



MINISTER OF FINANCE
OF THE REPUBLIC OF INDONESIA

COPY OF

REGULATION OF THE MINISTER OF FINANCE OF THE REPUBLIC OF
INDONESIA NUMBER 119/PMK.08/2011

CONCERNING

ISSUANCE AND SALE OF STATE SHARIA SECURITIES IN FOREIGN
CURRENCY IN INTERNATIONAL MAIDEN MARKET

BY THE GRACE OF GOD ALMIGHTY

THE MINISTER OF FINANCE,

- Considering
- a. that the sale of the State Sharia Securities in foreign currency in the international maiden market can be done by way of book building and private placement through a panel or Selling Agent appointed under the selection process;;
 - b. that the Minister of Finance Regulation No. 152/PMK.08/2008 on Issuance of State Sharia Securities in the Foreign Currency in The International Maiden Market as amended by Regulation of the Minister of Finance No. 129/PMK.08/2009, yet accommodate the provisions referred to in paragraph a;
 - c. that the Regulation of the Minister of Finance Number 171/PMK.05/2007 concerning Accounting and Financial Reporting System of the Central Government has not been enough to regulate the guidelines for accounting and reporting of assets of the Contractor of Cooperation Contract;
 - d. That based on the considerations referred to point b and refer to the provisions of Article 18 and Article 24 Act Number 19 Year 2008 concerning State Sharia Securities, it is necessary to set back the issuance and sale of the State Sharia Securities;
 - e. That based on the considerations referred to letters a, b, and c, it is necessary to stipulate Regulation of the Minister of Finance on the Issuance and Sale of State Sharia Securities in the Foreign Currency in The International Maiden Market;
- In View of
- 1. Act Number 19 Year 2008 regarding State Sharia Securities (State Gazette of the Republic of Indonesia mYear 2008 Number 70, Supplement to State Gazette of the Republic of Indonesia Number 4852);;
 - 2. Presidential Regulation Number 54 Year 2010 concerning Procurement of Goods / Services;
 - 3. Presidential Regulation Number 56/P Year 2010;



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DECIDES:

To stipulate : REGULATIONS OF THE MINISTER OF FINANCE ON THE
ISSUANCE AND SALE OF STATE SHARIA SECURITIES IN
THE FOREIGN CURRENCY IN INTERNATIONAL MAIDEN
MARKET.

CHAPTER I

GENERAL PROVISIONS

Article 1

In this Regulation of the Minister of Finance:

1. State Sharia Securities, hereinafter referred to SBSN, or can be called Sukuk, are securities issued by the state based on sharia principles, as evidence of part of the assets of SBSN inclusion, both in rupiah and foreign currency.
2. Person is an individual who is an Indonesian citizen and a foreign citizen, or a corporation, partnership, association, or organized group, wherever they reside or be located both inside and outside the country.
3. International Maiden Market is SBSN offering and selling activities in foreign currency outside the jurisdiction of Indonesia for the first time.
4. SBSN Publishing Company is a legal entity incorporated under the provisions of the Law on State Sharia Securities to implement SBSN publishing activities.
5. Bookbuilding is SBSN publishing and sales activities in foreign currency in the International Maiden Market to the Parties by the Selling Agent, which the Sales Agent collects Subscription in the specified offer period.
6. Direct placement, hereinafter referred to as the Private Placement is SBSN publishing and sales activities in foreign currency in the International Maiden Market by the Government to the parties, the terms and conditions SBSN according to the agreement.
7. Publishing by Program was the SBSN publication in the International Maiden Market conducted on an ongoing basis by the number of targets and the issuance of a specific time period according to publishing activities (publishing program) plan prepared by the Government together with a number of Investment Banks appointed as members of the Panel
8. Single Publishing (stand-alone) is published SBSN in the International Maiden Market performed by a single format at a certain time and by a certain amount of issuance in accordance with the targets set by the



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Government.

9. Investment Bank is a financial institution licensed by the authorities in the financial institution that is doing business as an underwriter, and broker or investment manager.
10. Sales Agent is Investment Bank appointed to carry out the SBSN sales in foreign currency in the International Maiden Market.
11. Candidates Panel SBSN Sales Agent in the International Maiden Market, hereinafter referred to Panel is some Investment Banks who pass the selection as a candidate for SBSN Sales Agent.
12. Legal Consultant is a party appointed to assist the preparation of legal documents concerning SBSN issuance in foreign currency in the International Maiden Market.
13. Minister is the Minister of Finance.
14. Information Memorandum (Offering Memorandum) is SBSN written information deals in foreign currency to the public.
15. Subscription is bidding to buy the State Sharia Securities in foreign currency by investors.
16. Rationing is the SBSN allocations obtained by each applicant according to SBSN sales in foreign currency.
17. SBSN Asset is SBSN object and / or the State Property that possess economic value, such as land and / or buildings or a part other than land and / or buildings that serves as the basis for the issuance of SBSN.
18. Trustee is a party that represents the interests of SBSN holder in accordance with the agreement referred to in the Act.
19. Working Day is a clearing day in the designated clearing agency.
20. Procurement Committee is a committee formed to carry out the selection of candidates of the Panel member, which are the Agent and / or prospective legal consultant candidates.

Article 2

- (1) Each Party may purchase SBSN in foreign currency in the International Maiden Market.
- (2) SBSN Purchase referred to in paragraph (1) conducted by the Agent.

CHAPTER II
TERMS OF ISSUANCE AND SALE

Article 3



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- (1) SBSN issuance in foreign currency in the International Maiden Market can be implemented:
 - a. directly by the Government, or
 - b. through SBSN Issuance Company..
- (2) In terms of publishing SBSN done in the manner described in paragraph (1) letter a, preparation and execution of the SBSN publishing activities carried out by working unit in the Ministry of Finance that serves the duties and functions in managing SBSN.
- (3) In terms of publishing SBSN done in the manner described in paragraph (1) letter b, preparation and execution of the SBSN publishing activities carried out by the SBSN Publishing Company, assisted by the working unit in the Ministry of Finance whose duties and functions shall manage SBSN.

Article 4

SBSN sales in foreign currency in the International Maiden Market is done by:

- a. Bookbuilding, or
- b. Private Placement.

Article 5

- (1) SBSN sales in foreign currency in the International Maiden Market in the Bookbuilding manner as referred to in Article 4 letter a can be made to:
 - a. Single Publishing (stand alone), or
 - b. Publishing by Program.
- (2) Sales SBSN referred to in paragraph (1) conducted by the Selling Agent.
- (3) Selling Agent as described in paragraph (2) designated from:
 - a. selection results of the Investment Bank in Single Publishing (stand alone), or
 - b. Panel member selection results in the Issuance By Way the program.

Article 6

- (1) SBSN sales in foreign currency in the International Maiden Market by Private Placement as referred to in Article 4, letter b can be executed by:
 - a. directly by the Government;
 - b. by members of the Panel or the Selling Agent.
- (2) Sales SBSN by members of the Panel or the Selling Agent as described in paragraph (1) may only be performed by members of the Panel or the selling agent by submit bids if the Government has a SBSN the



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issuance and sale program in foreign Currency in the International Maiden Market by way of Private Placement.

Article 7

The procedure for the SBSN issuance and sale in foreign currency in the International Maiden Market by Private Placement as referred to in Article 4, letter b Regulation of the Minister of Finance on the issuance and sale of the State Sharia Securities by Direct Placement (Private Placement).

Article 8

SBSN sales in foreign currency in the International Maiden Market as referred to in Article 4 shall be performed by the guarantee scheme.

CHAPTER III

TERMS AND CONDITIONS OF PANEL, SELLER AGENT
AND LEGAL CONSULTANT

Article 9

- (1) To be a member of the Panel or the Selling Agent, Panel candidate or Sales Agent candidate shall:
 - a. submit a proposal to the Procurement Committee;
 - b. meet the criteria and requirements set by the Procurement Committee, and
 - c. pass the selection by the Procurement Committee.
- (2) The criteria and requirements for the Panel and the Selling Agent candidates as described in paragraph (1) at least have:
 - a. experience as Islamic securities (sukuk) selling agent issued by a corporation in the state or international financial markets;
 - b. team members who have knowledge and experience in selling Islamic securities (sukuk) issued by a state or corporation in the international financial markets;
 - c. work plans, strategies, and methodologies selling Islamic securities (sukuk), and
 - d. extensive distribution network.

Article 10

- (1) Panel members or Sales Agent determined through a selection process by the Procurement Committee.
- (2) The selection process referred to in paragraph (1) conducted through the following steps:
 - a. submission of the letter of request for proposals (Request for Proposal) to the Investment Bank;



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- b. receipt and evaluation of the procurement documents;
 - c. ranking based on the evaluation of procurement documents (short listed candidates) to attend a technical clarification (beauty contest);
 - d. technical clarification (beauty contest);
 - e. technical clarification ranking results (beauty contest);
 - f. fee negotiation;
 - g. announcement of the winner;
 - h. disclaimer period, and
 - i. determining the winner selection.
- (3) Negotiations fee referred to in paragraph (2) letter f is made to a number of members of the Panel or Selling Agent candidates was ranked on the top as the results technical clarification process (beauty contest) and sorted from the first order.
- (4) In the absence of an agreement in the fee negotiation with members of the Panel or Sales Agent candidates referred to in paragraph (3), fee negotiation will be held to the next rank members of the Panel or the Sales Agent candidates until there is an agreement, and so on to meet the number of members of the Panel or Selling Agent needed.

Article 11

- (1) For the first issue in terms of using Publishing by Program conducted in the current fiscal year, selling agents appointed from the members of the panel who placed the best rank on the selection process and after fee negotiation.
- (2) Selling Agent for a second or subsequent publication that is still made in the current fiscal year as described in paragraph (1) is appointed through a selection process with the following stages:
- a. submission of the letter of request for proposals (Request for proposal) to the Investment Bank;
 - b. acceptance of the procurement documents;
 - c. evaluation of the procurement documents;
 - d. ranking based on the evaluation of procurement documents, and
 - e. determining the selection winner.

Article 12

- (1) Selling Agent appointment is based on the establishment of the selection winner as referred to in Article 10 paragraph (2) letter i, Article 11 paragraph (1) or Article 11 paragraph (2) letter e.
- (2) Seller Agent appointment referred to in paragraph (1)



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will be followed up by a job contract.

- (3) Selling Agent appointment and signing of job contract referred to in paragraph (1) and paragraph (2) is conducted by the Committing Officer.

Article 13

Membership Investment Bank of the Panel may be revoked if the members of the Panel include:

- a. act or making a statement that could potentially destabilize the market SBSN;
- b. declare itself bankrupt;
- c. declare bankrupt by a court or competent institution.

Article 14

In the SBSN issuance and sale in foreign currency in the International Maiden Market, can be executed the appointment of a Legal Consultant.

Article 15

- (1) To become a Legal Consultant, the candidates must:
 - a. submit a proposal to the Procurement Committee;
 - b. meet the criteria and requirements set by the Procurement Committee and
 - c. pass the selection by the Procurement Committee.
- (2) Criteria and qualifications of candidates for Legal Consultant referred to in paragraph (1) at least have:
 - a. experience as a legal consultant in the areas of capital markets, particularly in the issuance of Islamic securities (sukuk), the activities in the domestic market or the international market, and
 - b. team members who have the legal expertise and experience in the field of capital market, particularly in the issuance of Islamic securities (sukuk) activities in the domestic market or the international market.

Article 16

- (1) Legal Consultants referred to in Article 14 are set through a selection process by the Procurement Committee.
- (2) The selection process referred to in paragraph (1) conducted through the following steps:
 - a. submission of the letter of request for proposals (Request for Proposal) to the Investment Bank;
 - b. receipt and evaluation of the procurement documents;



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- c. ranking based on the evaluation of procurement documents (short listed candidates) to attend a technical clarification (beauty contest);
 - d. technical clarification (beauty contest);
 - e. technical clarification ranking results (beauty contest);
 - f. fee negotiation;
 - g. announcement of the winner;
 - h. disclaimer period, and
 - i. declare the winner.
- (3) Legal Consultant candidate who achieve the first rank of the technical clarification result (beauty contest), will have the first chance to negotiate the fee.
- (4) In case there is no agreement made in fee negotiation with legal consultant candidates referred to in paragraph (3), the fee negotiation will be executed to next rank candidate until there is agreement reached

Article 17

- (1) Appointment of Legal Consultant based on the declaration of the selection winner as referred to in Article 16 paragraph (2) letter i.
- (2) Appointment of Legal Consultant referred to in paragraph (1) followed up with an job contract.
- (3) Selling Agent designation and signing of agreements referred to in paragraph (1) and paragraph (2) conducted by the Committing Officer.

CHAPTER IV
SALES EXECUTION

Article 18

- (1) In order to SBSN sales in foreign currency in the International Maiden Market, it can be composed Offering Memorandum.
- (2) Offering Memorandum referred to in paragraph (1) including the procedures of SBSN Subscription, Rationing and settlement in foreign currency.

Article 19

In order SBSN sales in foreign currency in the International Maiden Market, Government and / or the SBSN Publisher Company can carry out roadshow as a means to provide information to investors candidates.

Article 20

- (1) Minister set SBSN sales results in foreign currency, which include:
 - a. SBSN nominal value received;



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- b. yield and / or price, and
 - c. rate of return.
- (2) Minister may accept the whole or in part, or reject all incoming Subscription.
- (3) Determination of SBSN sales results in foreign currency as referred to in paragraph (1) and paragraph (2) conducted by the General Director of Debt Management on behalf of the Minister.

Article 21

- (1) SBSN sales result in foreign currency in the International Maiden Market announced to the public.
- (2) The announcement of SBSN sales in foreign currency in the International Maiden Market to the public referred to in paragraph (1) at least include:
- a. SBSN types;
 - b. nominal value;
 - c. date of issuance;
 - d. benefits, and
 - e. maturity date.

CHAPTER V
ISSUANCE DOCUMENT

Article 22

- SBSN issuance documents in foreign currency include:
- a. Offering Memorandum;
 - b. SBSN Asset transaction documents;
 - c. trustee agreements, and
 - d. terms and conditions of SBSN.

Article 23

- (1) SBSN Asset transaction documents referred to in Article 22 letter b, among others, include:
- a. purchase agreement or lease of State Property to use as SBSN Asset;
 - b. SBSN Asset lease agreement;
 - c. SBSN asset purchase agreement, including the form of the object SBSN financing;
 - d. partnership agreement.
- (2) SBSN Asset transaction documents referred to in paragraph (1) is matched to the published SBSN Agreement.
- (3) SBSN Agreement referred to in paragraph (2) include Ijarah Agreement, the Istishna' Agreement, Musharaka Agreement, Mudarabah Agreement, or any other Agreement in accordance with Islamic principles.



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Article 24

- (1) In the case of SBSN issued directly by the Government, SBSN Asset transaction documents referred to in Article 22 paragraph b, is signed by the Minister and appointed trustee.
- (2) In the case of SBSN issued through SBSN Publishing Company, SBSN Asset transaction documents referred to in Article 22 letter b is signed by the Minister and the board of directors of the SBSN Publishing Company.
- (3) If the Minister is absent, the signing of SBSN asset transactions documents referred to in paragraph (1) and paragraph (2), conducted by the General Director of Debt Management on behalf of the Minister.

Article 25

- (1) In the case of SBSN issued directly by the Government, the trustee agreement referred to in Article 22 letter c is signed by the Minister and appointed trustee.
- (2) In the case of SBSN issued through SBSN Publishing Company, trustee agreements referred to in Article 22 letter c is signed by the Minister, the board of directors SBSN Publishing Company, and other parties designated to carry out the functions of the trustee.
- (3) If the Minister is absent, the signing of the trustee agreement referred to in paragraph (1) and paragraph (2) conducted by the General Director of Debt Management on behalf of the Minister.

Article 26

- (1) In the case of SBSN issued directly by the Government, the SBSN terms and conditions as referred to in Article 22 letter d is signed by the General Director of Debt Management on behalf of the Minister and the designated trustee.
- (2) In case SBSN issued through SBSN Publishing Company, the SBSN terms and conditions as referred to in Article 22 letter d is signed by the General Director of Debt Management on behalf of the Minister and the board of directors of the SBSN Publishing Company.

Article 27

Appointment of Trustee referred to in Article 24 paragraph (1), Article 25 paragraph (1) and Article 26 paragraph (1), and other parties to carry out the functions as Trustee, as referred to in Article 25 paragraph (2) is conducted by the General Director of Debt on behalf of the Minister.



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CHAPTER VI
SETTLEMENT OF SBSN SALES RESULT

Article 28

SBSN Settlement shall not exceed 5 (five) Working Days after the determination SBSN sales results in foreign currency referred to in Article 20 (T +5).

Article 29

The entire SBSN sales results in foreign currency, whether issued directly by the government or through SBSN Publishing Company, it is state revenues paid to the State Treasury.

CHAPTER VII
SBSN ISSUANCE COSTS

Article 30

All costs incurred in publishing activities SBSN in foreign currency, whether issued directly by the government or through SBSN Publishing Company, is charged to the State Budget.

CHAPTER VIII
CLOSING

Article 31

At the time of this regulation comes into force, the Minister of Finance No. 152/PMK.08/2008 on Issuance of State Sharia Securities in the Foreign Currency in The International Maiden Market as amended by Regulation of the Minister of Finance No. 129/PMK.08/2009 revoked and declared invalid.

Article 32

This Regulation of the Minister of Finance shall come into force on the date of its promulgation.

For Public cognizance, this Regulation of the Minister of Finance shall be promulgated by placing it in State Gazette of the Republic of Indonesia.

Stipulated in Jakarta
on January 4, 2011
MINISTER OF FINANCE

Signed,

AGUS
MARTOWARDOJO

D.W.



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Promulgated in Jakarta

On January 4, 2011

MINISTER OF LAW AND HUMAN RIGHTS

Signed

PATRIALIS AKBAR

STATE GAZETTE OF THE REPUBLIC OF INDONESIA YEAR 2011 NUMBER 460