

**DUPLICATE OF
MINISTER OF FINANCE REGULATION
NUMBER 153/PMK.010/2010
CONCERNING
SHARE OWNERSHIP AND CAPITAL OF SECURITIES COMPANY
WITH THE BLESSING OF GOD THE ALMIGHTY**

Considering :

- a. that in order to establish Capital Market that is orderly fair and efficient and also competitive in free trade era, it is deemed necessary to improve Securities Company performance, among others with regard to service quality, human resource quality, compliance with regulations, and back office system quality;
- b. that to improve the Securities Company performance particularly which serves as an Investment Manager, it is deemed necessary to strengthen financial condition and operational capability of Securities Company through enhancement of Securities Company paid in capital;
- c. that the enhancement of the paid in capital of the Securities Company particularly which serves as an Investment Manager is in line with General Principles International Organization of Securities Commission (IOSCO), which states that there must be a continuous enhancement on the requirements for Securities Company which take into account prudential principle such as initial capital structure and its maintenance in connection with development of potential risk borne by the Securities Company;
- d. that based on consideration as set forth in letter a, b, and c above, it is deemed necessary to enact Minister Of Finance Regulation concerning Share Ownership And Capital Of Securities Company;

In view of :

1. Law Number 8 Year 1995 concerning the Capital Market (State Gazette Year 1995 Number 64, Supplement to State Gazette Number 3608);
2. Government Regulation Number 45 Year 1995 concerning Implementation of Activities in the Capital Market Area (State Gazette Year 1995 Number 86, Supplement to State Gazette Number 3617) as revised by Government Regulation Number 12 Year 2004 (State Gazette Year 2004 Number 27, Supplement to State Gazette Number 4372);

3. Government Regulation Number 46 Year 1995 concerning The Examination in Capital Market Area (State Gazette Year 1995 Number 87, Supplement to State Gazette Number 3618);
4. Decree of the President of the Republic of Indonesia Number 56/P Year 2010;

HAS DECIDED

To enact : MINISTER OF FINANCE REGULATION CONCERNING SHARE OWNERSHIP AND CAPITAL OF SECURITIES COMPANY.

Article 1

In this rule, the following terminologies apply:

1. Capital Market is an activity which related to Public Offering and Securities trading, Public Company with respect to Securities it has issued, and institutions and professions related to Securities.
2. Securities Company is a Person that conducts business as an Underwriter, a Broker-Dealer and/or an Investment Manager.
3. Investment Manager is a Person that, as its business, manages Securities Portfolios or manages collective investment Portfolios for groups of clients, except an insurance company, a pension fund or a bank which conducts its own lawful activities.
4. Public Offering is a Securities offering activity by an Issuer to public in ways as stipulated in Capital Market Law and its implementing regulations.
5. Underwriter is a Person that makes an agreement with an Issuer to conduct a Public Offering for Issuer benefit with or without obligation to purchase remaining Securities that are not sold.
6. Broker-Dealer is a Person that conduct business of buying and selling Securities for its own benefit or other Person.
7. Foreign Investor is an individual who has foreign nationality or is a foreign legal entity.
8. Local Investor is an individual who has Indonesian nationality or is an Indonesian legal entity.
9. To administer Client Securities Account is an activity of opening client Securities accounts, making transfer of client Securities accounts and maintaining client Securities account.

Article 2

- (1) Shares of a joint venture Securities Company may be owned by a foreign legal entity which engaged in financial sector other than Securities industry at maximum 85% (eighty five percent) of paid in capital.

- (2) Shares of a joint venture Securities Company may be owned by a foreign legal entity which engaged in Securities industry that has license or under Capital Market authority's supervision in the home country at maximum 99% (ninety nine percent) of paid in capital.

Article 3

- (1) In the event that a national or a joint venture Securities Company conducts a Public Offering, shares of the Securities Company can be wholly owned by a Local Investor or Foreign Investor.
- (2) Foreign Investor as referred to in item (1) can be a Foreign Investor who is not engaged in financial sector.

Article 4

- (1) Securities Company conducting business as an Underwriter must have a paid in capital not less than Rp 50.000.000.000,00 (fifty billion rupiah).
- (2) Securities Company conducting business as a Broker-Dealer which Administer Client Securities Account must have a paid in capital not less than Rp 30.000.000.000,00 (thirty billion rupiah).
- (3) Securities Company conducting business as a Broker-Dealer which not Administer Client Securities Account must have a paid in capital not less than Rp 500.000.000,00 (five hundred million rupiah).
- (4) Securities Company conducting business as an Investment Manager must have a paid in capital not less than Rp 25.000.000.000,00 (twenty five billion rupiah).
- (5) Securities Company conducting business as an Underwriter and an Investment Manager must have a paid in capital not less than Rp 75.000.000.000,00 (seventy five billion rupiah).
- (6) Securities Company conducting business as a Broker-Dealer which Administer Client Securities Account and an Investment Manager must have a paid in capital not less than Rp 55.000.000.000,00 (fifty five billion rupiah).

Article 5

- (1) Securities Company conducting business as an Investment Manager which already has a business license from Capital Market and Financial Institutions Supervisory Agency before validity of this Minister of Finance Regulation, must make adjustment to the provision as referred to in article 4 item (4), with the following conditions:
 - a. no later than 31 December 2010 must has a minimum paid in capital of Rp 10.000.000.000,00 (ten billion rupiah);
 - b. no later than 31 December 2011 must has a minimum paid in capital of Rp 20.000.000.000,00 (twenty billion rupiah); and
 - c. no later than 31 December 2012 must has a minimum paid in capital of Rp 25.000.000.000,00 (twenty five billion rupiah).

- (2) Securities Company conducting business as an Underwriter and an Investment Manager which already has a business license from Capital Market and Financial Institutions Supervisory Agency before validity of this Minister of Finance Regulation must make adjustment to the provision as referred to in article 4 item (5) with the following conditions:
- a. no later than 31 December 2010, it must have a minimum paid in capital of Rp 60.000.000.000,00 (sixty billion rupiah);
 - b. no later than 31 December 2011, it must have a minimum paid in capital of Rp 70.000.000.000,00 (seventy billion rupiah); and
 - c. no later than 31 December 2012, it must have a minimum paid in capital of Rp 75.000.000.000,00 (seventy five billion rupiah).
- (3) Securities Company conducting businesses as a Broker-Dealer which Administer Client Securities Account and an Investment Manager which already has business licenses from Capital Market and Financial Institutions Supervisory Agency before validity of this Minister of Finance Regulation, must make adjustment to the provision as referred to in article 4 item (6)/, with the following conditions:
- a. no later than 31 December 2010, it must have a minimum paid in capital of Rp 40.000.000.000,00 (forty billion rupiah);
 - b. no later than 31 December 2011, it must have a minimum paid in capital of Rp 50.000.000.000,00 (fifty billion rupiah); and
 - c. no later than 31 December 2012, it must have a minimum paid in capital of Rp 55.000.000.000,00 (fifty five billion rupiah).

Article 6

With the enactment of this Minister of Finance Regulation, Minister of Finance Decree Number 179/KMK.010/2003 concerning Shares Ownership And Capital Of Securities Company is revoked and declared ineffective.

Article 7

This Minister of Finance Regulation shall be effective since the date of its enactment.

For public cognizance, it is ordered that this Minister of Finance Regulation shall be promulgated in the Official Gazette of the Republic of Indonesia.

Enacted in Jakarta
on 31 August 2010
MINISTER OF FINANCE

AGUS D.W. MARTOWARDOJO

Enacted in Jakarta

on 31 August 2010

MINISTER OF JUSTICE AND HUMAN RIGHTS

PATRIALIS AKBAR

OFFICIAL GAZETTE OF THE REPUBLIC OF INDONESIA YEAR 2010 NUMBER 425