

**MINISTRY OF FINANCE OF THE REPUBLIC OF INDONESIA  
CAPITAL MARKET AND FINANCIAL INSTITUTION SUPERVISORY AGENCY**

**DECISION OF CHAIRMAN OF THE CAPITAL MARKET AND FINANCIAL  
INSTITUTION SUPERVISORY AGENCY  
NUMBER : KEP- 66/BL/2007**

**CONCERNING**

**GUIDELINES FOR FORM AND CONTENT OF REGISTRATION  
STATEMENT FOR MUNICIPAL BOND PUBLIC OFFERING**

**CHAIRMAN OF THE CAPITAL MARKET AND FINANCIAL INSTITUTION  
SUPERVISORY AGENCY,**

- Considering : That in order to create an administrative orderliness and a legal certainty in Municipal Bond public offering, it is deemed necessary to enact the Capital Market and Financial Institution Supervisory Agency Rule concerning Guideline For Form and Content of Registration Statement for Municipal Bond Public Offering;
- In View of :
  1. Law Number 8 Year 1995 concerning the Capital Market (Statute Book Year 1995 Number 64, Supplement to the Statute Book Number 3608);
  2. Law Number 32 year 2004 concerning Regional Governance (Statute Book year 2004 Number 125, Supplement to the Statute Book Number 4437);
  3. Law Number 33 year 2004 concerning Revenue Sharing Between the Central Government and the Regional Governance (Statute Book year 2004 Number 126, Supplement to the Statute Book Number 4438);
  4. Government Regulation Number 45 year 1995 concerning the Capital Market Organization (Statute Book year 1995 Number 86, Supplement to Statute Book Number 3617) as revised by Government Regulation Number 12 year 2004 (Statute Book year 2004 Number 27, Supplement to Statute Book Number 4372);
  5. Government Regulation Number 46 year 1995 concerning the Capital Market Formal Investigative Procedures (Statute Book year 1995 Number 87, Supplement of Statute Book Number 3618);

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6. Government Regulation Number 54 Year 2005 concerning Regional Loan (Statute Book Year 2005 Number 136, Supplement of Statute Book Number 4574)
7. Decision of the President of the Republic of Indonesia Number 45/M Year 2006;
8. The Ministry of Finance Regulation Number 147/PMK.07/2006 concerning Procedure for Issuance, Accountability, and Publication of Municipal Bond;

HAS DECIDED :

To Issue : DECISION OF CHAIRMAN OF THE CAPITAL MARKET AND FINANCIAL INSTITUTION SUPERVISORY AGENCY CONCERNING GUIDELINES FOR FORM AND CONTENT OF REGISTRATION STATEMENT FOR MUNICIPAL BOND PUBLIC OFFERING

Article 1

Provisions concerning Guidelines For Form and Content of Registration Statement for Municipal Bond Public Offering are regulated Rule Number IX.C.12 as stipulated in the attachment of this Decision.

Article 2

Rule Number IX.C.12 as stipulated in the attachment of this Decision applies to Municipal Bond Registration Statement submitted to Bapepam dan LK on or after the day of the promulgation of this Decision.

Article 3

This decision shall become effective since the date of its promulgation.

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In order for the public to be aware of this Decision, it is hereby ordered that this Decision be published on the State Gazette of the Republic of Indonesia.

Enacted in : Jakarta  
Date : April 13, 2007

**Chairman of the Capital Market and  
Financial Institution Supervisor  
Agency**

signed

**A. Fuad Rahmany**  
NIP 060063058

**ATTACHMENT**

Decision of the Chairman of Capital  
Market and Financial Institutions  
Supervisory Agency (CMFISA)

Number : Kep- 66/BL/2007

Date : 13 April 2008

**RULE NUMBER IX.C.12:**

**GUIDELINES FOR FORM AND  
CONTENT OF REGISTRATION  
STATEMENT FOR MUNICIPAL BOND  
PUBLIC OFFERING**

1. Definition

- a. Autonomous Region, hereinafter referred to as Region, is a union of legal community limited by borders, authorized to regulate and administer governmental affairs and public interests at its own initiatives based on the aspirations of the people within governmental system of the Republic of Indonesia.
- b. Local House of the Representatives, hereinafter referred to as the Representatives, is the people representative institution as an element of governance administrative management.
- c. Head of Region is governor, for province, and *Bupati* (District Head), for District, or City Mayor, for City.
- d. Municipal Bond is bond issued by Region through public offering.
- e. Regional Government is governor, *Bupati* (District Head), City Mayor, and regional tools as an element of Regional Governance.
- f. Regional Administration is an administration of government affair by the Regional Government and the Representatives based on principles of autonomy and widest autonomy Assistance Tools within the system and principles of the Republic of Indonesia as mentioned in the Law of the Republic of Indonesia year 1945.
- g. Project is an activity that is part of a program which is consisted of a set of activities to use resources in a form of human, capital goods including tools and technology, fund, or a combination of several or all the resources as an input to produce output in a form of goods/service.

2. This rule applies to Region that conducts Municipal Bond Public Offering.

3. Rule No. IX.A.1 concerning General Requirements Regarding Submission of a Registration Statement and Rule No. IX.A.2 concerning Registration Procedure for a Public Offering, apply to the Registration Statement for Municipal Bond Public Offering, unless otherwise stated in this Rule.
4. The Registration Documents for Municipal Bond Public Offering must at least contain the following :
  - a. Cover letter for the Registration Statement, based on Form Number IX.C.12-1 attachment of this Rule;
  - b. Prospectus, complied with Rule Number IX.C.13 concerning Guideline of Form and Content of Prospectus for Municipal Bond Public Offering.
  - c. Summary Prospectus, based on Rule Number IX.C.14 concerning Guideline of the Form and Content of Summary Prospectus for Municipal Bond Public Offering.
  - d. The Proposed Public Offering Schedule;
  - e. Example of Municipal Bond Certificate
  - f. The most recent audited Regional Financial Statement presented based on Rule No. VIII.G.14 concerning Guideline for Presenting Regional Financial Statement;  
  
The time period between the date of the last audited financial statement as presented in the Prospectus and the effective of the Financial Statement must not more than 9 (nine) months;
  - g. Letter from the Accountant with regard to changes that occur after the financial statement date (comfort letter) that is prepared according to Rule Number VIII.G.15 concerning Guideline for Preparing Comfort Letter On Municipal Bond Public Offering.
  - h. A written statement with regard to accounting matter from the Head of Region, that is prepared based on Rule Number VIII.G.16 concerning Guideline for Preparing Representation Letter by Head of Region regarding Accounting Matter With Regard to Municipal Bond Public Offering;
  - i. Legal Opinion
  - j. Curriculum Vitae of the Head of Region, Vice Head of Region, Bond Management Unit Manager, Project Manager and Project Treasurer;
  - k. Trust Agent agreement between the Region and the Trustee;
  - l. A statement form Parties related with Municipal Bond Registration Statement:

- 1) A statement from the Head of Region as specified in Form Number IX.C.12-2 attachment of this Rule; and
  - 2) A statement from the Capital Market Supporting Professional as specified in Form Number IX.C.12-3 attachment of this Rule;
  - m. Report on the Feasibility Study of the Project and Project Business from the Appraiser.
  - n. Approval from The Finance Minister of the Republic of Indonesia with regard to the issuance of Municipal Bond; and
  - o. Regional Regulation concerning the issuance of Municipal Bond.
5. In case the Region :
- a. conducts preliminary offering;
  - b. has a guarantee agreement with an underwriter;
  - c. has a preliminary listing contract with a Stock Exchange;
  - d. has an underwriting agreement an underwriter; and or
  - e. states the result of the securities rating from an Appraiser in Prospectus, preliminary prospectus, guarantee agreement, preliminary listing agreement, underwriting agreement, and or the result of securities rating from the Appraiser must be submitted to Capital Market and Financial Institution Supervisory Agency (CMFISA) along with the Registration Statement.
6. In case the Municipal Bond Registration Statement is guaranteed by an Underwriter, Managing Underwriter must make a statement as specified in Form Number IX.C.12-4 as attached to this Rule, and the Region must submit the Statement to CMFISA along with the Registration Statement.
7. All the documents referred to in number 4, number 5, and number 6 above are public documents.
8. Summary prospectus referred to in number 4 letter c, must be published in at least 1 (one) Indonesian newspaper that has a nationwide circulation no latter than 2 (two) working days after the submission of the Registration Statement to CMFISA and the proof of the publication must be submitted to CMFISA no latter than 2 (two) working days after the publication.
9. In order to protect the interest of investors, CMFISA may ask for some explanation or additional information apart form what has been required in number 4 above, among other :

- a. Certain information related to the Head of Region, Vice Head of Region, Municipal Bond Management Unit Manager, Project Manager and Project Treasurer, which include:
    - 1) Tax Identification Number;
    - 2) Copy of Identification Card;
    - 3) A statement, sealed with appropriate stamp duty, concerning whether or not there is an involvement in any legal case; and
  - b. Other statement from parties that have roles in the Public Offering to support the sufficiency and accuracy of the required disclosure.
10. All the documents required by number 9 above are not public documents.
11. Without least affecting the effectiveness of criminal provision in the Capital Market, CMFISA has the authority to impose sanction on any Party that violates this Rule or any Party that causes the violation of this rule.

Signed in Jakarta

On 13 April 2007

Chairman of the Capital Market and  
Financial Institution Supervisory  
Agency

Signed

**A. Fuad Rahmany**  
NIP. 060063058

**FORM NUMBER : IX.C.12-1**

Number : .....(domicile),.....(date./month/year)  
Attachment :  
Regarding : Cover Letter for the To  
Registration Statement of Chairman of Bapepam dan  
Municipal Bond Offering LK  
..... in -  
(name of Region) J a k a r t a

We hereby submit 4 (four) copies of the Registration Statement of Municipal Bond Offering, as follow :

(DESCRIBE : - NATURE  
- NUMBER OF SECURITIES and  
- A BRIEF DESCRIPTION OF THE SECURITIES OFFERED )

1. Issuer Region:
  - a. Full name;
  - b. Full Address; and
  - c. Legal background for the Region;
2. Name, location, purpose and value of the project
3. Planned Public Offering Period
4. Number of submitted Registration Statement pages
5. List of submitted documents:
  - a. ....
  - b. ....
  - c. ....

STATEMENTS OR INFORMATION DISCLOSED IN THE REGISTRATION STATEMENT IS TRUE AND THERE IS NO MATERIAL FACTS NEEDED FOR THE REGISTRATION STATEMENT NOT TO BE MISLEADING THAT HAS NOT BEEN DISCLOSED IN THE REGISTRATION STATEMENT.



Head of Region  
.....(the name of the region)

appropriate stamp of duty  
(signature)

(full name of the Head of Region)

**FORM NUMBER : IX.C.12-2**

**STATEMENT OF HEAD OF REGION**

We, Head of Region of :

Region : .....(Name of Region)

Address : .....(Office Address of Regional Government)

with regard to Municipal Bond Public Offering of ..... (name of the Region), for ..... (the number of Securities offered, in letter), amounting of Rp. ....(.....Rupiah) state that :

1. The Municipal Bond Public Offering Registration Statement submitted to Bapepam dan LK on ..... (date) is complete and is in compliance with capital market regulations.
2. After a careful and thorough review, we are sure that the Registration Statement submitted does not include any statements or information or facts that are false or misleading.
3. After a careful and thorough review, we are sure that all information or material facts which are needed by investors for making investment decisions have been fully disclosed.
4. Further, we will take any further actions considered necessary to perfect or complete the submitted Registration Statement. If false, or misleading, information or facts are found or the Registration Statement does not disclose material information that should be disclosed, we promise to up-date the Statement by submitting the necessary facts or information, to Bapepam dan LK both before and after the Registration Statement become effective.
5. If false, or misleading, information or facts are found or the Registration Statement does not disclose material information that should be disclosed, at the request of Bapepam dan LK we agree to:
  - a. change the Registration Statement and redistribute the Prospectus;
  - b. postpone the Public Offering, and or

- c. cancel the Public Offering.
6. We understand that we may be subject to both civil or criminal actions on the basis of false, or misleading, information or facts, or non disclosure of material information or facts related to the Public Offering.
  7. We do not have any other agreements with an Underwriter for the Public Offering except the agreements which have been disclosed in the Registration Statement (if the Region use Underwriter).
  8. We promise to give the same information or facts, to prospective domestic and foreign investors at the same time.
  9. We are prepared to submit all information or reports required by Bapepam dan LK in accordance with the applicable Capital Market regulations.
  10. We promise to manage and supervise the Project that will be funded by the Municipal Bond for the interest of all Municipal Bondholders.

..... (domicile) , .....(date/month/year)

Head of Region

.....(name of Region)

(signature)

appropriate stamp duty

(name)

FORM NUMBER: IX.C.12-4

**STATEMENT OF SECURITIES MANAGING UNDERWRITER**

We are commissioners and directors of:

The Managing Underwriter : .....  
Address : .....  
.....

with regard to Municipal Bond Public Offering of ..... (name of the Region), for ..... (the number of Securities offered), amounting of Rp. .... (.....Rupiah) state that :

1. The Public Offering Registration Statement submitted to Bapepam dan LK on (date)..... is complete and is in compliance with the applicable Capital Market regulations.
2. After a careful and thorough review, we are convinced that the Registration Statement submitted does not consist of any false, or misleading, statement or information or fact.
3. After a careful and thorough review, we are convinced that all Material Information or Facts which are needed by investors for making investment decisions have been disclosed.
4. We have conducted a review of the Registration Statement, sent questions and requested written information from the Region Issuer and Capital Market Supporting Professionals involved with the Registration Statement. The questions and information requests have been answered in writing and covered all of the information or material facts that needed by an investor in making an investment decision to sell or purchase the offered Securities.
5. We also have conducted a review of all the information or facts provided by the Region Issuer and Capital Market Supporting Professionals. Based on our review of all answers and information or fact provided by the ..... (the name

of the Region Issuer) and the Capital Market Supporting Professionals, we conclude that the information or facts provided are true and complete.

6. We realize that there is a possibility of civil lawsuits or criminal claims if there is a false, or misleading, information or facts, or the Registration Statement has not disclosed the necessary information or material facts with regard to the Public Offering.
7. We do not have any other agreement with ..... (name of Region Issuer) or other Underwriter for the Public Offering except the agreements which have been disclosed in the Registration Statement.
8. We are prepared to submit all information, facts, or reports requested by Bapepam dan LK in accordance with applicable Capital Market regulations.
9. We promise to give the same information or facts, to both domestic and foreign prospective investors at the same time.

..... (domicile) , .....(date/month/year)

commissioner

Director

(signature)

(signature)  
appropriate stamp duty

(name)

(name)

FORM NUMBER : IX.C.12-3

**STATEMENT OF THE CAPITAL MARKET SUPPORTING PROFESSIONAL**  
(Public Accountant/Notary/Legal Consultant/Appraiser\*)

We, the undersigned:

Name of the Capital Market  
Supporting Professional : .....  
Name of Director / Partner : .....  
Address : .....  
Registration Number : .....

Acting as Capital Market Supporting Professional (Public Accountant/Notary/  
Legal Consultant / Appraiser 1)) for Municipal Bond Public Offering of ..... (name  
of Region), for ..... (number of Securities offered, in letter),  
amounting to Rp. ....(.....Rupiah) state that :

1. We are responsible for our opinion which is an integral part of the Registration Statement.
2. We, as Capital Market Supporting Professionals, have followed the norms or professional standards and professional codes of ethics for .....(Public Accountant/Notary\*\*) / Legal Consultant/ Appraiser \* )
3. We, in conducting our duties as the Capital Market Supporting Professionals, have been independent and do not have any conflict of interest with the Region Issuer and other Capital Market Supporting Professionals.
4. We are responsible for a review of the Registration Statement and have submitted questions to and requested written information from the ..... (name of the Region Issuer), and, when necessary, requested information or facts from

other Persons. We have received answers from the other Persons and in written form from..... ( name of the region Issuer). Our procedures have complied with professional standards or norm and the applicable Capital Market regulations.

5. After a careful and thorough review, we are convinced that the Registration Statement submitted does not include any statement or information or fact that is false or misleading.
6. After a careful and thorough review according to the professional standards, we are convinced that there is nothing that may restrain the execution of this Public Offering.
7. We are responsible for our opinion that is issued with regards to this Public Offering and we have read all Prospectus and Registration Statement documents, in order to determine whether the related information or facts are consistent with our opinion.
8. If there is information or facts that are false or misleading or if our opinion has not disclosed the information or facts that should be disclosed, we agree to submit the related information or facts immediately to Bapepam dan LK, either before or after the effectiveness of the Registration Statement.

..... (domicile) , .....(date/month/year)

The Capital Market Supporting Professional  
(Public Accountant/Notary/Legal  
Consultant/ Appraiser\*)

(signature)  
appropriate stamp duty

(name)

\*) cross out unnecessary items

\*\*) Special for Notaries, the meaning for professional standards in this statement refers Law Number 30 year 2004 concerning Notary Position