

**MINISTRY OF FINANCE OF REPUBLIC OF INDONESIA**  
**CAPITAL MARKET SUPERVISORY AGENCY**

**DUPLICATE OF**  
**DECISION OF CHAIRMAN OF CAPITAL MARKET SUPERVISORY AGENCY**  
**NUMBER: KEP-28/PM/2004**

**CONCERNING**

**AUCTION OF SECURITIES EXCHANGE SHARES**

**CHAIRMAN OF CAPITAL MARKET SUPERVISORY AGENCY,**

Considering : that with the extension to transfer the Securities Exchange shares owned by Securities Companies to other Person as stipulated in the Government Regulation Number 12 Year 2004 concerning The Amendment of Government Regulation Number 45 Year 1995 concerning Capital Market Organization, it is deemed necessary to revise Rule Number III.A.11 concerning Auction of Securities Exchange Shares.

In view of : 1. Law Number 8 of 1995 Concerning Capital Market (Statute Book Year 1995 Number 64, Supplement to the Statute Book Number 3608);

2. Government Regulation Number 45 of 1995 Concerning Capital Market Organization (Statute Book Year 1995 Number 86, Supplement to Statute Book Number 3618 );

3. Government Regulation Number 46 of 1995 Concerning Capital Market Organization (Statute Book Year 1995 Number 87, Supplement to Statute Book Number 3618 );

4. President of Indonesia Decree Number 7/M Year 2000;

**HAS DECIDED:**

To issue : **DECISION OF CHAIRMAN OF CAPITAL MARKET SUPERVISORY AGENCY CONCERNING AUCTION OF SECURITIES EXCHANGE SHARES**

Article 1

Provisions concerning Auction of Securities Exchange Shares are regulated in Rule Number III.A.11 as stipulated in the attachment of this Decision.

**MINISTRY OF FINANCE OF REPUBLIC OF INDONESIA**  
**CAPITAL MARKET SUPERVISORY AGENCY**

Article 2

With the enactment of this Decision, the Decision of Chairman of Capital Market Supervisory Agency Number Kep-30/PM/1998 dated June 19, 1998 is declared revoked.

Article 3

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

In order to all may be informed, this Decision shall be promulgated by publication in the State Gazette of the Republic of Indonesia.

Enacted in : Jakarta  
Date : September 24, 2004

Chairman Of Capital Market Supervisory Agency

Signed

Herwidayatmo  
NIP. 060065750

Based on the original documents  
Executive Secretary

Pande Putu Raka  
NIP 060034443

ATTACHMENT:  
Decision Of The Chairman Of  
Bapepam  
Number : Kep-28/PM/2004  
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**RULE**                                      **AUCTION OF SECURITIES EXCHANGE**  
**NUMBER III.A.11:**                      **SHARES**

1. Securities Exchanges must conduct an auction of Securities Exchange shares on the first work day of each month.
2. Securities Exchange shares that are included in item 1 above may be in the following categories:
  - a. Category A is Securities Exchange shares that have not yet been issued or that have been repurchased by the Securities Exchange;
  - b. Category B is Securities Exchange shares that are owned by Persons that have not been members of the Securities Exchange for a period of less than 12 (twelve) months and have requested that such shares be offered for sale; and
  - c. Category C is Securities Exchange shares that are owned by Persons that have not been members of the Securities Exchange for more than 12 (twelve) months and who are not in the process of becoming members of a Securities Exchange.
3. The auction of Category A Securities Exchange shares may only be conducted after all Category B and Category C Securities Exchange shares had been auctioned.
4. Offers to buy Securities Exchange shares at the auction may be made only by licensed Broker-dealers and or Underwriters that do not have a share of that Securities Exchange and already have a confirmation from the Securities Exchange that they are qualified to become a member of the Securities Exchange.
5. Within 10 (ten) days of receiving a request from a Securities Company to issue a confirmation concerning its qualification to become an Exchange member as indicated in item 4, the Securities Exchange must notify the Securities Company that it is qualified or refuse the request and notify Bapepam of that conclusion.
6. Securities Exchanges may recover reasonable expenses for conducting auctions of Securities Exchange shares with the condition that the amount recovered may not be greater than 1% (one percent) of the price paid by the Person that won the auction.
7. The auction of Category A Securities Exchange shares must be made at the best bid price that is not less than the par value of the shares.
8. The auction of Category B Securities Exchange shares must be made at the best bid price that is not less than the price set by the owner of the shares.
9. The auction of Category C Securities Exchange shares must be made at the best bid price that is not less than the par value of the shares.

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10. Category C Securities Exchange shares that have been offered during 6 (six) months and have not been sold must be purchased by the Securities Exchange at the close of the 6<sup>th</sup> (sixth) auction at the par value of the shares.
11. A purchaser of a Securities Exchange share in an auction based on this rule must submit an application to become a member of the Securities Exchange within 5 (five) days after buying the share and the Securities Exchange must give a reply to the application within 5 (five) days after receiving the application and send a copy of the reply to Bapepam.
12. The supervisor of the Securities Exchange inspection unit must report the results of Securities Exchange share auctions in writing to Bapepam with a copy to the Board of Commissioners no later than the 10th (tenth) of each month after the Exchange has conducted an auction. The report shall, among other things, contain the auction publication date, the implementation date, the opening price, the bid prices during the auction, Persons that made bids, the final auction price, the Person that was the winner of the auction and other important information relating to the auction.
13. A Securities Exchange must publish shares that are to be auctioned and notify in writing the Securities Company that has a license from Bapepam as a Broker-dealer and or Underwriter that owns the shares at least 20 (twenty) days before the auction is to be conducted.
14. The owners of Securities Exchange shares whose shares are to be auctioned by the Securities Exchange may submit an objection to Bapepam with respect to the Securities Exchange action not later than 15 (fifteen) days prior to the auction.
15. Bapepam may approve or reject the objection submitted by the owner of the shares referred to in item 14 not later than 10 (ten) days after receiving the objection.
16. If Bapepam approves the objection of the shareowner, the Securities Exchange must cancel the plan to conduct the auction.
17. Without limiting the authority of the Criminal Provisions in the Capital Market, Bapepam has the authority to impose sanction on any Person that violates this Rule including to those who provoke the violation

Authorized in Jakarta  
On September 24, 2004  
Chairman of Capital Market  
Supervisory Agency

Signed

Herwidayatmo  
NIP 060065750

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As the original document  
Secretary

Wahyu Hidayat  
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