board of Directors, the Board of Commissioners or a nomination committee, by well considering the proposals addressed by the President Director, shall appoint another member of Board of Directors to take care of the relevant jobs with the same power and authorities;
 - b. In case of vacancy and/or permanent absence of all of the members of Directors, a member of Board of Commissioners shall be assigned by a Meeting of Board of Commissioners to temporarily undertake the Company;
 - c. The appointment of a tentative substitute to a permanently absent member of Board of Directors shall be pursuant to the prevailing law and regulations;
- (12) a. A member of Board of Directors may apply for resignation
- from his post to the controlling stockholders and the Company in writing;
- c. The Company, in 90 (ninety) days' time after the date of the receipt of the request for resignation, shall convene a GMOS to resolve whether the request for resignation is granted or declined.
 - d. Before the resignation is effective, the relevant resigning member of Board of Directors shall remain accountable to complete his tasks and duties pursuant to the prevailing law and regulations.

e. The resigning member of Board of Directors is set free from his accountability after gaining full acquittal and discharge from an AGMOS.

(13) The post as a member of Board of Directors shall cease when:

- a. He loses his Indonesian citizenship;
- b. He resigns;
- c. He no longer complies the prevailing law and regulations;
- d. He is dead;
- e. His office term has lapsed, unless otherwise, he is re-hired as set forth in Section (4) thereof;
- f. He is dismissed by a Decision of GMOS since:
 - He no longer qualifies the requirements as set forth in Section (2) thereof;
 - His performance and achievement are below targets.
- g. He is declared bankrupt or under guardianship by virtue of a court verdict.

(14) Any designation and dismissal of a member of Board of Directors shall be advised to the Financial Service Authority and other competent authorities pursuant to the prevailing law and regulations.

(15) a. A member of the Board of Directors may be dismissed temporarily by the Board of Commissioners by stating the reasons causing such act.

- b. The said temporary dismissal shall be notified in writing to the relevant member of the Board of Directors.
- c. In case of temporary dismissal as set forth in dictum a thereof, the Board of Commissioners shall convene a GMOS to abandon or confirm the temporary dismissal.
- d. The GMOS as set forth in dictum c shall be convened in not later than 90 (ninety) days after the date of the temporary dismissal.
- e. The lapse of time limit as set forth in dictum d thereof or the GMOS fails to take a resolution on the subject matter, the temporary dismissal as set forth in dictum a shall void.
- f. In the General Meeting of Stockholders set forth in dictum c, the relevant member of Board of Directors shall be given an opportunity to defend himself;
- g. The temporarily dismissed member of Board of Directors as set forth in dictum a shall not :
 - 1) Undertake the Company for the interest of the Company in accordance with the goals and objectives of the Company ; and
 - 2) Represent the Company both in and out of courts.
- h. The limitation of authorities as set forth in dictum g affects as of the date of decision to tentative dismissal by the Board of Commissioners until :

- 1) There is a definite decision of a General Meeting of Stockholders to confirm or abandon the tentative dismissal as set forth in dictum c; or
- 2) The time limit as set forth in dictum d has lapsed.

DUTIES AND AUTHORITIES OF BOARD OF DIRECTORS

ARTICLE 16

- (1) The Board of Directors shall be fully responsible to undertake the Company.
- (2) The Board of Directors shall manage the Company in accordance with the duties and authorities as set forth in these Articles of Association and prevailing law and regulations.
- (3) The Board of Directors shall duly manage the properties of the Company pursuant to the prevailing law and regulations.
- (4) The Board of Directors shall adopt risk management and Good Corporate Governance principles in each business activity of the Company in all levels or ranks in the Company.
- (5) The Board of Directors shall have rights and authorities hereunder :

- a. Setting the policies of the Company based on the approval by Board of Commissioners, unless otherwise provided in the prevailing law and regulations.
 - b. Hiring and firing employees;
 - c. Establishing company employment regulations, including but not limited to determining remuneration schemes, pension or old age benefit and other incentives for the employees of the Company.
 - d. Releasing or selling and writing off inventories of the Company having values lower than or as much as 20% (twenty percent) of the gain value for selling price greater than the book value, unless otherwise specified by a resolution of meeting of Board of Directors, that thereafter is to be reported to a GMOS.
 - e. Writing off receivables from interests, penalties, and/or other charges, other than credit principal, pursuant to the prevailing law and regulations.
- (6) The Board of Directors shall establish Organization Structure and Working Procedures of the Company subject to approval by the Board of Commissioners.
- (7) The Board of Directors may delegate their authority to represent the Company as set forth in Section (9) thereof to one or more members of the Board of Directors exclusively assigned or one or more employees of the Company, either severally or jointly, or anyone or other entity, to represent the Company.

(8) The Board of Directors shall report their accountability in undertaking and managing the Company to the Stockholders through a GMOS.

(9) The Board of Directors shall be entitled to represent the Company both in and out of the courts in regard with or in the line with any matters, bind the Company to any other parties vice versa, and take any lawful actions related with either ownership or undertaking of the Company.

(10) Subject to written approval from the Board of Commissioners and in compliance with the prevailing law and regulations, the Board of Directors shall be authorized to :

a. Enter Built, Operate and Transfer (BOT), Built, Operate and Own (BOO) Agreements and other similar contracts;

b. Participate or take part in any company or other legal entity or establish new companies not for salvaging the receivables of the Company pursuant to the prevailing law and regulations.

c. Partially or wholly release the participation of the Company in any other company or legal entity.

d. Take the actions to :

1) Utilize the reserved fund for credit write off to related parties as provided in the Maximum Limit of

General Credit Grant (BMPK) or prevailing law and regulations;

- 2) Write off credit principals granted to any related parties pursuant to the prevailing law and regulations.
- (11) Any legal actions for material transaction and specific conflict of interest transaction as provided in the prevailing Capital Market law and regulations shall be subject to prior approval from a GMOS of the Company, on conditions as set forth in the Capital Market law and regulations.
- (12) Any legal action to transfer, or encumber all or more than 50% (fifty percent) of the total net assets of the Company as collaterals, either in a single transaction or multiple transactions independently or related one another in 1 (one) book year or more as provided in the Articles of Association of the Company, shall be subject to prior written approval by a General Meeting of Stockholders and terms and conditions set forth in Article 14 Section (6) of the Articles of Association of the Company;
- (13) Any legal action to transfer, or encumber less than 50% (fifty percent) of the total net assets of the Company by the Board of Directors as collaterals, either in a single transaction or multiple transactions independently or related one another in 1 (one) book year or more as provided in the Articles of Association of the Company, shall be subject to prior written approval by a Meeting of Board of Commissioners and pursuant to the prevailing

law and regulations, specifically Capital Market law and regulations.

- (14) Saved for any legal actions set forth in Section (12) and Section (13) thereof, the GMOS may set limits and/or other terms and conditions. The legal actions as set forth in in Section (12) and Section (13) thereof may be taken by the Board of Directors without prior approval from either GMOS or Board of Commissioners as long as they are taken for the best business interests of the Company as set forth I Article 3 Section (2) of the Articles of Association of the Company or for satisfying the provisions set forth Article 16 Section (5) the Articles of Association of the Company.
- (15) a. The President Director shall be entitled and authorized
to act for and on behalf of and represent the Company.
- b. In case the Preseident Director is not present or unavailable due to any reasons whatsoever, where it is not to be proved to any third parties, one of the other members of Board of Directors shall be entitled and authorized to act for and on behalf of the Board of Cpommissioners and represent the Company.
- (16) For taking a certain action, the Board shall also be entitled to appoint one or more person as their proxy by granting to the proxy with authority to take actions as specified in a power of attorney.

- (17) Division of duties and authorities of each member of the Board of Directors shall resolved by a GMOS. In case the GMOS does not divide them, the division shall be resolved by the Board of Directors.
- (18) The Board of Directors is strictly prohibited to grant a general power to any other parties that may cause assignments of duties and functions of the Board of Directors.
- (19) Any resolutions of Board of Directors taken in compliance with the working guides of Board of Directors shall be binding and the Board of Directors shall be accountable for them.
- (20) In case the Company has conflict of interest with the personal interests of a member of Board of Directors, the Company shall be represented by other members of Board of Directors. In case the Company has conflict of interests with the ones of all members of the Board of Directors, the Company shall be represented by the Board of Commissioners.
- (21) In case of conflict of interests, the Board of Directors shall be strictly prohibited to take any actions harmful to the Company and reducing the profit of the Company, and shall explicitly disclose the conflict of interests in each of their resolutions.

MEETING OF BOARD OF DIRECTORS

ARTICLE 17

- (1) The Board of Directors shall convene meetings of Board of Directors on regular basis, minimally once a month and/or any time when :
- a. deemed necessary by 1 (one) or more members of Board of Directors;
 - b. requested by 1 (1) one or more member of Board of Commissioners in writing;
 - c. requested by 1 (one) or more stockholders minimally representing 1/10 (one tenths) or more of the total number of stocks with lawful voting rights.
- (2) A meeting of Board of Directors as set forth in Section (1) thereof shall be may proceed when attended by majority members of Board of Directors.
- (3) The Board of Directors shall hold meetings with the Board of Commissioners on regular basis, minimally once 4 (four) months.
- (4) The rate of attendance of the members of Board of Directors in the meetings as set forth in Section (1) thereof shall be reported in the relevant Annual Report.
- (5) The Board of Director shall schedule the meetings as set forth in Section (1) and Section (3) thereof for the following year prior to the end of the relevant book year.

- (6) In the scheduled meetings as set forth in Section (1) thereof, the meeting materials shall be addressed to the meeting invitees in not later than 5 (five) days prior to the date of meetings.
- (7) In case of any meeting convened beyond the schedules prepared as set forth in Section (1) thereof, the meeting materials shall be addressed to the meeting invitees just before the time of meeting at the latest.
- (8) Any resolutions of meeting of Board of Directors as set forth in Section (1) thereof shall be taken amicably.
- (9) In case of no amicable resolution taken as set forth in Section (8) thereof, it shall be resolved based on simple majority.
- (10) The proceeding and procedures of meeting of Board of Directors shall be in compliance with the prevailing law and regulations, including the Capital Market rules in Indonesia.

BOARD OF COMMISSIONERS

ARTICLE 18

- (1) The number of members of Board of Commissioners shall be minimally 3 (three) and maximally the same number with the members of Board of Directors. One of them shall be assigned as the President Commissioners pursuant to the prevailing law and regulations and Capital Market rules.
- (2) Each member of Board of Commissioners shall comply with :

- a. Law of Limited Liability Company (UUPT);
- b. Law and regulations in Capital Market; and
- c. Law and regulations applicable to the business of the Company.

(3) Job Specifications to be a member of Board of Commissioners:

A. General Specifications :

Indonesian citizen who :

- 1) is faithful to God;
- 2) is loyal and devoted to the nation and government of Republic of Indonesia;
- 3) is never involved, either directly or indirectly, in any betrayals to Republic of Indonesia;
- 4) is healthy physically and mentally;
- 5) never did any actions harmful to Republic of Indonesia or any crimes in banking;
- 6) has lawful rights to be elected based on a court verdict.

B. Special Requirements :

One eligible to be hired as a member of Board of Commissioners shall fully satisfy special requirements detailed in a resolution of GMOS.

C. Other Requirements :

- 1) Passing fit and proper test pursuant to the standards affected by Bank Indonesia or other prevailing fit and proper test regulations;
- 2) Majority members of Board of Commissioners shall not have familial relationships up to the second generation with any other member of Board of Commissioners and/or Board of Directors.

(4) Designation Procedures :

- a. Members of Board of Commissioners are designated and dismissed by a GMOS;
- b. Any candidate member of Board of Commissioners shall be nominated in a GMOS by stockholders minimally representing 20% (twenty percent) of the total stocks with lawful voting rights without prejudice to the prevailing law and regulations.

(5) In addition to the designation procedures as set forth in Section (4) thereof detailed designation procedures for members of Board of Commissioners shall be provided in a resolution of a GMOS.

(6) The term of office of a member of Board of Commissioners is as of the date enumerated in the General Meeting of Stockholders until the closing of 3rd Annual General Meeting of Stockholders after the date of hiring, unless otherwise specified in the General Meeting of Stockholders. A member of Board of Directors may be rehired for a second office term in compliance with the Regulations of Financial Service

Authority (POJK) and prevailing law and regulations on conditions that he proves to be capable of properly functioning without prejudice to the right of a General Meeting of Stockholders to dismiss him anytime.

- (7) A GMOS may hire someone else to substitute the post of a dismissed member of Board of Commissioners or vacant post of a member of Board of Commissioners. The office term of the hired to substitute to the post of a dismissed member of Board of Commissioners or vacant post of a member of Board of Commissioners shall be the rest office term of the substituted member, unless otherwise specified in the GMOS.
- (8) In case of addition of number of members of Board of Commissioners, the office term of the newly hired member(s) ends when the office terms of the lastly and existing members of Board of Commissioners does, unless otherwise specified in the GMOS.
- (9) The members of Board of Commissioners earn salary and facilities and/or benefits, the amount and package of which are quoted based on decision of a GMOS pursuant to the prevailing law and regulations.
- (10) In case due to any reasons whatsoever, the post of one member or more of Board of Commissioners is or are vacant, a GMOS shall be convened in not later than 90 (ninety) days as of the date of vacancy to fill it without prejudice to the prevailing law and regulations, including the Capital Market rules in Indonesia.
- (11) a. A member of Board of Commissioners may apply for

resignation from his post to the controlling stockholders and the Company in writing;

b. The Company, in 90 (ninety) days' time after the date of the receipt of the request for resignation, shall convene a GMOS to resolve whether the request for resignation is granted or declined.

c. Before the resignation is effective, the relevant resigning member of Board of Commissioners shall remain accountable to complete his tasks and duties pursuant to the prevailing law and regulations.

(12) The post as a member of Board of Directors shall cease when:

a. He loses his Indonesian citizenship;

b. He resigns in compliance with Section (11) thereof;

c. He no longer complies the prevailing law and regulations;

d. He is dead;

e. His office term has lapsed, unless otherwise, he is re-hired as set forth in Section (6) thereof;

f. He is dismissed by a Decision of GMOS;

g. He is declared bankrupt or under guardianship by virtue of a court verdict.

(13) Minimally 50% (fifty percent) of the number of members of Board of Commissioners comprises independent Commissioners. An independent Commissioner is one not having financial, undertaking, ownership and/or familial relationship with any other members of Board of Commissioners, members of Board of Directors and/or

controlling stockholders or Company, that may prevent him to act independently.

DUTIES AND AUTHORITIES OF BOARD OF COMMISSIONERS

ARTICLE 19

- (1) The Board of Commissioners supervise over the policies in the undertaking and management, performance in general in regard with both Company and the business of the Company and give advises to the Board of Directors;
- (2) In performing the duties as set forth in Section (1) thereof, the Board of Commissioners :
 - a. Monitors the business procedures and management of the Company;
 - b. Proctors the undertaking of the Company;
 - c. Evaluates and approves business plans and annual budgeting of the Company;
 - d. Assists and encourages the Company's business development and advancement
- (3) The members of Board of Commissioners either jointly or severally from time to time shall be entitled to enter the office, yard or other spaces of the Company, and consult all financial books, documents and transaction evidences, check and match cash on hand and others as well as assess any action already taken by the

Board of Directors.

- (4) The Board of Directors and every member of Board of Directors shall give explanations in regard with any matters questioned by the Board of Commissioners.
- (5) The Board of Commissioners may from time to time dismiss one or more members of Board of Directors temporarily when he/she does not respect these Company Articles of Association and or all prevailing law and regulations .
- (6) Such a temporary dismissal shall be informed to the temporarily dismissed member and provided with underlying reasons.
- (7) The Board of Commissioners, in 90 (ninety) calendar days as of the date of temporary dismissal, shall convene a GMOS to draw a resolution whether the relevant member will be dismissed permanently or set free to resume his/her position. In addition, the temporarily dismissed member shall be given an opportunity to attend the meeting and defend himself.
- (8) The meeting as set forth in Section (7) thereof shall be chaired by the President Commissioner.

In case the President Commissioner is not present or unavailable, and it is not to be advised to any third party, it shall be chaired by a present member of Board of Commissioners.

In case no member of Board of Commissioner is present, and it is not to be advised to any third party, it shall be chaired by one appointed from and by the meeting attendants.

(9) In case the GMOS is not convened within 90 (thirty) calendar days as of the date of the temporary dismissal or the GMOS fails to take a final resolution on it, it shall void by the law.

(10) In case all members of Board of Directors are temporarily dismissed and the Company no longer has any member of Board of Directors, the Board of Commissioner shall undertake the Company temporarily.

Under such a circumstance, the Board of Commissioners shall be entitled to temporarily dispose the undertaking to one or more of their members on joint accountabilities.

(11) In case there is only one Commissioner, all duties and authorities granted to a President Commissioner or a member of Board of Commissioner shall be effective to him.

(12) The Board of Commissioners may appoint 1 (one) of the members of Board of Commissioners as an Executive Commissioner to be in charge of coordinating the general administrative activities to provide due supports for smooth run of the duties of Board of Commissioners.

(13) In monitoring the policies on the undertaking and management of the Company the Board of Commissioners may establish a working committee/unit

pursuant 5tto the prevailing law and regulations.

- (14) The procedures, requirements, installation and office term as well as the authorities of the working committee/unit shall be in compliance with the prevailing law and regulations.
- (15) The Board of Commissioners may appoint 1 (one) or more experts to undertake specific jobs it is when deemed necessary and fully on the account of the Company.

MEETING OF BOARD OF COMMISSIONERS

ARTICLE 20

(1) Holding of Meeting of Board of Commissioners

- a) The Board of Commissioners shall convene it minimally once 2 (two) months and it may be proceeded when attended by majority members of Board of Commissioners.
- b) The Board of Commissioners shall hold meetings with the Board of Directors on regular basis, minimally once 4 (four) months.
- c) The rate of attendance of the members of Board of Commissioners in the meetings as set forth in dictum a and dictum b must be reported in the relevant Annual Report.

(2) The Board of Commissioners may convene a meeting at any

time when :

- a) Deemed necessary by 1 (one) or more member of the Board of Commissioners;
 - b) requested by 1 (one) or more member of Board of Commissioners in writing;
 - c) requested by 1 (one) or more stockholders minimally representing 1/10 (one tenths) or more of the total number of stocks with lawful voting rights
- (3) The Meeting of Board of Commissioners shall be summoned by a member of Board of Commissioners appointed by the Board of Commissioners.
- (4) The summon of Board of Commissioners shall be addressed by registered mail or given in person to each of the members of Board of Commissioners and evidenced with receipts in not later than 1 (one) day prior to the date of the Meeting.
- (5) In the summon of meeting the date, time agenda and venue of the meeting shall be specified;
- (6) The Meeting of Board of Commissioners shall be convened in the legal or business domicile of the Company. In case all members of the Board of Commissioners are present or represented, such prior summons shall not be required and the meeting may be held anywhere in the territory of Republic of Indonesia and authorized to take any legal and binding resolution.

- (7) The Meeting of Board of Commissioners shall be chaired by the President Commissioners. In case the President Commissioner is absent or unavailable due to any reason whatsoever, where it is not to be proved to any third party, the Meeting shall be chaired by one of the members of the Board of Commissioners appointed by and from the members of the Board of Commissioners present in the meeting.
- (8) A member of Board of Commissioners may be represented by another member of Board of Commissioners by a Power of Attorney.
- (9) The Meeting of Boards of Commissioners shall be lawful and entitled to take lawful and binding resolutions when attended by more than $\frac{1}{2}$ (half) of the number of members of Board of Commissioners are present or represented in the Meeting.
- (10) Any resolution of Meetings of the Board of Commissioners shall be taken amicably. In case there is no amicable resolution, the resolution shall be adopted based on affirmative vote of at least more than $\frac{1}{2}$ (half) of the voting rights lawfully exercised in the meeting.
- (11) In case of an equality of votes between affirmative vote and negative vote the proposal shall be declined. In case it concerns with an individual, the Chairman shall resolve it.
- (12) a. Each member of Board of Commissioners present in the Meeting shall be entitled to exercise 1 (one) vote

and 1 (one) additional vote for every other member of Board of Commissioners he/she represents.

b. Any voting in regard with an individual shall be exercised in closed and unsigned written ballot, when it concerns with other matters, it shall be exercised orally, unless otherwise specified by the Chairman, without any objection from the meeting attendants.

c. Blank and illegal votes shall be considered non-existent and shall not be counted in determining the number of votes lawfully exercised in the meeting.

(13) Board of Commissioners may take legal resolutions without convening a Meeting of Board of Commissioners on condition that all members of Board of Commissioners have been notified about the addressed proposals in writing and affix their signatures for an approval. The resolutions shall have the same legal effect as a resolution lawfully adopted at a meeting of the Board of Commissioners.

(14) In each Meeting of Board Commissioners, the minutes of meeting consisting of summary of discussions in the meeting, including dissenting opinions of any members of Board of Commissioners, if any, and the meeting resolutions, shall be made.

SYARIAH SUPERVISORY BOARD

ARTICLE 21

(1) a. Syariah Business Unit (SBU) is a business unit of the Company running business activities based on Syariah principles.

b. In running the business activities based on Syariah principles, the Company shall establish Syariah Supervisory Board in the SBU of the Company.

c. The Syariah Supervisory Board shall consist of minimally 2 (two) members and maximally 3 (three) members, one of them to be assigned as the Chairman. The members of Syariah Supervisory Board shall be appointed by a GMOS based on the recommendations from the National Syariah Assembly – Indonesian Ulema Council pursuant to the prevailing law and regulations and without prejudice to the rights of a GMOS to dismiss the members of Syariah Supervisory Board anytime pursuant to the prevailing law and regulations.

(2) The members of Syariah Supervisory Board shall qualify the requirements hereunder :

a. Having integrity, minimally with :

- 1) Good morality and honor;
- 2) Strong commitment to fully observe Syariah banking principles and other prevailing law and regulations.
- 3) Strong dedication to sustainably develop healthy and robust Syariah banking; and

- 4) No record in non-qualifying fit and proper test list as released by Bank Indonesia or Financial Service Authority (OJK).
- b. Competence, minimally with ample knowledge and experiences in Syariah Mu'amalah business and banking and or finance in general; and
- c. Financial reputation, minimally with :
 - 1) No record in bad credit list; and
 - 2) No record of being bankrupt or being a stockholder, member of Board of Commissioners or member of Board of Directors of a legal entity causing loss to a company and/or legal entity declared to be bankrupt during the last 5 (five) years prior to the nomination.
- (3) The Syariah Supervisory Board is assigned and authorized to give advices to the Board of Directors, monitor the Syariah aspects in the operations of Syariah Business Unit (SBU) and serve as a representative of Syariah Business Unit in the National Syariah Assembly of the Indonesian Ulema Council.

The tasks and duties of the Syariah Supervisory Board cover, inter alia :

- a) Assessing and assuring the application of Syariah principles in the operation and product guides for Syariah Business Unit;

- b) Monitoring new SBU product developments from early phase until the launching of the products;
 - c) Addressing Syariah opinions towards new products and/or re-structured financing;
 - d) Requesting '*fatwa*' from the National Syariah Assembly about the SBU new products that has not been certified with '*fatwa*';
 - e) Reviewing the application of Syariah principles in the granting and distribution of Syariah fund and Syariah bank service delivery on regular basis;
 - f) Requesting data and information related with Syariah aspects from SBU taskforces concerning with their job executions;
 - g) Submitting Syariah monitoring reports minimally on semester basis to the Board of Directors , National Syariah Assembly – Indonesian Ulema Council, and Financial Service Authority;
- (4) A member of Syariah Supervisory Board is hired for 4 (four) years and may be rehired for a second office term with full observance to the prevailing law and regulations and directives of the National Syariah Assembly – Indonesian Ulema Council.
- (5) A nominee of member of Syariah Supervisory Board shall have prior approval from the Financial Service Authority (OJK) before being installed and serving his designation.

- (6) The nomination of a member of Syariah Supervisory Board as set forth in Section (5) thereof shall be subject to prior recommendation from the National Syariah Assembly – Indonesian Ulema Council.
- (7) The remunerations and/or other benefits for members of Syariah Supervisory Board shall be quoted by a GMOS and such authority may be delegated to Board the Commissioners.

WORK PLAN, FINANCIAL YEAR AND ANNUAL REPORT

ARTICLE 22

- (1) The Board of Directors shall prepare and execute annual work plans.
- (2) The Board of Directors shall submit an annual work plan to the Board of Commissioners for further approval by the Board of Commissioners.
- (3) The work plans as set forth in Section (1) shall be proposed by the Board of Directors not later than the end of October and approved by the Board of Commissioners before submitted to the Financial Service Authority not later than the end of November before the commencement of a work plan year.
- (4) The Book Year of the Company shall commence from the first day of January and end on the thirty first day of

December. At the end of December each year, the Company financial book is closed.

- (5) The annual report shall be diligently prepared and readily served available in the head office of the Company not later than the date of summon of an Annual GMOS so that the stockholders can consult it.
- (6) The Company shall timely announce an Income Statement in a Indonesian newspaper published nationwide in compliance with the provisions set forth in the Regulation of Capital Market and Financial Institution Controlling Agency (Bapepam), Number : --.X.K.2, about Obligation to Submit Regular Reports.
- (7) The Board of Directors shall submit an annual report to a Public Accountant appointed by a GMOS for auditing. The auditing report prepared by the Public Accountant shall be submitted in writing to an Annual GMOS.

A GMOS will confirm the financial report, including confirmation on financial report Board of Directors and supervision report by the Board of Commissioners.

PROFIT APPROPRIATION AND DIVIDEND, BONUS AND ROYALTY DISTRIBUTIONS

ARTICLE 23

- (1) The net profit of the Company in a book year as stated in the

income statement confirmed by an Annual GMOS and positive one, shall be appropriated as resolved by a GMOS.

- (2) The net profit of the Company is posted as reserved fund and distributed as dividends, the amount of which shall be resolved by an Annual GMOS pursuant to the prevailing law and regulations.
- (3) The Company may distribute interim dividends prior to the closing of a book year. In case the total net assets of the Company is not less than the total value of the subscribed and paid-in stocks plus mandatory reserve fund and the financial condition of the Company is favorable, based on the resolution of Board of Directors and after approval by the Board of Commissioners, the Company may distribute interim dividends on conditions that they will be set off against the dividends approved by a GMOS to be distributed in the next Annual GMOS and the distribution of the interim dividends shall not deteriorate or prevent the Company to satisfy the liabilities to creditors or hinder the activities of the Company with full observance to the prevailing law and regulations.
- (4) In case after the closing of a book year, it proves that the Company has suffered from losses, the Stockholders shall diligently return the distributed interim dividends to the Company. The Board of Directors and the Board of Commissioners shall jointly accountable for the losses to the Company due to unreturned interim dividends.
- (5) In case the income statement in a book year is not coverable

with the reserved fund, the loss will be recorded in the profit-loss calculation. In the following years, the Company shall be assumed not gaining profit until loss recorded in the income statement has not yet been fully covered pursuant to the prevailing law and regulations.

- (6) Any dividends not taken in 5 (five) years after the specified date of dividend payment, they shall be posted in a special reserve. A GMOS shall provide the provisions for taking dividends already posted in the special reserve.

The dividends already posted as a special reserve as set forth above that are not taken within 10 (ten) years will belong to the Company.

- (7) The GMOS may also resolve the appropriation of net profit for other distributions, such as royalties to the Board of Directors and Board of Commissioners and bonuses employees based on the business performance of the Company.

RESERVED FUND UTILIZATION

ARTICLE 24

- (1) The Company shall mandatorily post a certain amount from the net profit in each book year as reserved fund where it is to be quoted by a GMOS pursuant to the prevailing law and regulations.

- (2) The mandatory posting as reserved fund shall affect when the

Company earns positive profit.

- (3) The mandatory posting as reserved fund shall affect until the total amount of the reserved fund is minimally 20% (twenty percent) of the total value of the subscribed and paid-in capital of the Company.
- (4) The reserved fund less than 20% (twenty percent) as set forth in Section (3) thereof shall exclusively be used for paying losses not coverable by other reserves.
- (5) In case the amount of the reserved fund is more than 20% (twenty percent) of the total value of the subscribed and paid-in capital of the Company, the GMOS may resolve to use the excess amount for the best interests of the Company.
- (6) The Board of Directors shall manage the excess of reserved fund as set forth in Section (5) thereof to get extra profits in proper manners and subject to prior approval by the Board of Commissioners and pursuant to the prevailing law and regulations. Any profit earned from the reserve fund management shall be stated in the Income Statement of the Company.

AMENDMENT

ARTICLE 25

- (1) Amendment to the Articles of Association shall comply with the Law about Limited Liability Company and/or Capital Market Rules and/or other prevailing law and regulations.

- (2) Amendment to Articles of Association shall be resolved by a GMOS and subject to Article 14 Section (3) of these Articles of Association .

MERGER, ACQUISITION, TAKING-OVER AND SEPARATION

ARTICLE 25

- (1) Merger, acquisition, taking-over and separation shall be resolved by a GMOS and subject to Article 14 Section (3) of these Articles of Association.
- (2) Any further provisions about merger, acquisition, taking-over and separation shall be consistently in compliance with the prevailing law and regulations, specifically Capital Market Rules.

DISSOLUTION, LIQUIDATION AND END OF LEGAL ENTITY STATUS OF COMPANY

ARTICLE 27

- (1) Dissolution of the Company shall be strictly based on a resolution of a GMOS and in compliance with Article 14 Section (5) of these Articles of Association.
- (2) In case the Company is dissolved based on a resolution of a GMOS or declared to be dissolved by a court verdict, it shall be subject to liquidation by a liquidator.
- (3) Further provisions about dissolution, liquidation and end of

legal entity status shall be pursuant to the prevailing law and regulations, specifically Capital Market Rules.

DOMICILE
ARTICLE 28

Pursuant to the prevailing law and regulations, specifically Capital Market Rules and Stock Exchange Directives where the stocks of the Company are listed in, in case of any matters with regard to the Company, all of the stockholders are assumed to domicile in Surabaya at the addresses listed in the Stock Register of the Company.

CLOSING
ARTICLE 29

Any matters not yet provided therein shall be resolved by a GMOS.

Finally, the appearers declared to me, Notary Public that the stockholders that have fully paid in to the Company are hereunder:

- Holders of Series A Stocks paying in 11,934.147,982 (eleven billion nine hundred and thirty four million one hundred and forty seven thousand nine hundred and eighty two) pieces of stocks, each with IDR 250.00 (two hundred and fifty Indonesian Rupiahs only) or totally IDR 2,983,536,995,500.00 (two trillion, nine hundred and eighty three billion, five hundred and thirty six million nine hundred

and ninety five thousand five hundred Indonesian Rupiahs only);

- Holders of Series B Stocks paying in 3,012,151,200 (three billion twelve million one hundred and fifty one thousand two hundred) pieces of stocks, each with IDR 250.00 (two hundred and fifty Indonesian Rupiahs only) or totally IDR 753,037,800,000.00 (seven hundred and fifty three billion, thirty seven million eight hundred thousand Indonesian Rupiahs only).

100 % (one hundred percent) of the subscribed capital, i.e. : 14,946,299,182 (fourteen billion nine hundred and forty six million two hundred and ninety nine thousand one hundred and eighty two) with total nominal value IDR 3,736,574,795,500.00 (three trillion seven hundred and thirty six billion five hundred and seventy four million and seven hundred and ninety five thousand five hundred Indonesian Rupiahs only) detailed hereunder :

- a. 11,934.147,982 (eleven billion nine hundred and thirty four million one hundred and forty seven thousand nine hundred and eighty two) pieces of Series-A stocks, with total nominal value IDR 2,983,536,995,500.00 (two trillion, nine hundred and eighty three billion, five hundred and thirty six million nine hundred and ninety five thousand five hundred Indonesian Rupiahs only) comprising :

- 1. East Java Provincial Government for 7,676,913,648 (seven billion six hundred and seventy six million nine hundred and thirteen thousand six hundred and forty eight) pieces of stocks, with a total value IDR 1,919,228,412,000.00 (one trillion nine hundred and nineteen billion, two hundred and twenty eight million

four hundred and twelve thousand Indonesian Rupiahs only).

2. City Government of Batu, as many as 38,236,741 (thirty eight million two hundred and thirty six thousand seven hundred and forty one) pieces of Series-A Stocks or with total nominal value IDR 9,559,185,250.00 (nine billion five hundred and fifty nine million one hundred and eighty five thousand two hundred and fifty Indonesian Rupiahs only);
3. City Government of Blitar as many as 16,987,084 (sixteen million nine hundred and eighty seven thousand eighty four) pieces of Series-A Stocks or with total nominal value IDR 4,246,771,000.00 (four billion two hundred and forty six million seven hundred and seventy one Indonesian Rupiahs only);
4. City Government of Kediri, as many as 14,208,273 (fourteen million two hundred and eight thousand two hundred and seventy three) of Series-A Stocks or with total nominal value IDR 3,552,068,250.00 (three billion five hundred and fifty two million sixty eight thousand two hundred and fifty Indonesian Rupiahs only);
5. City Government of Madiun, as many as 134,064,427 (one hundred and thirty four million sixty four thousand four hundred and twenty seven) pieces of Series-A Stocks or with total nominal value IDR 33,516,106,750.00 (thirty three billion five hundred and sixteen million one hundred and six thousand seven hundred and fifty Indonesian Rupiahs only);

6. City Government of Malang, as many as 108,635,999 (one hundred and eight million six hundred and thirty five thousand nine hundred and ninety nine) pieces of Series-A Stocks or with total nominal value IDR 27,158,999,750.00 (twenty seven billion one hundred and fifty eight million nine hundred and ninety nine thousand seven hundred and fifty Indonesian Rupiahs only);
7. City Government of Mojokerto, as many as 72,091,751 (seventy two million ninety one thousand seven hundred and fifty one) pieces of Series-A Stocks or with total nominal value IDR 18,022,937,750.00 (eighteen billion twenty two million nine hundred and thirty seven thousand seven hundred and fifty Indonesian Rupiahs only);
8. City Government of Pasuruan, as many as 100,075,767 (one hundred million seventy five thousand seven hundred and sixty seven) pieces of Series-A Stocks or with total nominal value IDR 25,018,941,750.00 (twenty five billion eighteen million nine hundred and forty one thousand seven hundred and fifty Indonesian Rupiahs only);
9. City Government of Probolinggo, as many as 17,397,927 (seventeen million three hundred and ninety seven thousand nine hundred and twenty seven) pieces of Series-A Stocks or with total nominal value IDR 4,349,481,750.00 (four billion three hundred and forty

nine million four hundred and eighty one thousand seven hundred and fifty Indonesian Rupiahs only);

10. City Government of Surabaya, as many as 319,243,457 (three hundred and nineteen million two hundred and forty three thousand four hundred and fifty seven) pieces of Series-A Stocks or with total nominal value IDR 79,810,864,250.00 (seventy nine billion eight hundred and ten million eight hundred and sixty four thousand two hundred and fifty Indonesian Rupiahs only);
11. Regency Government of Bangkalan, as many as 36,793,459 (thirty six million seven hundred and ninety three thousand four hundred and fifty nine) pieces of Series-A Stocks or with total nominal value IDR 9,198,364,750.00 (nine billion one hundred and ninety eight million three hundred and sixty four thousand seven hundred and fifty Indonesian Rupiahs only);
12. Regency Government of Banyuwangi, as many as 270,036,117 (two hundred and seventy million thirty six thousand one hundred and seventeen) pieces of Series-A Stocks or with total nominal value IDR 67,509,029,250.00 (sixty seven billion five hundred and nine million twenty nine thousand two hundred and fifty Indonesian Rupiahs only);
13. Regency Government of Blitar, as many as 39,496,395 (thirty nine million four hundred and ninety six thousand three hundred and ninety five) pieces of Series-A Stocks or with total nominal value IDR

9,874,098,750.00 (nine billion eight hundred and seventy four million ninety eight thousand seven hundred and fifty Indonesian Rupiahs only);

14. Regency Government of Bojonegoro, as many as 300,288,632 (three hundred million two hundred and eighty eight thousand six hundred and thirty two) pieces of Series-A or with total nominal value IDR 75,072,158,000.00 (seventy five billion seventy two million one hundred and fifty eight thousand Indonesian Rupiahs only);

15. Regency Government of Bondowoso, as many as 87,207,357 (eighty seven million two hundred and seven thousand three hundred and fifty seven) pieces of Series-A Stocks or with total nominal value IDR 21,801,839,250.00 (twenty one billion eight hundred and one million eight hundred and thirty nine thousand two hundred and fifty Indonesian Rupiahs only);

16. Regency Government of Gresik, as many as 220,213,170 (two hundred and twenty million two hundred and thirteen thousand one hundred and seventy) pieces of Series-A Stocks or with total nominal value IDR 55,053,292,500.00 (fifty five billion fifty three million two hundred and ninety two thousand five hundred Indonesian Rupiahs only);

17. Regency Government of Jember, as many as 111,866,875 (one hundred and eleven million eight hundred and sixty six thousand eight hundred and seventy five) pieces of Series-A Stocks or with total

nominal value IDR 27,966,718,750.00 (twenty seven billion nine hundred and sixty six million seven hundred and eighteen thousand seven hundred and fifty Indonesian Rupiahs only);

18. Regency Government of Jombang, as many as 26,792,899 (twenty six million seven hundred and ninety two thousand eight hundred and ninety nine) pieces of Series-A Stocks or with total nominal value IDR 6,698,224,750.00 (six billion six hundred and ninety eight million two hundred and twenty four thousand seven hundred and fifty Indonesian Rupiahs only);

19. Regency Government of Kediri, as many as 144,925,510 (one hundred and forty four million nine hundred and twenty five thousand five hundred and ten) pieces of Series-A Stocks or with total nominal value IDR 36,231,377,500.00 (thirty six billion two hundred and thirty one million three hundred and seventy seven thousand five hundred Indonesian Rupiahs only);

20. Regency Government of Lamongan, as many as 101,318,315 (one hundred and one million three hundred and eighteen thousand three hundred and fifteen) pieces of Series-A Stocks or with total nominal value IDR 25,329,578,750.00 (twenty five billion three hundred and twenty nine million five hundred and seventy eight thousand seven hundred and fifty Indonesian Rupiahs only);

21. Regency Government of Lumajang, as many as 67,206,045 (sixty seven million two hundred and six thousand forty five) pieces of Series-A Stocks or with total nominal value IDR 16,801,511,250.00 (sixteen billion eight hundred and one million five hundred and eleven thousand two hundred and fifty Indonesian Rupiahs only);
22. Regency Government of Madiun, as many as 32,660,478 (thirty two million sixty hundred and sixty thousand four hundred and seventy eight) pieces of Series-A Stocks or with total nominal value IDR 8,165,119,500.00 (eight billion one hundred and sixty five million one hundred and nineteen thousand five hundred Indonesian Rupiahs only);
23. Regency Government of Magetan, as many as 19,594,792 (nineteen million five hundred and ninety four thousand seventy ninety two) pieces of Series-A Stocks or with total nominal value IDR 4,898,698,000.00 (four billion eight hundred and ninety eight million six hundred and ninety eight thousand Indonesian Rupiahs only);
24. Regency Government of Malang, as many as 253,635,445 (two hundred and fifty three million six hundred and thirty five thousand four hundred and forty five) pieces of Series-A Stocks or with total nominal value IDR 63,408,861,250.00 (sixty three billion four hundred and eight million eight hundred and sixty one thousand two hundred and fifty Indonesian Rupiahs only);

25. Regency Government of Mojokerto, as many as 78,373,801 (seventy eight million three hundred and seventy three thousand eight hundred and one) pieces of Series-A Stocks or with total nominal value IDR 19,593,450,250.00 (nineteen billion five hundred and ninety three million four hundred and fifty thousand two hundred and fifty Indonesian Rupiahs only);
26. Regency Government of Nganjuk, as many as 77,217,854 (seventy seven million two hundred and seventeen thousand eight hundred and fifty four) pieces of Series-A Stocks or with total nominal value IDR 19,304,463,500.00 (nineteen billion three hundred and four million four hundred and sixty three thousand five hundred Indonesian Rupiahs only);
27. Regency Government of Ngawi, as many as 215,763,995 (two hundred and fifteen million seven hundred and sixty three thousand nine hundred and ninety five) pieces of Series-A Stocks or with total nominal value IDR 53,940,998,750.00 (fifty three billion nine hundred and forty million nine hundred and ninety eight thousand seven hundred and fifty Indonesian Rupiahs only);
28. Regency Government of Pacitan, as many as 53,520,271 (fifty three million five hundred and twenty thousand two hundred and seventy one) pieces of Series-A Stocks or with total nominal value IDR 13,380,067,750.00 (thirteen billion three hundred and

eighty million sixty seven thousand seven hundred and fifty Indonesian Rupiahs only);

29. Regency Government of Pamekasan, as many as 40,592,928 (forty million five hundred and ninety two thousand nine hundred and twenty eight) pieces of Series-A Stocks or with total nominal value IDR 10,148,232,000.00 (ten billion one hundred and forty eight million two hundred and thirty two thousand Indonesian Rupiahs only);

30. Regency Government of Pasuruan, as many as 44,610,500 (forty four million six hundred and ten thousand five hundred) pieces of Series-A Stocks or with total nominal value IDR 11,152,625,000.00 (eleven billion one hundred and fifty two million six hundred and twenty five thousand Indonesian Rupiahs only);

31. Regency Government of Ponorogo, as many as 23,555,596 (twenty three million five hundred and fifty five thousand five hundred and ninety six) pieces of Series-A Stocks or with total nominal value IDR 5,888,899,000.00 (five billion eight hundred and eighty eight million eight hundred and ninety nine thousand Indonesian Rupiahs only);

32. Regency Government of Probolinggo , as many as 125,931,454 (one hundred and twenty five million nine hundred and thirty one thousand four hundred and fifty four) pieces of Series-A Stocks or with total nominal value IDR 31,482,863,500.00 (thirty one billion four

hundred and eighty two million eight hundred and sixty three thousand five hundred Indonesian Rupiahs only);

33. Regency Government of Sampang, as many as 101,175,235 (one hundred and one million one hundred and seventy five thousand two hundred and thirty five) pieces of Series-A Stocks or with total nominal value IDR 25,293,808,750.00 (twenty five billion two hundred and ninety three million eight hundred and eight thousand seven hundred and fifty Indonesian Rupiahs only);

34. Regency Government of Sidoarjo, as many as 370,155,850 (three hundred and seventy million one hundred and fifty five thousand eight hundred and fifty) pieces of Series-A Stocks or with total nominal value IDR 92,538,962,500.00 (ninety two billion five hundred and thirty eight million nine hundred and sixty two thousand five hundred Indonesian Rupiahs only);

35. Regency Government of Situbondo, as many as 76,374,593 (seventy six million three hundred and seventy four thousand five hundred and ninety three) pieces of Series-A Stocks or with total nominal value IDR 19,093,648,250.00 (nineteen billion ninety three million six hundred and forty eight thousand two hundred and fifty Indonesian Rupiahs only);

36. Regency Government of Sumenep, as many as 144,228,431 (one hundred and forty four million two hundred and twenty eight thousand four hundred and thirty one) pieces of Series-A Stocks or with total

nominal value IDR 36,057,107,750.00 (thirty six billion fifty seven million one hundred and seven thousand seven hundred and fifty Indonesian Rupiahs only);

37. Regency Government of Trenggalek, as many as 84,640,532 (eighty four million six hundred and forty thousand five hundred and thirty two) pieces of Series-A Stocks or with total nominal value IDR 21,160,133,000.00 (twenty one billion one hundred and sixty million one hundred and thirty three thousand Indonesian Rupiahs only);

38. Regency Government of Tuban, as many as 217,418,404 (two hundred and seventeen million four hundred and eighteen thousand four hundred and four) pieces of Series-A Stocks or with total nominal value IDR 54,354,601,000.00 (fifty four billion three hundred and fifty four million six hundred and one thousand Indonesian Rupiahs only); and

39. Regency Government of Tulungagung, as many as 70,697,975 (seventy million six hundred and ninety seven thousand nine hundred and seventy five) pieces of Series-A Stocks or with total nominal value IDR 17,674,493,750.00 (seventeen billion six hundred and seventy four million four hundred and ninety three thousand seven hundred and fifty Indonesian Rupiahs only).

Accordingly, the total number of Series-A Stocks is 11,934,147,982 (eleven billion nine hundred and thirty four million one hundred and forty seven thousand nine

hundred and eighty two) pieces of Series-A stocks, with a total value IDR 2,983,536,995,500.00 (two trillion nine hundred and eighty three billion five hundred and thirty six million nine hundred and ninety five thousand five hundred Indonesian Rupiahs only);

b. The Public, as many as 3,010,909,600 (three billion ten million nine hundred and nine thousand six hundred) pieces of Series-B stocks, with a total value IDR 752,727,400,000 (seven hundred and fifty two billion seven hundred and twenty seven million four hundred thousand Indonesian Rupiahs only) detailed hereunder :

- IDR 745,884,250,000.00 (seven hundred and forty five billion eight hundred and eighty four million two hundred and fifty thousand Indonesian Rupiahs only) as the proceeds of Initial Public Offering in Year 2012 in accordance with the Deed of Statement of Meeting Resolutions, dated the nineteenth day of July two thousand and twelve (19-07-2012), made before WACHID HASYIM, Sarjana Hukum, Notary Public in Surabaya, received and recorded in the Database of General Legal Entity Administration System, Ministry of Law and Human Rights, Republic of Indonesia dated the thirty first day of August two thousand and twelve (31-8-2012), Number : AHU-AH.01.10-31887;
- IDR 6,843,150,000.00 (six billion eight hundred and forty three million one hundred and fifty thousand Indonesian Rupiahs only) as proceeds of MESOP Program – Phase 1 Year 2016, based on the number of stock options executed and recorded as subscribed and paid-in capital increase during period from the first day of August two thousand

and sixteen (01-08-2016) until the thirteenth day of September two thousand and sixteen (13-09-2016);

- IDR 310,400,000.00 (three hundred and ten million four hundred thousand Indonesian Rupiahs only) as proceeds of MESOP Program– Phase 1, Window Exercise 1, Year 2017, based on the number of stock options executed and recorded as subscribed and paid-in capital increase during period from the first day of February two thousand and seventeen (01-02-2017) until the fourteenth day of March two thousand and seventeen (14-03-2017).

The appearers warranted their ID-Cards shown to me, Notary Public are authentic and fully accountable for the authenticity and declare that they have fully observed the content of this deed.

IN WITNESS WHEREOF

Executed and delivered in Surabaya, on the day and date, month and year aforementioned at the beginning of this deed, in the presence of :

- UUN RAHAYUNINGRUM, born in Surabaya, on the twenty eighth day of April one thousand nine hundred and seventy one (28-04-1971), Indonesian Citizen, residing at Jalan Bratang Gede 6-D/47-A, Rukun Tetangga, 001, Rukun Warga 012, Kelurahan Ngagel Rejo, Kecamatan Wonokromo, Kota Surabaya, Bearer of Indonesian ID-Card with Resident Registration Number : 3578046804710003;
- Doktoranda CICI PARASWATI, born in Surakarta, on the sixth day of June one thousand nine hundred and sixty five

(06-06-1965), Indonesian Citizen, residing at Perumahan Puspa Garden CD-9, Rukun Tetangga 033, Rukun Warga 010, Kelurahan Kedungkendo, Kecamatan Candi, Sidoarjo, Bearer of Indonesian ID-Card with Resident Registration Number : 3515044606650001;

- Temporarily staying in Surabaya;

both employees in my, Notary Public's office, as witnesses.

Having been read to the aforesaid appearers and witnesses by me, Notary Public, it is signed by the appearers, witnesses and me, Notary Public.

Prepared without any modifications.

The original of this deed has been duly signed.

ISSUED AS A COPY

*I read, write and understand both English and Indonesian Languages.
I have examined the foregoing translation and do hereby certify that to the best of
My knowledge and belief the said translation is true and correct in every particular*

Drs. Setyo Wantjoro, S.E., M.Si.
Certified and Sworn Translator
By Decree of Governor of East Java
Number : 188/137/KPTS/013/2005

