

PRESS RELEASE THE ISSUANCE OF BAPEPAM RULE

Today, on March 25th 2003, Bapepam issued 1 (one) new rule, Bapepam Rule No. III.D.1 concerning Trading Organization of Government Debt Securities.

The purpose of this rule issuance is to carry out Article 15 Law No.24 Year 2002 concerning Government Debt Securities emphasizes on creating efficient and sound trading environment for Government Debt Securities, therefore the tasks to regulate and to supervise is handed to government institution that perform regulation and supervision in capital market. Beside that, another purpose of this rule is to give legal foundation to the trading and supervision of Government Debt Securities and also to give protection for the interest of investor and market participants of Government Debt Securities market.

These are the main topics of the new rule:

- a. The trading of Government Debt Securities have to follow capital market regulation, and it can be done through Stock Exchanges or not through Stock Exchanges.
- b. Government Debt Securities trading procedure in Stock Exchange has to follow rules set by the Stock Exchange, whereas the trading outside Stock Exchange has to follow rules set by party that organizes Government Debt Securities trading outside Stock Exchange.
- c. Party that organizes Government Debt Securities trading outside Stock Exchange has to have business license issued by Bapepam through submission of necessary documents, such as:
 - deed of establishment containing Article of Association approved by Ministry of Justice and Human Rights;
 - structure of organization and board of management of directors and supervisors of board of commissioners along with their curriculum vitae.
 - draft of membership, trading, and trading surveillance rules;
 - draft of trading organization system and its supporting facilities;
 - list of membership who will use its services; and
 - balance sheet audited by accountant registered in Bapepam
- d. Party that organizes Government Debt Securities trading outside Stock Exchange is required to:
 - Provide trading system and or facility and surveillance;
 - Established article of association;

- Established rules of membership, trading, and trading surveillance;
- Supervise its members trading activities of Government Debt Securities outside Stock Exchange;
- Take necessary action toward all indication or violation of capital market regulation and or rules;
- Submit reports to Bapepam, such as: daily transaction, monthly transaction recapitulation, annual activities, violation and saction imposed on its members, and particular event; and
- Administrate, record, and maintain notes, book-keeping, data, and written statement related to trading and membership data.

Jakarta, March 25th 2003
Indonesian Capital Market Supervisory
Agency

On behalf of the Chairman,
Director of Regulation and Legal Counsel
Bureau

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