

DECREE OF THE INDONESIAN CAPITAL MARKET
ARBITRATION BOARD

NUMBER : KEP-02/BAPMI/11.2009

REGARDING REGULATIONS AND PROCEDURES OF
THE INDONESIAN CAPITAL MARKET
ARBITRATION BOARD

INDONESIAN CAPITAL MARKET ARBITRATION BOARD

Having considered :

- a. that the Indonesian Capital Market Arbitration Board (“BAPMI”) aims at convening rapid and fair dispute settlement through an out-of-court settlement mechanism for civil disputes in the capital market field in Indonesia.
- b. that in order to achieve the above purpose, BAPMI must perfect its regulations so as to comply with the needs of BAPMI service users and in accordance with practice, which generally develops in out-of-court dispute settlement activities.
- c. that for the above purpose, BAPMI considers it necessary to make changes to the Regulations and Procedures of BAPMI as currently set out in the Decree of BAPMI Number: KEP-04/BAPMI/11.2002, dated 15 November 2002.

Bearing in mind :

1. Law of the Republic of Indonesia Number 30 year 1999 regarding Arbitration and Alternative Dispute Settlement;
2. Articles of Association of BAPMI as set out in deed of establishment number 15, made before Mrs. Fathiah Helmi, SH, notary in Jakarta and approved by the Minister of Justice and Human Rights of the Republic of Indonesia under decree number C-2620 HT 01.03.TH 2002 dated 29 August 2002 and announced in the State Gazette of the Republic of Indonesia dated 18 October 2002, Number 84/2002, Supplement to the State Gazette Number 5/PN/2002;
3. The BAPMI Regulations as currently set out in BAPMI Decree Number: KEP-04/BAPMI/11.2002 dated 15 November 2002.

HAS DECIDED

**TO STIPULATE: INDONESIAN CAPITAL MARKET ARBITRATION
BOARD REGULATIONS AND PROCEDURES**

**CHAPTER I
GENERAL PROVISIONS**

Article 1

- (1) All words and/or terms as referred to in article 1 paragraph (2) of the BAPMI Regulations & Procedures (hereinafter referred to as “**Regulations & Procedures**”) shall also apply to all other BAPMI regulations and implementing regulations thereto.
- (2) In the Regulations & Procedures, what is referred to as:
 - a). **Arbiter** is an individual who is selected by the disputing parties or is appointed by BAPMI in accordance with the Regulations & Procedures, either in his/her capacity as a Single Arbiter or an Arbiter in the Arbitration Board, to examine and further issue decisions regarding such dispute by way of Arbitration.
 - b). **Arbitration** is a means of civil dispute settlement outside courts of general jurisdiction which is provided by BAPMI and based on an Arbitration Agreement and done in accordance with the Regulations & Procedures.
 - c). **BAPMI** is the Indonesian Capital Market Arbitration Board which is established based on deed of establishment number 15, made before Mrs. Fathiah Helmi, SH, notary in Jakarta which has been approved by the Minister of Justice and Human Rights of the Republic of Indonesia under decree number C-2620 HT 01.03.TH 2002 dated 29 August 2002 and announced in the State Gazette of the Republic of Indonesia dated 18 October 2002, Number 84/2022, Supplement to the State Gazette Number 5/PN/2002.
 - d). **Working Days** are Mondays through Fridays and excluding national holidays.
 - e). **Arbitration Panel** is a temporary BAPMI panel which is established in accordance with needs based on the Regulations & Procedures to examine and issue decisions through Arbitration on a case which has arisen among the parties.
 - f). **Mediation** is a means of out-of-court dispute settlement which is facilitated by a Mediator in accordance with the Regulations & Procedures.
 - g). **Mediator** is an individual who is selected from amongst disputing Parties or is appointed by BAPMI in accordance with the Regulations & Procedures to facilitate Mediation negotiations.
 - h). **Applicant** is a Party or all Parties, as relevant, who have filed a request for the settlement of a difference of opinion or dispute to BAPMI in accordance with the Regulations & Procedures.
 - i). **Binding Opinion** is an opinion which is issued by BAPMI in accordance with the Regulations & Procedures based on a request of the Parties on a difference of opinion as regards an agreement or transaction.

- j). **BAPMI Regulations** are all regulations or provisions which have been set out by BAPMI, including these Regulations & Procedures and implementing regulations thereto.
- k). **Arbitration Agreement** is an agreement in the form of an Arbitration clause which is included in a written agreement made by the Parties before the emergence of a dispute or a separate arbitration agreement which is made by the parties after the emergence of a dispute which states that all disputes arising from the legal relations between the parties will be settled by way of Arbitration in accordance with the Regulations & Procedures.
- i). **Party** is a legal subject, either in civil law or public law whose businesses or professional services entirely or partially relate with activities in the field of capital market in Indonesia, including stock exchanges, clearing and underwriting houses, depository and settlement bodies, issuers, public companies, exchange companies, capital market supporting bodies, individuals who are registered as capital market supporting professionals, individuals who hold licences, representatives of rights issue underwriters, representatives of security trading brokers, representatives of investment managers, and those who conduct investment in the Indonesian capital market which intends to file for dispute settlement at BAPMI based on the Regulations & Procedures. The term “**Parties**” in these Regulations & Procedures refer to the joint reference of both the Applicant and the Respondent, including their legal counsels, in accordance with the relevant context of the sentence.
- m). **Arbitral Award** is a final award of a Single Arbiter/Arbitration Panel on a dispute which has been decided upon in accordance with the Regulations & Procedures.
- n). **Arbitration Place** is the place to be determined by the Parties, or in the event the parties have not decided on the same, a place to be determined by BAPMI for the carrying out of arbitration proceedings.
- o). **Respondent** is the opposing Party to the Applicant in a dispute settlement by way of Arbitration in accordance with Arbitration Regulations & Procedures.

Article 2

- (1) The Regulations & Procedures set out the procedures for the settlement of a dispute or difference of opinion which has arisen between the Parties, which based on agreement between such Parties, will be settled in BAPMI by way of a Binding Opinion, Mediation, or Arbitration.
- (2) The types of disputes or differences in opinion which may be settled by BAPMI are only those on and/or related to activities in the field of capital market in Indonesia and as regards to rights which, according to laws and regulations, are fully owned by the parties.

- (3) Disputes or differences in opinion which are settled based on the Regulations & Procedures shall be binding on the Parties as results of final settlement in the first and final instance.
- (4) The settlement of disputes or differences in opinion based on the Regulations & Procedures shall be done in good faith by setting aside settlement through district courts and/or other alternative dispute settlement bodies.
- (5) Advocates who may serve as legal counsels of Parties undergoing proceedings at BAPMI, either by way of a Binding Opinion, Mediation or Arbitration, must have already acquired practicing advocate licences in accordance with applicable laws and regulations, with the lead counsels having to also be registered with the Capital Market Supervisory Board and Financial Institutions as a capital market supporting professional and be a member of the Association of Capital Market Legal Consultants.
- (6) In the event a Party is represented by a foreign advocate, then such foreign advocate may only attend proceedings if accompanied by an Indonesian Advocate, with due regard to the requirement as referred to in paragraph (5) above.

CHAPTER II BINDING OPINION

Part One Requirements

Article 3

- (1) BAPMI may receive a request filed by the Parties to deliver a Binding Opinion on a difference of opinion in relation to an agreement and/or transaction regarding and/or in relation to activities in the capital market field in Indonesia.
- (2) BAPMI may not issue a Binding Opinion on a difference of opinion regarding a regulation provision which is issued by the capital market authorities.
- (3) The Binding Opinion which is issued by BAPMI shall be final and binding on the parties, and neither rebuttals nor objections can be made against such Binding Opinion.
- (4) Each act from one of the Parties which is against a Binding Opinion shall be categorized as a default.

Part Two Procedures & Process

Article 4

- (1) A Binding Opinion shall be issued based on a written request to BAPMI which is signed by the Parties who have a difference of opinion.

Unofficial Translation

- (2) The request as mentioned in paragraph (1) above shall at least contain and/or mention:
 - a). the agreement of the Parties to designate and request BAPMI to issue its Binding Opinion;
 - b). detailed explanations regarding the difference of opinion”;
 - c). the opinions of each Party;
 - d). the attachments of agreement(s) and/or relevant document(s) from each of the Parties (if any);
 - e). the attachment of firm statement that the Parties will be bound by and implement the BAPMI Binding Opinion;
 - f). the attachment of evidence on the full payment of fees for the Binding Opinion in accordance with article 9 of the Regulations & Procedures.
- (3) Each request for a Binding Opinion which has already complied with the requirement set out in article 3 paragraph (1) and article 4 paragraphs (1) and (2) regarding the Regulations & Procedures shall be recorded at the BAPMI Secretariat and be given a registration receipt.

Article 5

- (1) BAPMI may request for additional documents to complete the request for a Binding Opinion, in which case a registration receipt as mentioned in article 4 paragraph (3) shall be given after all required documents are deemed complete by BAPMI.
- (2) BAPMI may reject a request for a Binding Opinion which does not comply with the provisions set out in article 3 paragraph (1) and article 4 paragraphs (1) and (2), article 5 paragraph (1) of the Regulations & Procedures, and/or due to other factors which, according to BAPMI’s considerations, are irrelevant and/or beyond its authorities.
- (3) Confirmation of acceptance or rejection of the request for a Binding Opinion shall be delivered in writing by BAPMI to the Parties at least 7 (seven) Working Days after the date of registration. A request for a Binding Opinion is declared accepted by BAPMI on the date of confirmation of acceptance as referred to in this paragraph (3).
- (4) With the exception of registration fee, all fees for a Binding Opinion received by BAPMI shall be refunded to the applicant if the request is rejected.

Article 6

- (1) Before commencing with the Binding Opinion examination process, BAPMI may hold a preliminary meeting with the Parties to explain the process and the required fees for the Binding Opinion.

Unofficial Translation

- (2) BAPMI shall commence examining all documents for the Binding Opinion at the latest 7 (seven) Working Days after confirming its acceptance as referred to in article 5 paragraph (3) of the Regulations & Process.
- (3) BAPMI may request for information and/or additional documents to the Parties. If the Parties do not deliver such information and/or requested documents, then BAPMI will continue to examine and deliver a Binding Opinion based on the available documents.
- (4) If deemed necessary before issuing its Binding Opinion, BAPMI may also seek expert opinions.

Article 7

The examination process for the issuance of a Binding Opinion shall be undertaken in a closed and confidential manner and copies of official reports on the examination process and the issuance of the Binding Opinion shall not be given to all Parties.

Part Three Issuance, Nature and Sanction

Article 8

- (1) BAPMI shall issue its Binding Opinion within at the latest a period of 30 (thirty) Working Days after the date of commencement of examination as referred to in article 6 paragraph (2) of the Regulations & Procedures.
- (2) A Binding Opinion shall be issued in writing upon being signed by the Chairman of BAPMI and delivered to the Parties through registered letter.

Article 8 a

- (1) If within a period of 30 (thirty) Working Days since the date of issuance of a Binding Opinion, one of the parties does not comply with/or implement the Binding Opinion, BAPMI and/or the concerned party may deliver a written notification regarding the same to the management of the association, assembly, society or organization where the concerned Party and the defaulting Party are members.
- (2) Within a period of 10 (ten) Working Days since the date of the notifications as referred to in paragraph (1) above no implementation has been made at all, then BAPMI and/or the interested party may deliver notifications to the capital market authorities and to all other BAPMI members.
- (3) A Binding Opinion which is has been issued by BAPMI constitutes a strong evidence in the BAPMI arbitration process.

Part Four Fees for Binding Opinion

Article 9

Unofficial Translation

- (1) For a Binding Opinion, the Parties shall be charged with fees whose amount will be determined from time to time by BAPMI, which provision shall form an inseparable part of the Regulations & Procedures.
- (2) Fees for a Binding Opinion shall consist of :
 - a). registration fee;
 - b). examination fee; and
 - c). Binding Opinion compensation.
- (3) Binding Opinion fees must be settled under the following conditions:
 - a). registration fee: at the time of filing a request for a Binding Opinion to the BAPMI secretariat;
 - b). examination fee: before examination is undertaken by BAPMI.
 - c). Binding Opinion compensation: before issuance of a Binding Opinion by BAPMI.
- (4) Payment of fees shall be made in cash to the BAPMI secretariat or by cash deposits in the name of BAPMI to a bank appointed by BAPMI.
- (5) BAPMI may delay or suspend the process of issuance of a Binding Opinion until the the fees as referred to above are settled by the Parties in line with their respective schedule.

CHAPTER III MEDIATION

Part Once Requirements

Article 10

- (1) The Parties who have a dispute regarding and/or in relation to capital market activities in Indonesia may resort to BAPMI Mediation.
- (2) BAPMI Mediation can be used in relation to the BAPMI Arbitration process as referred to in article 39 of the Regulations & Procedures or as separate process.
- (3) The carrying out of Mediation during an Arbitration process shall not delay the Arbitration process, except determined otherwise by a Single Arbiter/Arbitration Panel.

Part Two Procedures and Process

Article 11

Unofficial Translation

- (1) Mediation shall be undertaken based on a written request of the disputing Parties to BAPMI.
- (2) Every Mediation request shall be registered at the BAPMI Secretariat upon meeting the requirements as referred to in paragraph (3) of this article.
- (3) The filing of a Mediation request shall at least contain and/or mention:
 - a). the agreement of the parties to undertake dispute settlement through Mediation in BAPMI;
 - b). detailed explanation regarding the dispute;
 - c). attachment of other relevant agreements and/or documents.
 - d). suggested names of Mediators who are appointed and agreed to by the parties, if any;
 - e). attachment of strong statement that the parties shall be bound by, comply with and implement each and all provisions in agreements which may be reached during Mediation; and
 - f). attachment of evidence of settlement of Mediation fees in accordance with article 19 of the Regulations & Procedures.

Article 11 a

- (1) BAPMI may reject the filed Mediation request if the agreement as referred to in article 11 paragraph (3) letter (a) is not reached.
- (2) The confirmation of acceptance or rejection of a Mediation request shall be notified in writing to the Applicant at the latest 14(fourteen) Working Days as of the registration date.
- (3) The Mediation request shall be declared accepted by BAPMI on the acceptance confirmation date as referred to in paragraph (2) above.

Article 12

- (1) In the event the parties do not propose its Mediator candidates, BAPMI may propose a list of Mediator candidates of at least 5(five) persons, complete with explanations on the expertise and backgrounds of such respective candidates.
- (2) The Parties must have already determined their jointly agreed candidate within a period of at most 10 (ten) Working Days after the issuance by BAPMI of its list of Mediator candidates.
- (3) If after the lapse of the above period as referred to in paragraph (2) above the parties cannot/have not decided on a Mediator, BAPMI shall appoint one from the list of Mediator candidates as Mediator.

Unofficial Translation

- (4) The mediator candidate has a right to refuse the nomination of the parties or BAPMI by reason of conflict of interest, affiliation or other reasonable reasons. In the event of rejection, the Parties or BAPMI shall select another Mediator.

Article 13

- (1) Before commencing a Mediation process, BAPMI may hold a pre-Mediation meeting with the Parties and the Mediator to explain the process that will be undertaken and the required fees for the Mediation.
- (2) The Mediation process shall take place within a period of 30 (thirty) Working Days since the date of appointment of a Mediator, and may be extended by agreement of the Parties and the Mediator.
- (3) If after the lapse of the period as referred to in paragraph (2) above, an amiable settlement is not reached or the Mediation meets a deadlock, the Mediator shall declare the end of the Mediation without settlement and report the same in writing to BAPMI, and thus concluding the tasks of the Mediator. The dispute may then be settled by way of BAPMI arbitration if so desired by the Parties in accordance with the Arbitration Agreement.

Article 14

- (1) The Mediation process shall be confidential in nature, and for that the parties involved during the Mediation process must, either during or after the Mediation, keep confidential and not use the following for any purpose whatsoever:
 - a). the fact that the Mediation process will take place, is taking place and/or have taken place;
 - b). the matters that have arisen during the Mediation process;
 - c). expressed opinions, submitted suggestions or proposals for dispute settlement from the Parties and/or the mediator during the Mediation process;
 - d). all submitted materials and conversation taking place during the Mediation process;
 - e). all materials, information, correspondence, written or electronic papers regarding the issues discussed, the proposals and responses relating to the Mediation process, including the amiable settlement except if it required for carrying out of the amiable settlement itself, such as the permitted reasons in article 18 of the Regulations & Procedures.
- (2) A Mediator is not allowed to act as a witness/expert witness or consultant in the same matter, although the Mediator may become an Arbiter, and vice versa, in the proceedings of the same case in BAPMI.
- (3) A Mediator must have already commenced the Mediation at the latest 7 (seven) Working Days as of his/her appointment.
- (4) A Mediator shall only facilitate meetings and negotiations in the framework of Mediation with the purpose of reaching settlement among the disputing Parties,

Unofficial Translation

and in this case the Mediator shall not have the authority to make a decision or determine payment.

- (5) A Mediator shall take the initiative to start meetings and suggest schedules and meeting agenda to the Parties to be discussed and agreed to.
- (6) A Mediator must encourage the Parties to be directly involved and to play an active role in the Mediation process, encourage the Parties to explore and search for the interests of the Parties and find various best alternative settlements for the Parties. If considered necessary, a Mediator may undertake caucus with the prior approval of the Parties.
- (7) If considered necessary, a Mediator with the consent of and at the cost of the parties may invite 1(one) or more experts in a particular field to give explanations or considerations which may be helpful in settling disputes among the Parties.

Article 15

- (1) The Parties shall determine the place of the Mediation.
- (2) In the event the Parties have not determined the place of Mediation, BAPMI shall determine the place of such Mediation.

Part Three Amiable Settlement Agreement

Article 16

If during the Mediation process the Parties have succeeded in reaching a dispute settlement agreement, then the Parties with the help of the Mediator shall enter into and incorporate such agreement in an amiable settlement agreement to be signed by the Parties and the Mediator.

Article 17

- (1) The amiable settlement agreement as referred to in Article 16 of the Regulations & Procedures shall be final and binding on the Parties.
- (2) With the execution of the above amiable settlement agreement by the Parties, the Mediator shall declare the Mediation closed and report the same in writing to BAPMI, thereby ending the duties of the BAPMI Mediator.
- (3) Each act from one of the parties which conflicts with the agreement as referred to in paragraph 1 shall constitute a default.
- (4) If any Party wishes to register the amiable settlement agreement to a district court or incorporate the same in a deed of amiable settlement which is made by a judge, then such act shall be carried out in accordance with the laws and regulations at the relevant court.
- (5) If the Parties wish for the amiable settlement agreement to be incorporated into a amiable settlement deed to be made by an Arbiter, then one of the Parties may file a request for Arbitration to BAPMI, and the the appointed Arbiter will further

Unofficial Translation

prepare the amiable settlement deed. The Arbiter shall only strengthen the amiable settlement agreement in the form of an amiable settlement deed if such agreement meets the following requirements:

- a). it is in accordance with the intention of the Parties;
- b). it does not conflict with the laws and propriety;
- c). it is not damaging to third parties;
- d). it is executable; and
- e). it is executed with the good faith of the Parties.

Article 18

- (1) If within 30(thirty) days as of execution of the agreement as referred to in Article 16 of the Regulations & Procedures one of the Parties do not comply with and/or does not implement the agreement, then BAPMI and/or the concerned Party may deliver a notification regarding the above in writing to the management of the association, assembly, society or organization where the concerned Party and the defaulting Party are members.
- (2) If within a period of 10 (ten) Working Days since the date of the notification letter as referred to in paragraph (1) above no implementation has been made, BAPMI and/or the concerned party may deliver notifications on the above to the capital market authorities and to all other BAPMI members.

Part Four Mediation Fees

Article 19

- (1) For settlement by way of Mediation, the Parties shall be charged with fees whose amount is to be determined from time to time by BAPMI, which provision forms an inseparable part of the Regulations & Procedures.
- (2) Mediation Costs shall comprise of:
 - a). registration fee;
 - b). examination fee; and
 - c). Mediator compensation.
- (3) Mediation fees must be settled with the following conditions:
 - a). registration fee: at the time of filing of a Mediation Request to the BAPMI secretariat;
 - b). examination fee: before commencement of Mediation negotiations;

- c). Mediator compensation: before commencement of Mediation.
- (4) Payment of fees shall be made either in cash to the BAPMI secretariat or by way of deposits in the name of BAPMI to a bank appointed by BAPMI.
- (5) BAPMI may delay or suspend the Mediation process up until the fees as referred to above have been fully settled by the Parties in accordance with their respective schedules.

CHAPTER IV ARBITRATION

Part One Requirements

Article 20

BAPMI shall have the authority to examine and resolve disputes which have arisen between the Parties by way of Arbitration, provided that:

- a). if the Parties has already stipulated in the Arbitration Agreement before a dispute has taken place that the settlement of the dispute between the Parties will be resolved by way of BAPMI Arbitration; or
- b). if no prior agreement has been made, then the Parties must first agree to settle such dispute through BAPMI Arbitration, and the Parties further incorporate such agreement into a Arbitration Agreement which is made after the emergence of the dispute with due observation of the article 22 paragraph (7) of the Regulations & Procedures.

Article 21

- (1) BAPMI may reject an Arbitration application which has been filed by an Applicant if the Arbitration Agreement as referred to in article 20 is deemed not strong enough to form grounds for the BAPMI authorities to examine and settle the filed dispute.
- (2) The decision regarding acceptance or rejection of an Arbitration request shall be notified in writing to the applicant no later than 14 (fourteen) Working Days commencing as of the registration date.
- (3) The Arbitration request shall be declared accepted by BAPMI on the date of confirmation of acceptance as referred to in paragraph (1) above.
- (4) With the exception of registration fee, all fees accepted by BAPMI based on the provisions of article 52 of the Regulations & Procedures shall be refunded to the applicant if the request as referred to in article (1) is rejected.
- (5) Before commencing the Arbitration process, if deemed necessary BAPMI may hold a pre-Arbitration meeting with the Parties and/or a Single Arbitrer/ Arbitration Board to explain the process to be undertaken and the required fees for the Arbitration. This meeting can be substituted with the delivery of explanations by way of correspondence.

**Part Two
Procedures and Process**

Article 22

- (1) Arbitration shall be undertaken based on a written request from the Applicant to BAPMI.
- (2) An Arbitration request shall be registered to the BAPMI secretariat upon the fulfillment of requirements as referred to in paragraph (3) of this article.
- (3) The filing of an Arbitration request by the Applicant shall at least contain and/or mention:
 - a). Arbitration agreement;
 - b). full names, addresses or places of domicile of the Parties;
 - c). proposed names of arbiters from the Applicant; if Arbiter names are not suggested, then appointments of the same shall be fully surrendered by the petitioner to BAPMI;
 - d). detailed explanations regarding the disputed issue;
 - e). claims and their details;
 - f). attachment of other relevant agreements and/or documents; if agreements and/or documents are to be submitted, then the applicant must explain the same in his/her request;
 - g). attachment a list of names of candidate witnesses and/or expert witness who will be presented; if candidate witnesses or expert witnesses will be presented, then the Applicant must explain the same in his/her request;
 - h). attachment of explicit statement that the Applicant shall be bound by, comply with and implement the award of a Single Arbiter/Arbitration Panel and shall not file any rebuttals and/or legal remedies on the same dispute to a district court; and
 - i). attachment of evidence on settlement of Arbitration fees in accordance with article 52 of the Regulations and Procedures.
- (4) Before an Applicant registers an Arbitration request to BAPMI, such Applicant must first notify the Respondent, with a copy to BAPMI, that the term on Arbitration in the Arbitration Agreement which has been made by the Respondent and the Applicant shall apply. Such notification letter to undergo Arbitration shall clearly mention:
 - a). names and addresses of the Parties;
 - b). reference to a Arbitration Agreement;
 - c). grounds of dispute and the claimed amount, if any;

Unofficial Translation

- d) desired way of settlement; and
 - f). the agreement entered into by the Parties as regards to the number of Arbiters and the suggested names of Arbiters or, if no such agreement has been made, then the Applicant shall issue its proposal on the desired number of odd-numbered Arbiters and the names of such Arbiters.
- (5) As regards the notification as referred to in paragraphs (4) above, the Respondent must issue its comments to the Applicant with a copy to the BAPMI at the latest 10 (ten) Working Days since its receipt of such notice, although the existence or non-existence of such comments by the Respondent shall not in any case limit the Applicant in further processing the filing of the Arbitration request to BAPMI.
- (6) The notification and comments as referred to in paragraphs (4) and (5) shall be delivered by the Applicant or the Respondent in writing with registered letter, telegram, telex, facsimile, e-mail or with expedition books.
- (7) If the Arbitration Agreement is made upon the arising of a dispute, then such agreement must be made in the form of a written agreement which is signed by the Parties or in the form of a notarial deed, and must contain:
- a). the disputed issue;
 - b). full names and addresses of the Parties;
 - c). full names and addresses of the Single Arbitrator or members of the Arbitration Panel, along with the statements of willingness from the relevant Arbiters;
 - d). appointment of BAPMI as the place of arbitration and the use of the Regulations & Procedures as the arbitration procedures;
 - e). statement of willingness of the Parties to pay all required fees for the arbitration process; and
 - f). an explicit statement that the Parties will be bound by and implement the award of the Single Arbitrator/Arbitration Panel and shall not file rebuttals and/or other legal remedies for the same dispute to a district court.
- (8) In the event the Arbitration Agreement is made after the arising of a dispute, then the provisions in paragraph (4) shall not apply due to such notification no longer being relevant.

Article 23

BAPMI may request the applicant and the respondent to revise the Arbitration Agreement if BAPMI is of the opinion that the content of the Arbitration Agreement is inadequate to form grounds by BAPMI to examine and decide on the dispute by way of Arbitration.

Part Three Appointment of Arbiters

Article 24

Unofficial Translation

- (1) The person eligible to be appointed as an Arbiter is an individual who is listed in the BAPMI list of Arbiters.
- (2) Parties outside the BAPMI list of Arbiters may only be appointed as an Arbitration Panel member in an Arbitration process, and not as a single Arbiter or head of the Arbitration Panel so long as the relevant person has complied with the requirements as set out in the BAPMI Regulations regarding BAPMI Arbiters and approved by BAPMI.
- (3) In order to obtain BAPMI approval for the appointment of Arbiters who are not listed in the list of BAPMI Arbiters, the relevant Applicant and/or Respondent must file a request for approval to BAPMI and meet the following conditions:
 - a). the appointment of the relevant Arbiter must be done and/or approved by the other Party;
 - b). the appointment of the relevant Arbiter is conveyed to BAPMI by attaching full data and information on the candidate Arbiter which shall at least contain:
 - i) complete Curriculum vitae;
 - ii) statement that the Arbiter candidate has understood the Regulations & Procedures;
 - iii) statement from the candidate Arbiter that the relevant person is willing to become an Arbiter and is able to complete his/her duties as Arbiter;
 - iv) statement from the candidate Arbiter candidate that the relevant person does not have a conflict of interest and/or affiliations with the disputing Parties and with the issue being disputed;
 - v) statement from the candidate Arbiter that the relevant person is independent; and
 - vi) statement from the candidate Arbiter that the relevant person will comply with the Regulations & Procedures.
- (4) The approval or rejection of an Arbiter as referred to in paragraph (2) shall be delivered by BAPMI in writing to the Parties at the latest 14 (fourteen) Working Days as of receipt of such letter of request.

Article 25

- (1) Where there are more than 2 (two) Parties in a dispute, all Parties acting as an Applicant (the Applicants) must be considered as 1(one) single Party in the appointment of Arbiters, which matter shall mutatis mutandis also apply to the Respondents.
- (2) Arbiters appointed by the Parties or BAPMI shall have a right to determine their stance as to whether to accept or reject such appointments.
- (3) The above acceptance or rejection must be conveyed in writing to the appointing Parties within 14(fourteen) Working Days period of time as of the date of receipt

Unofficial Translation

of their appointment letters received with a copy to BAPMI, or if the appointing party is BAPMI, such acceptance or rejection shall be conveyed to BAPMI with a copy to the Parties.

- (4) In the event of rejection by a candidate Arbitrator then, within a period of 7 (seven) Working Days commencing as of the date of notification of such rejection, then the concerned Parties or BAPMI shall appoint other Arbitrators with the same procedures as that applicable to the Arbitrators who have rejected it.
- (5) With their acceptance to the appointment as Arbitrators, the relevant Arbitrators must begin to perform their duties.
- (6) An arbitrator cannot resign until all of his/her duties as Arbitrator in the handled dispute have been completed, with the exception of permanent hindrance or any other reasons which are justified by the Regulations & Procedures and prevailing laws and regulations.

Article 26

An Arbitrator cannot be held legally liable for acts taken and decisions adopted in the carrying out of his/her functions as an Arbitrator in the Arbitration process including in the execution of an adopted Arbitral award, except if an element of bad faith can be proven to exist in such acts.

Article 27

- (1) The Arbitrator in an Arbitration may comprise of a Single Arbitrator or an Arbitration Panel which always consists of an odd number of Arbitrators and at least consists of 3(three) persons.
- (2) In the event the Parties have previously agreed that arbitration shall be conducted by a Single Arbitrator:
 - a). then such appointment of Arbitrator must be based on the agreement of the Parties;
 - b). if within 14 (fourteen) Working Days as of the Parties' failure to appoint or not appoint a Single Arbitrator, BAPMI shall appoint the Single Arbitrator.
- (3) In the event the Parties have previously agreed that arbitration shall be carried out by an Arbitration Panel:
 - a) The appointment of 2 (two) Arbitrators by the Parties shall authorise such two Arbitrators to elect and appoint a third Arbitrator who shall serve as the Head of the Arbitration Panel;
 - b) if within a period of 14(fourteen) Working Days since the two Arbitrators have failed to or have not appointed the third Arbitrator, BAPMI shall appoint a third Arbitrator.
 - c) if after the lapse of the period as referred to in article 5 paragraph (5) of the Regulations & Procedures any Party has not appointed an Arbitrator to serve as a Arbitration Panel member, then the Arbitrator who has been appointed by the

other Party shall act as a Single Arbiter and his award shall be binding on the Parties.

- (4) If the Parties have never or have previously disagreed on the number of Arbiters, BAPMI shall, no later than 14(fourteen) Working Days upon receipt of the notification as referred to in article 22 paragraph (4) of the Regulations and Procedures, decide on whether there shall be one or more Arbiters by considering the complexity of the relevant dispute:
 - a). in the event BAPMI decides that the dispute shall be examined and resolved by an Arbitration Panel then if, within a period of 14(fourteen) Working Days since BAPMI's delivery of notification one of the Parties has not appointed an Arbiter who will become an Arbitration Panel Member, then the Arbiter who has been appointed by the other Party shall act as a Single Arbiter;
 - b). in matters where BAPMI has decided that a dispute shall be examined and resolved by a Single Arbiter then, if within a period of 14(fourteen) Working Days since BAPMI's delivery of notification, the Parties have failed or did not appoint a Single Arbiter, then BAPMI shall appoint a Single Arbiter.
- (5) In an Arbitration Panel, at least one Arbiter shall be a legal consultant who is listed in the Capital Market Supervisory Board as a capital market supporting profession and is a member of the Association of Capital Market Legal Consultants.

Article 28

If the Parties submit the appointment of Arbiters to BAPMI, then BAPMI will appoint such Arbiters within a period of 14(fourteen) Working Days since the date of submission of such appointment of Arbiters.

Article 29

- (1) An Arbiter must voluntarily resign if the dispute examination has conflict of interest and/or affiliation elements.
- (2) An Arbiter who has a conflict of interest and/or affiliation shall, within a period of 3(three) Working Days as of such matter becoming known to him/her, convey his/her resignation in writing under the following conditions:
 - a). for a Single Arbiter, to be delivered to the Parties and BAPMI;
 - b). for an Arbiter in an Arbitration Panel, to be delivered to other Arbiters from relevant Arbitration Panel, the Parties and BAPMI.
- (3) If during the period as referred to in paragraph (2) above, the relevant Arbiter has not filed his/her resignation while such conflict of interest and/or affiliation have been proven, then BAPMI shall dismiss him/her as Arbiter for the dispute.
- (4) Within a period of 7(seven) Working Days, a substitute Arbiter must be appointed in accordance with the procedures as applicable for the appointment of the replaced Arbiter..

Unofficial Translation

- (5) If during the Arbitration process, an Arbiter has passed away or due to any reason beyond his/her control is permanently hindered then, within a period of 7 (seven) Working Days, a substitute Arbiter shall be appointed with the same procedures as that applicable to the replaced Arbiter.

Article 30

- (1) A denial right may be filed against an Arbiter if adequate grounds and strong evidence exist that such Arbiter has a conflict of interest and/or affiliation with the dispute being handled.
- (2) A denial right may only be submitted before an Arbitration Award is passed.
- (3) A denial right shall be filed by one of the disputing Parties along with the sufficient grounds and strong evidence, and submitted to:
 - a). The other Party and BAPMI, in the event a Single Arbiter has not been appointed;
 - b). BAPMI, in the event a Single Arbiter has already been appointed, with a copy to the other Party;
 - c). BAPMI, in the event an Arbitration Panel is not yet formed, with a copy to the other Parties;
 - d). Arbitration Panel, in the event the Arbitration Panel has already been formed, with a copy to the other Parties.
- (4) In the event an Arbitration Panel receives a denial right then, along with the passing of such award, the Arbitration Panel shall appoint a substitute Arbiter in accordance with the procedures applicable for the appointment of the replaced Arbiter, and if such Arbitration Panel rejects such denial right, then the relevant Arbiter shall still legitimately carry out his/her duties.
- (5) In the event the denial right is agreed to by the other Party, then the relevant Arbiter shall resign and a substitute Arbiter shall be appointed within a period of 7(seven) Working Days as of the acceptance of such denial right and under the same procedures as those applicable to the substituted Arbiter. If such denial right is not approved by the other Party, the Party so filing such denial right shall be entitled to convey its denial right to BAPMI. BAPMI shall render its decision within a period of 14 (fourteen) Working Days commencing as of the date of such acceptance of denial right.
- (6) In the event BAPMI accepts a denial right, thenBAPMI shall appoint a substitute Arbiter in accordance with the procedures for the appointment of the replaced Arbiter, and conversely if BAPMI refuses the denial right, then the relevant Arbiter shall still legitimately carry out his/her duties.
- (7) The decision of BAPMI or the Arbitration Panel on the denial right, including the appointment of a substitute Arbiter, shall be binding on the Parties and cannot besubmit rebutted.

Article 31

- (1) In the event of Arbiter replacement involving the Head of the Arbitration Panel, all examinations which have already taken place must be repeated once more, except the Arbiters agree to determine otherwise.
- (2) In the event of Arbiter replacement involving a member of the Arbitration Panel, the dispute examinations do not need to be repeated unless the Head of the Arbitration Panel considers it necessary to conduct a re-examination.
- (3) In the event of replacement of a Single Arbiter, then all examinations shall be repeated.
- (4) In the event of repetitions in proceedings based on the above reasons, a Single Arbiter/Arbitration Panel shall consider the extension of period for the case examinations as set out in article 42 paragraph (1) of the Regulations & Procedures.

**Part Four
Arbitration Examination Procedures**

Article 32

- (1) During Arbitration proceedings, the Parties shall have the same rights in expressing and maintaining their opinions and interests.
- (2) All steps in proceedings, including at the local examinations stage, the presentation of information from witnesses and/or expert witnesses at the Arbitration Place or outside the Arbitrage Place, and the reading of the Arbitral Award shall be performed in a closed and confidential manner, for which official reports of Arbitration shall be prepared by the trial secretary.
- (3) A Single Arbiter/Arbitration Panel has all the authorities required in relation to the examinations and the adoption of decisions on the dispute, including to determine matters which are considered necessary for smooth running of the dispute settlement.
- (4) Instead of determining its final award, the Single Arbiter/Arbitration Panel has the right to issue preliminary decisions, interlocutory decisions or partial decisions which are deemed necessary in relation to the Arbitration process, including to place a conservatory seizure, to instruct the depositing of goods to a third party, and to seek a guarantee on fees in relation to such acts.
- (5) A Single Arbiter/Arbitration Panel shall have the right to impose sanctions or a party who is negligent or refused to comply with determinations, codes of conduct and/or behaves or carries out an act which obstructs the dispute examination process.
- (6) Third parties outside an Arbitration Agreement may participate and involve themselves in the dispute settlement process by way of Arbitration in the existence of a related interest element and which participation has been agreed to by the Parties and approved by the Single Arbiter/Arbitration Panel who is examining the relevant dispute.

- (7) In order to assist the carrying out of duties of a Single Arbiter/Arbitrage Panel in administrative matters, including preparing official reports of examinations, BAPMI shall appoint a trial secretary or a substitute secretary in the event the secretary is hindered.

Article 33

- (1) The language used during the Arbitration proceedings is the Indonesian language, unless agreed otherwise by a Single Arbiter or a Arbitration Panel and the Parties.
- (2) The award shall be made in Bahasa Indonesia. A translation of an Arbitral Award is only made for information purposes and shall not be binding.

Article 34

- (1) The Arbitrage location is in Jakarta or other cities within the territory of the Republic of Indonesia.
- (2) BAPMI shall determine the Arbitration Place, except the Parties have stipulate it in Arbitrage Agreement.
- (3) The Arbitration Place may be changed from time to time by a Single Arbiter/Arbitration Panel, if such is deemed necessary with the approval of all Parties.
- (4) A Single Arbiter/Arbitration Panel may hold examinations, hear information from witnesses and/or expert witnesses at the Arbitration Place or outside the Arbitration Place.
- (5) The Arbitration Panel may hold examinations at a place which is related to the matters being disputed, with or without the presence of the Parties.

Article 35

- (1) Within a period of at the latest 7 (seven) Working Days since confirmation of acceptance of request as set out in article 21 paragraph (2) of the Regulations & Procedures, BAPMI shall deliver one copy of the Applicant's request to the Respondent with a request that the Respondent issue his/her/its response in writing within a period of at the latest 14 (fourteen) Working Days since the acceptance of such Arbitration request by the Respondent.
- (2) The response shall be delivered by the Respondent to BAPMI with an adequate number of copies for the needs of the Arbitration proceedings by specifying the proposed names of Arbiters and attaching:
 - a). other relevant agreements and/or other documents; if further agreements and/or documents are to be filed, then the Respondent must explain the same in his/her/its response;

b). to attach a list of names of candidate witnesses and/or expert witnesses which is to be filed; if candidate witnesses or witnesses/experts are to be filed, then the Respondent must explain the same in his/her/its response.

Article 36

- (1) If the Respondent intends to file a counterclaim to the Respondent, then such counterclaim must be filed together with the response of the Respondent or at the latest during the first proceeding.
- (2) The Respondent is entitled to react to a counterclaim.
- (3) A counterclaim shall be examined and decided upon by a Single Arbiter/Arbitration Panel together with the main claim.
- (4) For the counterclaim, the Respondent shall pay a registration fee by itself and the Parties shall also bear all examination fees and Arbiter compensation which is separate from which are the same as the fees for the main claim.
- (5) If the fees for counterclaim are not fulfilled by one Party or the Parties, the same shall not hinder or delay the continuation of the Arbitration in relation to the main claim insofar as the fees for the main claim have already been settled.

Article 37

- (1) At the latest 7 (seven) Working Days after a Single Arbiter is appointed or an Arbitration Panel is established, a Single Arbiter/Arbitration Panel shall deliver summons to the Parties to attend the first proceeding which is to be held at least 14 (fourteen) Working Days as of the date of delivery of such summons.
- (2) The summons must clearly state the day and date and the address of the Arbitration Place.

Article 38

- (1) If the Applicant does not attend the first proceeding without any legitimate reason although he/she/it has been properly summoned, then the Single Arbiter/Arbitration Panel shall declare the Arbitration request cancelled and the duties of the Single Arbiter/Arbitration Panel shall end.
- (2) The Arbitration request letter as referred to in paragraph (1) above would not cause the Applicant to lose his/her/its rights to resubmit the Arbitration applicant. BAPMI shall treat this resubmission as a new request.
- (3) If the Respondent neither attends the first proceeding nor delivers his/her/its response without any legitimate reason although he/she/it has been properly summoned, then the Single Arbiter/Arbitration Panel shall hold other summons for a second time.
- (4) If the Respondent still neither attends nor delivers the response on the second chance as referred to in paragraph (3) above although he/she/it has been properly

summoned, then such examinations shall be continued without the attendance or response of the Respondent, and a Single Arbitrator/Arbitration Panel may accept the entire claims of the Respondent, except if such claims are groundless or not based on the law.

Article 39

- (1) During the first proceeding attended by the Applicant and Respondent, a Single Arbitrator/Arbitration Panel must first endeavour the achieving of an amiable settlement between the Parties. In order to attempt such amiable settlement, the Parties may agree to undertake direct negotiations, Mediation or other mechanisms. In the event the Parties agree to settle the issue amicably through BAPMI Mediation, the Parties may select a Single Arbitrator or an arbitrator from the Arbitration Panel to act as Mediator. If the Parties appoint another person as their Mediator, then they will be charged with a Mediator compensation fee which is separate from the Arbitration Fee as referred to in Article 19 of the Regulations & Procedures.
- (2) The Single Arbitrator/Arbitration Panel shall delay the Arbitration proceeding process to render a second opportunity to the Parties to endeavour settlement in accordance with the agreed settlement options by the Parties. The Parties shall re-appear before a Single Arbitrator/Arbitration Panel on the determined day of the Arbitration proceeding to report on the results of such amiable settlement efforts.
- (3) If the Parties reach an amiable settlement, the Parties shall incorporate the same in a settlement agreement which includes a binding settlement of all or part of the dispute and constitutes the final settlement of the Parties regarding such matters.
- (4) Based on the settlement agreement as referred to in paragraph (3) above, a Single Arbitrator/ Arbitration Panel shall enter into a settlement deed which is final and binding on the Parties and instructs the Parties to fulfill the conditions of such settlement.
- (5) If settlement is not reached, the Single Arbitrator/Arbitration Panel shall continue with the Arbitration proceedings.
- (6) In each stage of examinations, the Single Arbitrator/Arbitration Panel shall still have the authorities to encourage or promote settlement between the Parties, and the Parties shall still be entitled to propose settlement up to the reading of the Arbitration Award.

Article 40

- (1) Each Party shall be given 1 (one) final chance to deliver explanations in writing on his/her/its opinion as set out in:
 - a). requests, applicant comments on response, and applicant response on a counterclaim.
 - b). response, counterclaim, and comments of the Respondent to the response of the Applicant on a counterclaim.

Unofficial Translation

- (2) A Single Arbiter/Arbitration Panel may determine based on his/her/its consideration whether the dispute should be decided solely based on an examination of documents or require the summoning of the Parties to attend the proceeding. If the Single Arbiter/Arbitration Panel determines to summon the Parties, then the provisions of the Regulations & Procedures on proceeding summons shall apply.
- (3) If deemed necessary, a Single Arbiter/Arbitration Panel may at any time seek additional oral or written explanations and/or comments to the Parties.
- (4) Each Party must explain his/her/its respective positions and submit evidence which supports his/her/its position and to prove facts which form the basis of the claim or response. To support his/her/its opinion, the Parties may deliver other relevant agreements and/or documents as additional evidence. A Single Arbiter/Arbitration Panel shall determine whether the evidence is acceptable, relevant to and concerns the issue being disputed and has evidentiary power.
- (5) A Single Arbiter/Arbitration Panel may seek additional explanations and/or comments from the other Party in relation to the delivery of additional agreements and/or documents as referred to in paragraph (4) above.

Article 41

- (1) The Applicant may revoke his/her/its request without the approval of the Respondent only if such revocation is undertaken before the Respondent delivers his/her/its response.
- (2) In the event a response has already been issued by a Respondent, then the Applicant may carry out changes and/or additions to such request so long as such changes and/or additions only relate to matters of fact and do not involve the legal basis which forms the grounds of the request.
- (3) In the event of request revocation based on paragraph (1), fees which have already been paid with the exception of registration fee shall be refunded to the Applicant, and BAPMI shall impose a cancellation fine which amounts to 30% (thirty per one hundred) of the Arbiter compensation.
- (4) If the Parties agree to revoke a claim or case after the commencement of proceedings, then such revocation shall be undertaken with a determination of award by a Single Arbiter/Arbitration Panel. In the Award, the consequences of Arbitration fees shall form the responsibility of the Parties.

Article 42

- (1) A dispute shall be settled within a period of at the latest 180 (one hundred and eighty) Working Days, commencing as of the Single Arbiter being appointed or the Arbitration Panel being formed.
- (2) If deemed necessary and for the interests of the Parties, a Single Arbiter/Arbitration Panel with the consent of the Parties and so long as it does not conflict with prevailing laws and regulations shall extend such period for as long as 180 (one hundred and eighty) Working Days.

Unofficial Translation

- (3) If during the period of extension as referred to in paragraph (3), the Arbitration proceedings are not yet finished, the Single Arbitrator/Arbitration Panel may only extend the period based on the decision of the BAPMI Chairman.
- (4) If in no more than 7 (seven) Working Days as of receipt of the request as referred to in paragraph (3), the BAPMI Chairman shall decide on the time extension.
- (5) Before deciding on the time extension, the BAPMI Chairman is entitled to seek explanations from a Single Arbitrator/Arbitration Panel and the disputing Parties.

Article 43

- (1) A Single Arbitrator/Arbitration Panel may instruct the Parties to have all documents and/or evidence submitted to the proceedings to be accompanied with translations therefor in bahasa Indonesia by a sworn translator.
- (2) If considered necessary, a Single Arbitrator/Arbitration Panel may seek opinions from a sworn translator or other parties which are deemed capable to issue their opinions regarding his/her previous translations.

Article 44

- (1) The information of witnesses and/or expert witnesses shall be given in writing by the witnesses and/or expert witnesses on matters which have previously been presented by the Applicant and/or Respondent.
- (2) If deemed necessary, a Single Arbitrator/Arbitration Panel may request for the attendance of witnesses and/or expert witnesses to render explanations concerning their previous given testimonies. A Single Arbitrator/Arbitration Panel may present witnesses and/or expert witnesses from each Party during the same proceeding for their testimonies to be heard simultaneously.
- (3) If a witness and/or an expert witness attend on the request of a Single Arbitrator and/or Arbitration Panel, all fees and/or compensation which must be incurred shall be borne by BAPMI.
- (4) The disputing Parties may ask a Single Arbitrator/Arbitration Panel to present witnesses and/or expert witnesses, and all fees and/or compensation which must be paid for such witnesses and/or expert witnesses shall be borne by and form the responsibility of the so requesting Party.
- (5) Before rendering its testimony before an Arbitration proceeding, a witness and/or expert witness must read out an oath ; that the witness vows to only say the truth, while the (expert) witness vows to only convey his/her knowledge or expertise which relates to issue being brought before him/her.

Article 45

- (1) The disputing Parties on dispute shall render all information which are required by an expert witness in delivering his/her information.

Unofficial Translation

- (2) A copy of the written information of an expert witness to a Single Arbiter/Arbitration Panel must be delivered to the Parties within a period of 3 (three) Working Days as of the receipt of such information.
- (3) The disputing Parties may deliver its written comments on the information of an expert witness for as much as 1(one) time within a period of no more than 7 (seven) Working Days since the date of receipt of a copy of such information or since the date of oral delivery of such information before a proceeding.
- (4) If there still remain unclear matters as regards the content or part of the expert witness information, then on behalf of the concerned Parties, a Single Arbiter/Arbitration Panel may request the attendance of such expert witness in an Arbitration proceeding to be heard for his/her explanations.

Article 46

- (1) A Single Arbiter/Arbitration Panel shall close the Arbitration examinations if the same are deemed sufficient, and set a date of a proceeding for the reading of the Arbitral Award.
- (2) An Arbitral Award shall be read within a period of at most 30 (thirty) Working Days as of the close of the examinations.
- (3) An Arbitral Award shall be read out in a closed session with or without the attendance of the Parties.

Part Five Arbitral Award

Article 47

- (1) Except as otherwise agreed previously by the Parties, a Single Arbiter/Arbitration Panel may adopt an Arbitral Award based on the provisions of applicable laws and regulations and/or based on justice and propriety.
- (2) Although a difference of opinion may exist between the Arbiters in an Arbitration Panel, a decision of the Arbitration Panel is a a collective decision:
 - a). a decision of an Arbitration Panel shall be taken based on deliberations to reach consensus.
 - B). if the deliberation to reach consensus is not reached between the Arbiters, then the decision shall be taken based on the largest number of votes.

Article 48

- (1) An Arbitral Award shall be final, binding and has the force of law for and must be performed by the Parties.
- (2) In the event a Party does not voluntarily implement an Arbitral Award, then such Award shall be implemented based on an order of the chairman of the district

Unofficial Translation

court where such award has been registered on request of the other interested Party.

- (3) An Arbitral Award must be made in writing and contain the following:
 - a). An award title which reads “FOR JUSTICE BASED ON THE ALMIGHTY GOD”
 - b). full names and addresses of the Parties;
 - c). brief summary of the dispute;
 - d). points of view of each Party;
 - e). full names and addresses of the Single Arbiter or the Arbiters from the Arbitration Panel;
 - f). the considerations and conclusions of the Single Arbiter / Arbitration Panel regarding the entire dispute;
 - g). opinion from each Arbiter in the event of difference of opinion within the Arbitration Panel;
 - h). award ruling (*amar putusan*);
 - i). place and date the award is read; and
 - j). signature(s) of the Single Arbiter or the Arbitration Panel.
- (4) If an Arbiter does not sign an Arbitral Award for whatever reason, then the same shall not affect the effectiveness of the Arbitral Award which has been issued by an Arbitration Panel.
- (5) The reason behind the signature not being made as referred to in paragraph (4) above must also be mentioned by the Arbitration Panel in the Arbitral Award.
- (6) An Arbitral Award shall determine a period during which such Arbitral Decree is to be implemented.

Article 49

- (1) An Arbitral Award shall be registered by BAPMI at the registrar of the local district court within a period of 30 (thirty) calendar days as of its stipulation and must be implemented by the Parties within a period of 30 (thirty) calendar days as of its registration.
- (2) If during the period set out in the Arbitral Award, one of the Parties does not comply with and/or implement the Arbitral Award, then BAPMI and/or the interested Party may submit a notification on the same in writing to the management of an association, alliance, society or organization where such interested Party and the Party so defaulting are members.

- (3) if within a period of 10 (ten) Working Days as of the date of the confirmation letter as referred to in paragraph (2) above no implementation has yet been made, then BAPMI and/or the interested party may deliver notifications to the capital market authorities and to all other BAPMI members.

Article 50

The Parties may submit a request for a Single Arbitrator/Arbitration Panel to correct administrative mistakes which may take place, and/or to add or delete something if in the Arbitral Award, a claim has not been mentioned.

Article 51

The Request as referred in Article 50 of the Regulations & Procedures must be filed in writing by the interested Parties to BAPMI within a period of at most 14 (fourteen) calendar days as of the acceptance of such Arbitral Award. Upon receiving the request, then BAPMI shall deliver the same to a Single Arbitrator/Arbitration Panel to be decided upon.

Part Six Fees and Compensation

Article 52

- (1) For dispute settlement by way of Arbitration, the Parties shall be charged with fees whose amount shall be determined from time to time by BAPMI, and which stipulations shall form an inseparable part of the Regulations & Procedures.
- (2) Arbitration fees shall comprise of:
 - a). registration fee;
 - b). examination fee; and
 - c). Arbitrator compensation.
- (3) The fees as referred to in paragraph (1) and paragraph (2) must have already been settled under the following conditions:
 - a). registration fee: to be paid by the Applicant at the time of registration of Arbitration request to the BAPMI Secretariat.
 - b). examination fee: to be paid by the relevant Party before the carrying out of examinations; legal consultancy fees shall not be calculated as examination fees and shall be borne by each party.
 - c). Arbitrator compensation: to be paid by the Parties in two stages:
 - i) first, 50% (fifty per one hundred) of the arbitrator compensation shall be paid pro rata by the Parties before the commencement of Arbitration examinations.

Unofficial Translation

- ii) second, the remaining compensation shall be paid pro rata by the Parties before reading of the Arbitral Award.
- (4) The payment of fees and compensation as referred to in paragraph (3) shall be made in cash to the BAPMI Secretariat or deposited to the account in the name of BAPMI to the Bank which is appointed by BAPMI.
- (5) BAPMI may delay or suspend the Arbitration process up until the fees as referred to above have been settled by the Parties in line with their respective schedules. If a Party does not remit the Arbitration compensation, then the other Party shall remit the same first.
- (6) In the event a request is cancelled based on Article 37 of the Regulations & Procedures:
- a). all examination fees which have been paid by the Parties to BAPMI shall be fully refunded;
- b). all Arbitration compensation which have been paid by the Respondent to BAPMI shall be fully refunded;
- c). the Applicant shall be charged with a 30% (thirty per one hundred) penalty from the Arbitration compensation; and BAPMI shall refund the paid Arbitration compensation which have been paid by the Applicant to BAPMI upon being calculated against such penalty.

CHAPTER V

CONCLUSION

Article 53

- (1) Notwithstanding article 7, article 14(1) and article 32 (2) of the Regulations & Procedures, BAPMI and/or interested Parties may disclose information to third parties regarding the Binding Opinion, Mediation or Arbitration to the extent needed to implement the process and/or results of the Binding Opinion, Mediation or Arbitration based on the reasons permitted under article 8a paragraphs (1) and (2), article 18 paragraphs (1) and (2), and article 49 paragraphs (2) and (3) of the Regulations & Procedures.
- (2) BAPMI (in this case including BAPMI members, BAPMI honorary council, management officials, employee and representatives of BAPMI as well as BAPMI mediators and Arbiters), shall not be responsible to the above Parties for fault as regards the provision of services for the Binding Opinion, Mediation and Arbitration process needs, except such fault has been undertaken in bad faith.
- (3) The Applicant and/or Respondent cannot claim for damages of any kind to BAPMI (in this case including BAPMI members, BAPMI honorary council, management official, BAPMI employees and representative, and BAPMI mediators and Arbiters), including but not limited to claims for damages in relation to:
- a). services provided during the process at BAPMI;

Unofficial Translation

- b). examinations and proceedings undertaken during the process at BAPMI;
 - c). differences of opinion or disputes submitted to BAPMI;
 - d). results of Binding Opinions, Mediations and/or Arbitrations;
 - e). acts taken to comply with the provisions of Regulations & Procedures and prevailing laws and regulations.
- (4) BAPMI is an arbitration institution and thus cannot be deemed, in any situation or capacity, to act as a law consultant concerning the legal rights of the Parties.
- (5) These Regulations & Procedures shall be effective as of the date of their stipulation.
- (6) In the event there are still unregulated matters in these Regulations & Procedures, further additions, perfecting and/or alterations shall be made with a decision of the management of BAPMI.
- (7) With these Regulations & Procedures coming into effect, previous Regulations & Procedures which were regulated in BAPMI Decree Number: KEP-04/BAPMI/11.2002 dated 15 November 2002, shall be declared no longer valid.

Stipulated in: Jakarta

On: 30 November 2009

Indonesia Capital Market Arbitration Board

Bacelius Ruru
Chairman

Felix O. Soebagjo
Secretary General