

4. The Mandatory reserve in paragraph (1) which has not reached the amount as referred to in paragraph (3) may only be used to cover the Company's losses which are unable to be covered by other reserves.
5. If the mandatory fund reserve in paragraph (1) has exceeded an amount of 20% (twenty percent) as mentioned, GMS may resolve that the excess of such reserved fund is used for the Company need.
6. The Board of Directors must manage the said reserved fund so that the said reserved fund gains profit, in a manner considers good by the Board of Directors and by taking into account of the prevailing laws and regulations.
7. Any Profit obtained received from that reserved fund shall be included in the statement of income.

## **AMENDMENT TO THE ARTICLES OF ASSOCIATION**

### **Article 28**

1. Amendment of the Articles of Association must be made in compliance with the Companies Law and/or laws and regulations in the field of Capital Market.

2. Amendment of the Articles of Association shall be stipulated by GMS under the provisions as set forth in Article 25 paragraph (5).
3. The agenda concerning the amendment of the Articles of Association shall clearly mention in the notice of GMS.
4. Amendments to the provisions of the Articles of Association with respect to the change of name, Company's domicile, purposes and objectives, business activity, term of establishment of the Company, the amount of authorized capital, reduction to issued and paid-up capital and the status from a private Company to public listed Company or otherwise, shall be obliged to obtain approval from Minister as referred to in the Companies Law.
5. Amendment of Articles of Association in addition to the matters related to the issues as mentioned in paragraph (4) shall sufficiently notified to the Minister by taking into account of the provision in the Companies Law.
6. Resolution regarding capital reduction must be notified in writing to all the Company's creditor and announced by the Board of Directors in an Indonesian language daily newspaper