

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

**DUPLICATE OF**

**DECISION OF THE CHAIRMAN OF CAPITAL MARKET  
AND FINANCIAL INSTITUTIONS SUPERVISORY AGENCY  
NUMBER: KEP- 177/BL/2008**

**CONCERNING**

**CHANGES OF RULE NUMBER IV.B.2 CONCERNING GUIDELINES FOR  
THE INVESTMENT FUND IN THE FORM OF COLLECTIVE  
INVESTMENT CONTRACT**

**CHAIRMAN OF CAPITAL MARKET AND FINANCIAL INSTITUTIONS  
SUPERVISORY AGENCY,**

- Considering :
- a. that in order to enhance the legal certainty and to harmonize the needs on Investment Fund product improvement aligned with practice, some guidelines on contract of the Investment Fund in the form of Collective Investment Contract need to be adjusted;
  - b. that in accordance with consideration as stipulated in letter a, Rule Number IV.B.2, Attachment of the Decision of Chairperson of Capital Market and Financial Institutions Supervisory Agency Number Kep-428/BL/2007 concerning Guidelines for the Investment Fund in the Form of Collective Investment Contract need to be amended;
- In view of :
1. Decree of the President of the Republic of Indonesia Number 45/M year 2006;
  2. Decision of Chairperson of Capital Market and Financial Institutions Supervisory Agency Number Kep-428/BL/2007 concerning Guidelines for the Investment Fund in the Form of Collective Investment Contract.

**HAS DECIDED:**

To enact : **DECISION OF CHAIRMAN OF CAPITAL MARKET  
AND FINANCIAL INSTITUTIONS SUPERVISORY  
AGENCY CONCERNING GUIDELINES FOR THE  
INVESTMENT FUND IN THE FORM OF COLLECTIVE  
INVESTMENT CONTRACT.**

## Article 1

Provision in item 10 letter a Rule Number IV.B.2, Attachment of the Decision of Chairperson of Capital Market and Financial Institutions Supervisory Agency Number Kep-428/BL/2007 concerning Guidelines for the Investment Fund in the Form of Collective Investment Contract is amended so that the entire item 10 letter a is as follows:

- “a. within 30 (thirty) Exchange days since the Registration Statement has become effective, the fund is less than Rp25.000.000.000 (twenty billion rupiah);

In the case of Protected Investment Fund, Guaranteed Investment Fund, and Index Fund which conduct limited Public Offering, within 90 (ninety) Exchange days since the Registration Statement has become effective, its fund is less than Rp 25.000.000.000,00 (twenty five billion rupiah);

## Article 2

With the amendment as stipulated in Article 1 of this Decision, the entire provisions of Rule Number IV.B.2, Attachment of the Decision of Chairperson of Capital Market and Financial Institutions Supervisory Agency Number Kep-428/BL/2007 concerning Guidelines for the Investment Fund in the Form of Collective Investment Contract, are as stipulated in the attachment f this Decision.

## Article 3

This Decision shall become effective since 19 December 2007.

In order that all may be informed, it is ordered that this Decision be proclaimed by publication in the State Gazette of the Republic of Indonesia.

Enacted in : Jakarta  
Date : May, 14, 2008

Chairman of Capital Market and  
Financial Institutions Supervisory Agency

Signed

**A. Fuad Rahmany**  
NIP 060063058

Based on the original documents  
Head of General Affairs Division

Signed

**Prasetyo Wahyu Adi Suryo**  
NIP 060076008

**ATTACHMENT:**

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

Number : Kep-177/BL/2008

Date : May 14, 2008

**RULE NUMBER IV.B.2: GUIDELINES FOR CONTRACT OF  
INVESTMENT FUND IN THE FORM OF  
COLLECTIVE INVESTMENT CONTRACT**

1. A contract of Investment Fund in the form of Collective Investment Contract must contain at least the following:
  - a. the name and address of the Investment Manager;
  - b. the name and address of the Custodian Bank;
  - c. the composition of portfolio diversification in money market and Capital Market;
  - d. allocation of expenses to be borne by Investment Manager, Custodian Bank, and investors, if any;
  - e. policy governing the periodical profit sharing distribution to Participation Unit holders;
  - f. any circumstances under which the Investment Manager may refuse the Participation Unit redemption;
  - g. activities that Investment Fund are prohibited to do;
  - h. obligations and responsibilities of the Investment Manager;
  - i. obligations and responsibilities of the Custodian Bank;
  - j. termination of Collective Investment Contract;
  - k. changing of Investment Manager or Custodian Bank in Collective Investment Contract;
  - l. the rights of Participation Unit holders;
  - m. procedures for Participation Unit redemption;
  - n. limitation on Participation Unit ownership by each investor, if any;
  - o. the initial Net Asset Value of Investment Fund;
  - p. submission of annual financial statement of Investment Fund;
  - q. force mayor beyond control of Investment Manager and or Custodian Bank so that both parties are unable to conduct their duties (emergency circumstances);

- r. the liquidation of Investment Fund; and
  - s. the expenses related to the liquidation of Investment Fund.
2. Referring to item 1 letter g above, Investment Manager is prohibited at least from engaging the following activities:
- a. purchasing Securities traded on foreign Stock Exchanges whose information is not accessible through mass media or any available internet facility;
  - b. purchasing Securities traded on foreign Stock Exchanges whose information is accessible through mass media or any available internet facility with the value of more than 15% (fifteen percent) of the Net Asset Value of Investment Fund, except Securities issued by the Indonesian Government, Issuers and or Public Companies based on Indonesian Capital Market regulations;
  - c. purchasing Securities issued by an Indonesian corporation or foreign corporation and traded on foreign Stock Exchanges with the value of more than 5% (five percent) of the paid in capital of the corporation or more than 10% (ten percent) of the Net Asset Value of Investment Fund at any time;
  - d. purchasing Equity Securities of an Issuer listed on Indonesian Stock Exchange with the value of more than 5% (five percent) of its paid in capital of the Issuer;
  - e. purchasing Securities issued by a Person with the value of more than 10% (ten percent) of the Net Asset Value of the Investment Fund at any time. This restriction include ownership of Securities issued by banks excluding Certificates of Bank Indonesia and Securities issued by Government of Indonesia and or international financial institution in which Government of Indonesia is one of the member;
  - f. performing hedging transactions on the purchase of Securities traded on foreign Stock Exchange which is greater than the value of the Securities purchased;
  - g. purchasing Asset Backed Securities with the value of more than 10% (ten percent) of the Net Asset Value of the Investment Fund under the condition that the value of each type of Asset Backed Securities is not more than 5% (five percent) of the Net Asset Value of the Investment Fund;
  - h. purchasing Securities which are not offered through a Public Offering and or traded on Indonesian Stock Exchange, except for the Securities rated by Securities Rating Company, money market Securities, Securities mentioned in letter b above, Securities issued

- by Government of Indonesia or international financial institution in which Government of Indonesia is one of the member;
- i. purchasing Securities issued by any Person affiliated with Investment Manager with the value of more than 20% (twenty percent) of the Net Asset Value of the Investment Fund, unless the Affiliation is as a result of Government participation;
  - j. purchasing Securities issued by Participation Unit holder and or Affiliated Person of the Participation Unit holder based on the commitment between Investment Manager and Participation Unit holder and or affiliated Person of the Participation Unit holder;
  - k. involved in any activities other than investing, re-investing or Securities trading;
  - l. involved in any Securities short selling;
  - m. purchasing any Securities on margin;
  - n. issuing bond or credit Securities;
  - o. involved in any type of loan, except for a short term loan relating to the settlement of transaction and such loan shall not be more than 10% (ten percent) of the value of the Investment Fund portfolio at the time of the purchase;
  - p. purchasing Securities offered through Public Offering in which the Underwriter of this offering is the Investment Manager or its Affiliates unless the Affiliation is as a result of Government participation;
  - q. entering into any joint transaction or profit-sharing contract with the Investment Manager or its Affiliates;
  - r. purchasing Asset Backed Securities offered through a Public Offering:
    - 1) whose the Investment Manager is the same as that of Investment Fund;
    - 2) by its Affiliates; and or
    - 3) whose the Investment Manager of the Investment Fund is affiliated with the Originator; and
  - s. purchasing Asset Backed Securities which are not offered in a Public Offering and are not rated by Securities Rating Company.
3. Responsibilities of Investment Manager as mentioned in item 1 letter h above shall include at least the following:
- a. procedures for book keeping and reports;
  - b. procedures for termination of contracts;

- c. prohibition against terminating an Investment Manager prior to the assignment of new Investment Manager;
  - d. segregation of assets between Investment Fund and Investment Manager;
  - e. procedures for selling Participation Units;
  - f. procedures for Participation Unit redemption;
  - g. determination of daily fair market value of Securities in the portfolio and submitting it immediately to the Custodian Bank;
  - h. designation of another Custodian Bank, if deemed necessary;
  - i. investing according to the investment composition as stated in the contract;
  - j. obligation to redeem Participation Unit for the account of Investment Fund or its own;
  - k. obligation to prepare and submit annual financial statement to the Participation Unit holders and Bapepam-LK; and
  - l. publication of revised Prospectus which is accompanied with the latest annual financial statement and submission of the documents to Bapepam-LK at the end of the third month after the period of financial statement has ended.
4. Responsibilities of Custodian Bank as mentioned in item 1 letter i above shall include at least the following:
- a. procedures for book keeping and reports;
  - b. procedures for termination of contract;
  - c. responsibilities borne by Custodian Bank for the losses resulted by its negligence;
  - d. obligation to calculate the Net Asset Value of Investment Fund every Exchange day;
  - e. recording any change of portfolio, number of Participation Units, expenses, management fees, dividend, interest, or other revenue(s) according to Bapepam-LK regulations;
  - f. settlement of Securities transaction in accordance to instruction of Investment Manager;
  - g. payment of management fees and other expenses that are charged to the Investment Fund portfolio in accordance with the contract;
  - h. payment of any cash related to the contract to the Unit Holders;

- i. keeping separate records showing changes in the number of Participation Units owned by every Participation Unit holders, names, citizenships, addresses and other identities of such Persons;
  - j. ensuring that every Participation Unit issued is only based on fund received from prospective Participation Unit holders;
  - k. organizing issuance and redemption of Participation Unit, book keeping, and or any activities as deemed necessary in accordance with the contract;
  - l. separating accounts of Investment Fund from Custodian Bank;
  - m. providing Collective Custodial services relating to Investment Fund assets;
  - n. preparing and submitting reports to Investment Manager, Bapepam-LK, and investors; and
  - o. refusing any instruction of Investment Manager in writing with carbon copy to Bapepam-LK if such instruction at the time received by Custodian Bank definitely violates regulations of Capital Market and or Collective Investment Contract.
5. The rights of Participation Unit holders as referred to in item 1 letter l above shall include at least the following:
- a. to obtain proof of ownership;
  - b. to obtain financial statement of Investment Fund periodically;
  - c. to obtain sufficient information regarding the daily Net Asset Value of Investment Fund;
  - d. to redeem and transfer some of or all the Participation Units;
  - e. to obtain profit sharing (if any);
  - f. to obtain report as mentioned in Rule Number X.D.1 regarding Investment Fund Report; and
  - g. to gain part of liquidation proceeds.
6. The procedures for Participation Unit Redemption as mentioned in item 1 letter m above, must contain provision which stipulates that the Participation Unit Redemption Form which has been completely received by the Investment Manager by one o'clock in the afternoon of Western Indonesian Time must be processed based on Net Asset Value of the Investment Fund stated at the end of the respective Exchange day. The Participation Unit Redemption Form which has been received after one o'clock in the afternoon of Western Indonesian Time must be processed based on Net Asset Value of the Investment Fund stated at the end of the following Exchange day.

In the case of Exchange Traded Fund, such provision shall not be applied, on condition that its Collective Investment Contract stipulates differently and the provision shall be disclosed in the Prospectus of the Exchange Traded Fund.

7. The initial Net Asset Value of Investment Fund of each Participation Unit must be Rp 1,000 (one thousand rupiah). Meanwhile, the initial Net Asset Value of Investment Fund denominated in foreign currency must be US\$ 1 (one United States Dollar) or EUR 1 (one Euro). Subsequently, Net Asset Value of Investment Fund must be determined at the end of the respective Exchange day.

In the case of Exchange Traded Fund, such provision shall not be applied, on condition that its Collective Investment Contract stipulates differently and the provision shall be disclosed in the Prospectus of the Exchange Traded Fund.

8. The book year of Investment Fund begin at January 1<sup>st</sup> and end at December 31.
9. The Annual Financial Statement of Investment Fund must be audited by an Accountant registered with Bapepam-LK and submitted by the Investment Manager to Bapepam-LK no later than the end of third month after the period of financial statement has ended.
10. The Investment Fund in the form of Collective Investment Contract must be liquidated if any of the following conditions occurs:
  - a. within 30 (thirty) Exchange days since the Registration Statement has become effective, the fund is less than Rp25.000.000.000 (twenty billion rupiah);

In the case of Protected Investment Fund, Guaranteed Investment Fund, and Index Fund which conduct limited Public Offering, within 90 (ninety) Exchange days since the Registration Statement has become effective, its fund is less than Rp 25.000.000.000,00 (twenty five billion rupiah);

- b. ordered by Bapepam-LK in accordance with Capital Market regulations;
  - c. Net Asset Value is less than Rp25.000.000.000 (twenty five billion rupiah) within 90 (ninety) Exchange days continuously ; and or
  - d. Investment Manager and Custodian Bank has been agreed to liquidate the Investment Fund.
11. In the case that the Investment Fund in the form of Collective Investment Contract must be liquidated as mentioned in item 10 letter a above, Investment Manager shall:
  - a. report such condition to Bapepam-LK and announce in one Indonesian newspapers which have nation wide circulation, the plan of liquidating

- and distribution of liquidation proceeds of Investment Fund to Unit Participation holders, no later than 2 (two) Exchange days since such condition occurs;
- b. instruct the Custodian Bank to pay the liquidation proceeds of Investment Fund to Unit Participation holders with the condition that the value has been proportionally calculated from the Net Asset Value on the liquidating day but no less than the initial Net Asset Value (par value) and the Unit Participation holder must receive the proceeds no later than 7 (seven) Exchange days since such condition occurs; and
  - c. liquidate the Investment Fund no later than 10 (ten) Exchange days since such condition occurs, and report to Bapepam-LK concerning the result of liquidation process of Investment Fund, no later than 10 (ten) Exchange days since the Investment Fund has been liquidated.
12. In the case that the Investment Fund in the form of Collective Investment Contract must be liquidated as mentioned in item 10 letter b above, Investment Manager shall:
- a. announce in one Indonesian newspapers which have nation wide circulation, the plan of liquidating and distribution of liquidation proceeds of Investment Fund to Unit Participation holders, no later than 2 (two) Exchange days since ordered by Bapepam-LK, and on the same day notify the Custodian Bank in written, to discontinue the Investment Fund Net Asset Value calculation;
  - b. instruct the Custodian Bank to pay the liquidation proceeds of Investment Fund to Unit Participation holders with the condition that the value has been proportionally calculated from the Net Asset Value on the liquidating day and the Unit Participation holder must receive the proceeds no later than 7 (seven) Exchange days since ordered by Bapepam-LK; and
  - c. report to Bapepam-LK concerning the result of liquidation process of Investment Fund, no later than 2 (two) months since ordered by Bapepam-LK complete with Legal Consultant and Accountant opinions and Investment Fund Liquidation Deed From Public Notary.
13. In the case that the Investment Fund in the form of Collective Investment Contract must be liquidated as mentioned in item 10 letter c above, Investment Manager shall:
- a. report such condition to Bapepam-LK complete with the latest financial condition of the Investment Fund, and announce in one Indonesian newspapers which have nation wide circulation, the plan of liquidating and distribution of liquidation proceeds of Investment Fund to Unit Participation holders, no later than 2 (two) Exchange days since such condition occurs, and on the same day notify the Custodian Bank in written, to discontinue the Investment Fund Net Asset Value calculation;

- b. instruct the Custodian Bank to pay the liquidation proceeds of Investment Fund to Unit Participation holders with the condition that the value has been proportionally calculated from the Net Asset Value on the liquidating day and the Unit Participation holder must receive the proceeds no later than 7 (seven) Exchange days since such condition occurs; and
  - c. report to Bapepam-LK concerning the result of liquidation process of Investment Fund, no later than 2 (two) months since the Investment Fund has been liquidated complete with Legal Consultant and Accountant opinions and Investment Fund Liquidation Deed From Public Notary.
14. In the case that the Investment Fund in the form of Collective Investment Contract must be liquidated as mentioned in item 10 letter d above, Investment Manager shall:
- a. notify Bapepam-LK regarding the agreement between Investment Manager and Custodian Bank to liquidate the Investment Fund no later than 2 (two) Exchange days since the agreement occurs by attaching the following documents:
    - 1) agreement between the Investment Manager and Custodian Bank concerning the termination and liquidation of Investment Fund;
    - 2) reason for termination; and
    - 3) the latest financial condition of Investment Fund;and on the same day announce the plan of liquidating and distribution of liquidation proceeds of Investment Fund in one Indonesian newspapers which have nation wide circulation and notify the Custodian Bank to discontinue the Investment Fund Net Asset Value calculation;
  - b. instruct the Custodian Bank to pay the liquidation proceeds of Investment Fund to Unit Participation holders with the condition that the value has been proportionally calculated from the Net Asset Value on the liquidating day and the Unit Participation holder must receive the proceeds no later than 7 (seven) Exchange days since such condition occurs; and
  - c. report to Bapepam-LK concerning the result of liquidation process of Investment Fund, no later than 2 (two) months since the Investment Fund has been liquidated complete with Legal Consultant and Accountant opinions and Investment Fund Liquidation Deed From Public Notary.
15. In the case that the liquidation proceeds are not taken yet by Unit Participation holders after the day of distribution of liquidation proceeds determined by Investment Manager:

- a. If the Custodian Bank had been notified the Participation Unit holders concerning such proceeds 3 (three) times dalam tenggang waktu masing-masing 2 (dua) minggu and had been announced it in one Indonesian newspapers which have nation wide circulation, then such proceeds must be kept dalam rekening giro in the Custodian Bank as the representative of Unit Participation holder for 30 (thirty) years;
  - b. Every expenses related to the fund custodian will be charged from such account;
  - c. If in 30 (thirty) years the fund has not been taken by the Participation Unit holders, the Custodian Bank shall deliver the fund to the Government of Indonesia for the development of Capital Market industry.
16. In the event that an Investment Fund is liquidated, the Investment Manager is responsible for all expenses related to the liquidation as mentioned in item 1 letter s above, including fees for Legal Consultant, Public Accountant, and other third Persons.
17. Collective Investment Contract that has become effective can be used to issue the next Investment Fund given that the binding Persons to the contract, type of Investment Funds, and investment policies are still the same.
18. Without limiting the authority of the Criminal Provisions in the Capital Market, Bapepam and LK has the authority to impose sanction on any Person that violates this Rule including to those who provoke the violation.

Enacted in : Jakarta  
Date : May 14, 2008

Chairman of Capital Market and  
Financial Institutions Supervisory Agency

Signed

**A. Fuad Rahmany**  
NIP. 060063058

Based on the original documents  
Head of General Affair Division

signed

**Prasetyo Wahyu Adi Suryo**  
NIP 060076008