

**RULE NUMBER III.A.2: PROCEDURES FOR RULE-MAKING BY
SECURITIES EXCHANGES.**

Attachment :
Decision Of The Chairman Of Bapepam
Number : Kep-03/PM/1996
Date : January 17, 1996
Substitute Prior Decision
Number : Kep-12/PM/1993
Date : May 23, 1993

1. Securities Exchange rules or amendments thereto shall be made after considering opinions of the Members of the Securities Exchange, the Clearing Guarantee Institution, the Central Securities Depository and other interested Persons.
2. Securities Exchange rules or the amendments thereto referred to item 1 in this rule must have prior approval from the board of commissioners before being submitted to Bapepam for approval.
3. Proposals of Securities Exchange rules or amendments thereto shall be submitted to Bapepam in 4 (four) copies using Form Number III.A.2-1 attachment 1 in this rule, accompanied by the following documents:
 - a. the rule to be approved;
 - b. the approval from the board of commissioners;
 - c. the opinion of the Members of the Securities Exchange; and
 - d. the opinions of other Persons interested in the rule.
4. The submission should explain the reason to propose the rule, such as the background for drafting the rule, the problem(s) covered by the rule, and how the rule assists in solving the problem(s).
5. In processing the proposal referred to item 3 of this rule:
 - a. approval or rejection of the amendments of Securities Exchange rules shall be given no later than 60 (sixty) days after a complete proposal is received by Bapepam;
 - b. during the period referred to in letter a, Bapepam may ask the Securities Exchange to change the content of the amendment and or ask for additional information related to the rule using Form Number III.A.2-2, attachment 2 of this rule; and
 - c. whenever a change and or the additional information referred to in letter b is submitted to Bapepam, the proposal is deemed to be submitted as of the date Bapepam receives the change or the additional information.
6. Rejection of the proposed rule(s) or amendment(s) to the Securities Exchange rules shall be given by using Form Number III.A.2-3 attachment 3 of this rule.

7. Approval of the proposed rule(s) or the amendment(s) to the Securities Exchange rules shall be given by using Form Number III.A.2-4 attachment 4 of this rule.
8. Interpretation of Securities Exchange rules to clarify the meaning, but not to change or give additional meaning, and the provisions regarding internal activities of the human resources division of the Securities Exchange, the use of identification cards, and standard operational procedures of the Securities Exchange will be valid upon submission to Bapepam.
9. Notification regarding the interpretation of Securities Exchange rules and provisions regarding the execution of internal activities of the Securities Exchange referred to item 8 of this rule shall be submitted to Bapepam using Form Number III.A.2-5 attachment 5 of this rule, accompanied by an explanation and the background for drafting the rule.
10. Bapepam may cancel an interpretation and a provision regarding the internal activities of the Securities Exchange as referred to item 8 in this rule within 30 (thirty) days after the validity of the rule, using Form Number III.A.2-6 attachment 6 of this rule.

FORM NUMBER: III.A.2-1

Attachment : 1
Rule Number : III.A.2

Number :19..
Enclosure :
Subject : Application for Approval of Amendments
toSecurities Exchange Rules.

To:
Chairman of Bapepam
At -
Jakarta

Here by we submit an application for approval of amendments ofSecurities Exchange rules which consist of:

1.
2.
3.

For your consideration, we submit the following explanation and documents:

1.
2.
3.

Thank you for your attention.

PT. Bursa Efek,

(Full Name)

.....
President Director/ Directors

FORM NUMBER: III.A.2-2

Attachment : 2
Rule Number : III.A.2

Number : S- /PM/19..,.....19..
Enclosure :
Subject : Request for Additional Information Regarding the Application
for Approval of an Amendment to
Securities Exchange Rules.

To:
.....
At -
.....

Referring to your letter number: dated..... regarding an application for approval of an amendment to Securities Exchange rules, please be informed that the amendment needs some clarification, as follows:

- 1.
- 2.
- 3.

Please be advised accordingly.

CAPITAL MARKET SUPERVISORY AGENCY
Chairman,

.....
NIP.....

- cc:
- 1. Secretary of Bapepam;
 - 2. Heads of Bapepam Bureaus.

FORM NUMBER: III.A.2-3

Attachment : 3
Rule Number : III.A.2

Number : S- /PM/19.... Jakarta,.....
Enclosure :
Subject : Rejection to an Application for Approval of an Amendment of Securities
Exchange Rules.

To:
Directors of Securities Exchange
in –
.....

Referring to your letter Number: dated..... regarding an application for approval of an amendment of Securities Exchange rules, please be advised that your application is rejected for the following reasons:

1.
2.
3.

Please be advised accordingly.

CAPITAL MARKET SUPERVISORY AGENCY
Chairman,

.....
NIP.....

- cc:
1. Secretary of Bapepam;
 2. Heads of Bapepam Bureaus.

FORM NUMBER: III.A.2-4

Attachment : 4
Rule Number : III.A.2

Number : S- /PM/19.. Jakarta.....
Enclosure :
Subject : Approval of an Amendment of Securities Exchange Rules.

To:
Director of Securities Exchange
in -
.....

Referring to your letter Number: dated regarding an application for approval of an amendment to Securities Exchange rules, please be informed that your proposed amendment to Securities Exchange rules is approved.

Pleased be advised accordingly.

CAPITAL MARKET SUPERVISORY AGENCY
Chairman,

.....
NIP.....

- cc:
1. Secretary of Bapepam;
 2. Heads of Bapepam Bureaus.

FORM NUMBER: III.A.2-5

Attachment : 5
Rule Number : III.A.2

Number : S- /PM/19.....,19..
Enclosure :
Subject : Notification of Interpretation of Securities Exchange Rules
or Issuance of Internal Activities Rules.

To:
Chairman of Bapepam
in -
Jakarta

We hereby notify you that the Directors of the..... Securities Exchange have made an interpretation of Securities Exchange rules or issued internal activities rules as follows :

1.
2.
3.

As additional information we submit an explanation for the interpretation of Securities Exchange rules or issuance of internal activities rules, as follows :

1.
2.
3.

Thank you for your attention.

PT Bursa Efek.....

(Full Name)

.....
President Director/ Directors

FORM NUMBER : III.A.2-6

Attachment : 6
Rule Number : III.A.2

Number : S- /PM/19..19....
Enclosure :
Subject : Cancellation of the Validity of an Interpretation of a Securities Exchange Rule
or an Internal Activities Rule.....

To:
Directors of Securities Exchange
in-

.....
Referring to your letter number..... dated regarding
notification of an interpretation of a Securities Exchange rule or the issuance of
an internal activities rule, we hereby notify you that your interpretation or rule is canceled, for
the following reasons:

- 1.....
- 2.....
- 3.....

The cancellation is effective from the date of the interpretation or issuance of the internal
activities rule.

Pleased be advised accordingly.

CAPITAL MARKET SUPERVISORY AGENCY
Chairman,

.....
NIP.....

- cc:
1. Secretary of Bapepam;
 2. Heads of Bapepam Bureaus.