

NEWS

DECEMBER 2008

.....

Inside this Issue

1. Foreword
2. Highlights on Requirement to Submit Periodic Reports for Securities Companies
3. Highlights on Emergency Credit Facility for Public Banks
4. Update on Recent Regulations
5. What's on BAHAR & PARTNERS

Areas of Practices

- Aviation & Maritime
- Banking & Finance
- Capital Markets
- Corporate & Debt Restructuring
- Energy & Natural Resources
- Infrastructure & Project Finance
- Investment & Trade
- Mergers & Acquisitions
- Property
- Telecommunication

Foreword

Dear our esteemed Clients & Friends,

All too soon have we reached the end of 2008. Beginning the year with optimism, we all now have to face a global financial crisis. But with hard work, we believe Indonesia shall rise to the challenge and emerge stronger because of it.

We wish also to share with you that one senior associate of Bahar & Partners, Juliana Tjhai, has successfully obtained her LL.M degree in Business Law from Nottingham University, UK, through the firm's scholarship program.

Finally we would like to wish our clients & friends a very Merry Christmas, and to a very happy New Year.

Contact Partners:

Wahyuni Bahar, Managing Partner
wbahar@baharandpartners.com

Atik Susanto, Partner
asusanto@baharandpartners.com

Wiyono Sari, Partner
wiyono@baharandpartners.com

For more details on our firm's profile and our credentials, please visit our website at: www.baharandpartners.com.

NEWS, December 2008

Highlights on Requirement to Submit Periodic Reports for Securities Companies

Decree of the Chairperson of the National Capital Market and Financial Institution Supervisory Agency (Bapepam-LK) No.KEP-460/BL/2008 dated 10 November 2008 requires that all securities company file a Periodic Financial Report, Periodic Activity Report, and Accounting Report pertaining to Annual Adjusted Net Working Capital. The Financial Report submitted to Bapepam-LK must be attached with a Representation on the accountability for the data contained in the financial report.

In this regard, all members of the board of directors and commissioners of the securities company is directly accountable for any statement that they make.

Highlights on Emergency Credit Facility for Public Banks

Bank Indonesia Regulation No. 10/31/PBI/2008, 12 October 2008

In the effectuation of its function as 'lender of the last resort', Bank Indonesia (BI) may grant an Emergency Credit Facility (ECF) to public banks as a means to prevent and overcome the crisis. An ECF may be given if the bank in question:

- experiences liquidity problems which causes a systematic impact;
- has a positive minimum equity requirement ratio; and
- have assets that can be made as security

The ECF may only be given to Indonesian banks for a maximum period of 90 calendar days, which can be extended one time for an additional 90 calendar days. At the latest within 30 days from a decision is made to grant the ECF, the BI governor, conjointly with the Minister of Finance in its capacity as the Committee for Stability of the Financial System (KSSK), must deliver and elaborate the KSSK decision. The Banking Law of 1998 sets sanctions on the bank, the bank's management, shareholders and executive officers who fails to comply with the terms of the ECF given.

UPDATE ON RECENT REGULATIONS

Banking

- Bank Indonesia Regulation No. 10/30/PBI/2008 dated 14 November 2008 on Short-term Credit Facility for Public Banks
- Bank Indonesia Regulation No. 10/29/PBI/2008 dated 14 November 2008 on Intraday Liquidity Facility for Public Banks
- Bank Indonesia Regulation No. 10/28/PBI/2008 dated 12 November 2008 on Purchase of Foreign Currency Against the Rupiah through Banks
- Bank Indonesia Regulation No. 10/27/PBI/2008 dated 30 October 2008 on Follow-up Supervisory Measures and Determination of Status of Banks

Capital Market

- Bapepam-LK Decree No. 460/BL/2008 dated 10 November 2008 on Requirement to submit Periodic Report for Securities Companies (Rule No. X.E.1)
- Regulation of the Minister of Finance No. 118/PMK.08/2008 on the Issuance and Sale of Government Syariah Commercial Papers by Way of Book Building at the Domestic Primary Market

Telecommunication

- Regulation of the Minister of Communications and Informatics No. 32/PER/M.KOMINFO/10/2008 dated 10 October 2008 on the Universal Telecommunication Service Requirements

Energy and Natural Resources

- Regulation of the Minister of Energy and Mineral Resources No. 32/2008 dated 26 September 2008 on the Provision, Use and Commercial Management of Bio Fuel as an Alternative Source of Fuel
- Regulation of the Minister of Energy and Mineral Resources No. 35/2008 dated 12 November 2008 on Procedure to Establish and Offer Oil and Natural Gas Mining Areas
- Regulation of the Minister of Energy and Mineral Resources No. 36/2008 dated 12 November 2008 on the Exploitation of Coal Methane Gas
- Decree of the Minister of Energy and Mineral Resources No. 2659K/10/MEM/2008 dated 30 October 2008 on the Delegation of Authority of the Minister of Energy and Mineral Resources to the Director General of Oil and Natural Gas for the Granting of General Survey License

General

- Government Regulation No. 44/2008 on the provision of compensation, restitution, and assistance to witnesses and victims
- Government Regulation No. 48/2008 on Educational Funding
- Regulation of the Director General of Treasury No. PER-31/PB/2008 on Mechanism for the Financing of the Committee for Land Procurement for the Purpose of Development for Public Interest, Derived from the State Budget and Expenditure
- Regulation of the State Minister for State-Owned Enterprises (BUMN) No. PER-05/MBU/2008 on

General Guidelines for the Procurement of Goods and Services by BUMNs

- Regulation of the Minister for Industry No. 66/M-IND/PER/9/2008 on Delegation of Authority for the Granting of Industrial License and Expansion License for Investment Purposes
- Decree of the Coordinating Minister for the Economy, as Chairperson of the National Land Use Planning Coordination Board No. Kep-33/M.EKON/05/2008 on the National Team for the Development of Special Economic Areas in Indonesia

WHAT'S ON BAHAR & PARTNERS

SEMINARS AND DISCUSSIONS

Indo Defence & Indo Aerospace 2008 Seminars

On Thursday, 20 November 2008, the firm's managing partner, Wahyuni Bahar, appeared as a speaker at the Seminar Indo Defence & Indo Aerospace 2008 Seminar held at the Halim Perdanakusuma Air Force Base, Jakarta, an event organized by Air Power Centre of Indonesia (APCI). Mr. Bahar's presentation was on the Five Crucial Aspects for the Strengthening of the National Aerospace Industry during the National Air Transportation Policy session.

The seminar is one among a series of events making up the Indo Defence & Indo Aerospace Expo & Forum 2008, which adopts the theme of Harnessing Defence Technology Capabilities & Improving the Role of Current National Air Transportation, organized by the Indonesian Air force and which lasted from 19 to 22 of November. The event were participated by more than 500 companies from 40 countries that are engaged in the aviation industry.

BAHAR & PARTNERS

Menara Prima, 18th Floor
Jl. Lingkar Mega Kuningan Blok 6.2
Jakarta 12950, Indonesia
Tel : +62 21 5794 7880
Fax : +62 21 5794 7881
Email : general@baharandpartners.com

Business Law Information System (SIHB)

Bahar & Partners is currently developing an integrated and computerized business law system for our internal use, namely the Business Law Information System or "SIHB". The system shall be easily accessible for our lawyers, thus enabling our firm to provide faster and more accurate law services for our esteemed clients.

The SIHB consists of comprehensive and integrated legal information from numerous researches conducted by our lawyers, compilation of case studies and regulations for various business sectors, ranging from Investment, Banking, Finance, Telecommunication, Mining, Power Plant, Infrastructure, Business Competition and many others.

We also have a fully-equipped library with collections covering literatures on various subjects and topics. Our information department is committed and continues to update and collect the latest news and information for members of the firm.

ICE-BREAKING

Bahar & Partners – Outbound

On 18-19 October 2008, the lawyers and staff of Bahar & Partners and the Baris Group of Companies held an outbound session which took place at Vila Ratu, Bogor, adopting a 'back to nature' theme.

During the outbound, participants were engaged in team-building activities through various games that called for creativity and physical stamina.

The outbound provided endless enjoyment, and was made more memorable by the lighting of a bonfire during the night and a karaoke competition held among newly recruited lawyers and staff. The contestants all gave their best singing and dancing performances. The first place winner of the competition took home an iPod as first prize.

Cinejurist & Other Activities

A regular weekly activity at the lawfirm of Bahar & Partners is a session that the firm's lawyers and staff call *cinejurist*. On Friday afternoons, lawyers and staff members prepare to enjoy a relaxing weekend by gathering to watch an informal movie session. During these sessions, those who have no more work to do for the week can watch a movie prepared by a social committee, which has been charged with the task of selecting the movie to be watched. The movies may be classics or new releases.

In addition to the Cinejurist, the Bahar & Partners social committee periodically arrange for out-of-office activities, such as indoor football games (for ladies and gents), visits to some orphanages, to name a few.

Disclaimer

Despite of every effort has been made to ensure that the information contained in this newsletter is correct and that there are no errors or omissions, no responsibility is accepted as to the accuracy or completeness of the statements, facts and examples included herein, and no liability is accepted whatsoever on the part of Bahar & Partners, or on the part of the Partners, Associates, Managers or Agents of Bahar & Partners for any loss or damage whatsoever, howsoever caused, arising from the use of this newsletter.

BAHAR & PARTNERS

Menara Prima, 18th Floor
Jl. Lingkar Mega Kuningan Blok 6.2
Jakarta 12950, Indonesia
Tel : +62 21 5794 7880
Fax : +62 21 5794 7881
Email : general@baharandpartners.com