

2. The provision for net income for reserves in paragraph (1) applies if the Company has positive retained earnings.
3. The portion of the profit provided for the reserve fund is determined by the GMS with due observance of the laws and regulations. Provision of net profit for the mandatory reserve in paragraph (1) is made until the reserve reaches at least 20% (twenty percent) of the total issued and paid-up capital.
4. The mandatory reserve in paragraph (1) of this Article which has not reached the amount as referred to in paragraph (3) can only be used to cover losses to the Company which cannot be met by other reserves.
5. If the mandatory reserve fund in paragraph (1) of this Article has exceeded the amount of 20% (twenty percent), the GMS may decide that the excess of the reserve fund is used for the purposes of the Company.
6. The Board of Directors must manage the reserve fund so that the reserve fund earns profit, in a manner deemed good by the Board of Directors and with due observance of the laws and regulations.
7. The profit obtained from the reserve fund is included in the profit and loss calculation.

AMENDMENT TO THE ARTICLES OF ASSOCIATION

Article 28



1. This amendment to the Articles of Association must take into account UUPT and/or the laws and regulations in the Capital Market sector.
2. Amendment to these Articles of Association shall be determined by the GMS with the provisions as stated in Article 25 paragraph (5) of these Articles of Association.
3. The agenda regarding amendments to the Articles of Association must be clearly stated in the invitation to the GMS.
4. The provisions of these Articles of Association concerning the name, domicile of the Company, purposes and objectives, business activities, period of establishment of the Company, amount of authorized capital, reduction of issued and paid-up capital and status of a closed company becoming a public company or vice versa, must obtain approval from Minister for Legal Affairs as referred to in the UUPT.
5. Amendments to these Articles of Association other than those concerning the matters referred to in paragraph (4) are sufficient to notify the Minister of Law by taking into account the provisions in the Company Law.
6. The decision regarding the reduction of capital must be notified in writing to all creditors of the Company and announced by the Board of Directors in an Indonesian language daily newspaper published and or widely

