

REGENT SUKOHARJO

CENTRAL JAVA

PROVINCE

SUKOHARJO DISTRICT REGIONAL

REGULATION NUMBER 4 OF 2013

ON

THE CAPITAL PARTICIPATION OF THE REGIONAL GOVERNMENT  
TO THE LIMITED LIABILITY COMPANY OF BANK PEMBANGUNAN DAERAH  
JAWA TENGAH, THE REGIONAL COMPANY OF BANK PERKREDITAN RAKYAT  
(BPR) OF GROGOL DISTRICT, AND THE REGIONAL COMPANY OF THE CREDIT  
AGENCY OF SUKOHARJO DISTRICT

WITH THE GRACE OF GOD ALMIGHTY THE

REGENT OF SUKOHARJO,

Considering :

- a. That the Limited Liability Company of Bank Pembangunan Daerah Jawa Tengah, the Regional Company of Bank Perkreditan Rakyat of Grogol District, and the Regional Company of the Credit Agency of Sukoharjo District are companies owned by the Provincial Government of Central Java and the Regional Governments of Regencies and Cities throughout Central Java. Therefore, in order to support the capital structure, foster regional economic growth, and increase regional revenue, the Sukoharjo District Government needs to make capital participation;
- b. That pursuant to the provisions of Article 173 paragraph (1) of Law Number 32 of 2004 concerning Regional Government as amended several times, most recently by Law Number 12 of 2008 concerning the Second Amendment to Law Number 32 of 2004 concerning Regional Government, the Regional Government may make capital participation in a government-owned and/or private-owned enterprise;
- c. That pursuant to the provisions of Article 75 of Government Regulation Number 58 of 2005 concerning Regional Financial Management, capital participation by the Regional Government may be carried out if the amount to be contributed in the relevant fiscal year has been stipulated in the regional regulation on regional capital participation for the relevant region;

d. That based on the considerations as referred to in letters a, b, and c, it is necessary to establish a Regional Regulation concerning the Capital Participation of the Regional Government to the Limited Liability Company of Bank Pembangunan Daerah Jawa Tengah, the Regional Company of Bank Perkreditan Rakyat of Grogol District, and the Regional Company of the Credit Agency of Sukoharjo District.

Remembering :

1. Article 18 paragraph (6) of the 1945 Constitution of the Republic of Indonesia;
2. Law Number 13 of 1950 concerning the Formation of Regencies in the Province of Central Java;
3. Law Number 5 of 1962 concerning Regional Companies (State Gazette of the Republic of Indonesia 1962 Number 10, Supplement to State Gazette of the Republic of Indonesia Number 2387) in conjunction with Law Number 6 of 1969 concerning the Abolition of Various Laws and Government Regulations in Lieu of Laws (State Gazette of the Republic of Indonesia 1969 Number 37, Supplement to State Gazette of the Republic of Indonesia Number 2901);
4. Law Number 7 of 1992 concerning Banking (State Gazette of the Republic of Indonesia 1992 Number 31, Supplement to State Gazette of the Republic of Indonesia Number 3472) as amended by Law Number 10 of 1998 concerning the Amendment to Law Number 7 of 1992 concerning Banking (State Gazette of the Republic of Indonesia 1998 Number 182, Supplement to State Gazette of the Republic of Indonesia Number 3790);
5. Law Number 17 of 2003 concerning State Finance (State Gazette of the Republic of Indonesia 2003 Number 47, Supplement to State Gazette of the Republic of Indonesia Number 4286);
6. Law Number 1 of 2004 concerning State Treasury (State Gazette of the Republic of Indonesia 2004 Number 5, Supplement to State Gazette of the Republic of Indonesia Number 4355);
7. Law Number 15 of 2004 concerning the Examination of Management and Responsibility of State Finances (State Gazette of the Republic of Indonesia 2004 Number 66,

8. Supplement to State Gazette of the Republic of Indonesia Number 4400);
9. Law Number 32 of 2004 concerning Regional Government (State Gazette of the Republic of Indonesia 2004 Number 125, Supplement to State Gazette of the Republic of Indonesia Number 4437) as amended several times, most recently by Law Number 12 of 2008 concerning the Second Amendment to Law Number 32 of 2004 concerning Regional Government (State Gazette of the Republic of Indonesia 2005 Number 59, Supplement to State Gazette of the Republic of Indonesia Number 4844);
10. Law Number 33 of 2004 concerning Financial Equalization between the Central Government and Regional Governments (State Gazette of the Republic of Indonesia 2004 Number 126, Supplement to State Gazette of the Republic of Indonesia Number 4438);
11. Law Number 8 of 2007 concerning Government Investment (State Gazette of the Republic of Indonesia 2007 Number 24, Supplement to State Gazette of the Republic of Indonesia Number 4698);
12. Law Number 25 of 2007 concerning Capital Investment (State Gazette of the Republic of Indonesia 2007 Number 67, Supplement to State Gazette of the Republic of Indonesia Number 4724);
13. Law Number 40 of 2007 concerning Limited Liability Companies (State Gazette of the Republic of Indonesia 2007 Number 106, Supplement to State Gazette of the Republic of Indonesia Number 4756);
14. Law Number 12 of 2011 concerning the Formation of Laws and Regulations (State Gazette of the Republic of Indonesia 2011 Number 82, Supplement to State Gazette of the Republic of Indonesia Number 5234);
15. Government Regulation Number 58 of 2005 concerning Regional Financial Management (State Gazette of the Republic of Indonesia 2005 Number 140, Supplement to State Gazette of the Republic of Indonesia Number 4578);
16. Government Regulation Number 79 of 2005 concerning Guidelines for the Coaching and Supervision of Regional Government Administration (State Gazette of the Republic of Indonesia 2005 Number 165, Supplement to State Gazette of the Republic of Indonesia Number 4593);
17. Government Regulation Number 38 of 2007 concerning the Division of Government Affairs between the Central Government, Provincial Governments, and Regency/City Governments (State Gazette of the Republic

of Indonesia 2007 Number 82, Supplement to State Gazette of the Republic of Indonesia Number 4737);

18. Government Regulation Number 71 of 2010 concerning Government Accounting Standards (State Gazette of the Republic of Indonesia 2010 Number 123, Supplement to State Gazette of the Republic of Indonesia Number 4516);

19. Presidential Regulation Number 1 of 2007 concerning the Ratification, Promulgation, and Dissemination of Legislation;

20. Regional Regulation of the Province of Central Java Number 6 of 1999 concerning the Change in the Legal Form of Bank Pembangunan Daerah Jawa Tengah from a Regional Company (PD) to a Limited Liability Company (PT) Bank Pembangunan Daerah Jawa Tengah (Provincial Government Gazette of Central Java 1999 Number 17, Series D Number 17);

21. Regional Regulation of the Province of Central Java Number 19 of 2002 concerning Regional Companies of Credit Agencies in Central Java (Provincial Government Gazette of Central Java 2002 Number 121);

22. Regional Regulation of the Province of Central Java Number 11 of 2008 concerning Regional Company of Bank Perkreditan Rakyat (BPR) of the Credit Agency of Districts (PD. BPR BKK) in Central Java (Provincial Government Gazette of Central Java 2008 Number 11 Series E Number 5, Supplement to Provincial Government Gazette of Central Java Number 17), as amended by Regional Regulation of the Province of Central Java Number 3 of 2012 concerning the Amendment to Regional Regulation Number 11 of 2008 of the Province of Central Java concerning the Regional Company of the Credit Agency of Districts in Central Java.

By mutual consent

REGIONAL PEOPLE'S REPRESENTATIVE COUNCIL OF SUKOHARJO  
DISTRICT and

REGENT OF SUKOHARJO DECIDED:

Establish : THE CAPITAL PARTICIPATION OF THE REGIONAL GOVERNMENT TO THE LIMITED LIABILITY COMPANY OF BANK PEMBANGUNAN DAERAH JAWA TENGAH, THE REGIONAL COMPANY OF BANK PERKREDITAN RAKYAT (BPR) OF GROGOL DISTRICT, AND THE REGIONAL COMPANY OF THE CREDIT AGENCY OF SUKOHARJO DISTRICT

## CHAPTER I

GENERAL  
PROVISIONS

## Article 1

In this Regional Regulation, the following terms are defined as:

1. Region refers to Sukoharjo Regency.
2. Regent refers to the Regent of Sukoharjo.
3. Regional People's Representative Council, hereinafter referred to as DPRD, refers to the Regional People's Representative Council of Sukoharjo Regency as an element of the regional government administration.
4. Regional Government refers to the Regent of Sukoharjo and the Regional Apparatus as elements of the regional government administration.
5. Limited Liability Company of Bank Pembangunan Daerah Jawa Tengah, hereinafter referred to as PT. Bank Jateng, refers to the limited liability company of Bank Jateng operating in the banking sector of the Provincial Government of Central Java, whose shares are owned by the Provincial Government of Central Java and the Regency/City Governments in Central Java Province.
6. Regional Company of Bank Perkreditan Rakyat of Grogol District, hereinafter referred to as PD. BPR BKK Grogol, refers to the Regional Company of Bank Perkreditan Rakyat of the Credit Agency of Grogol District in Central Java Province, whose shares are owned by the Provincial Government of Central Java and the Regional Government.
7. Regional Company of the Credit Agency of Sukoharjo District, hereinafter referred to as PD. BKK Sukoharjo, refers to the Regional Company of the Credit Agency of Sukoharjo District in Central Java Province, whose shares are owned by the Provincial Government of Central Java and the Regional Government.
8. Shares refer to securities that represent the government's participation or ownership in PT. Bank Jateng, PD. BPR BKK Grogol, and PD. BKK Sukoharjo.
9. Regional Capital refers to all wealth of the region, including money, regional assets, securities, or other assets, both tangible and intangible, movable and immovable, including parts thereof or specific units that can be valued, calculated, measured, and weighed.
10. Capital Participation by the Regional Government refers to any effort by the regional government to participate in capital in a joint

venture with a third party and/or the utilization of regional capital by a third party on mutually beneficial principles.

11. General Meeting of Shareholders, hereinafter referred to as RUPS, refers to the governing body of PT. Bank Jateng, PD. BPR BKK Grogol, and PD. BKK Sukoharjo, with authority not granted to the Board of Directors or Board of Commissioners within the limits set by the applicable laws and/or the articles of association.
12. Regional Revenue and Expenditure Budget, hereinafter referred to as APBD, refers to the regional annual financial plan established based on the Regional Regulation on the APBD.
13. Asset Management Unit, hereinafter referred to as AMU, in PT. Bank Jateng, refers to the result of the collection of bad debts that were written off during recapitalization and later returned to shareholders according to the percentage of shares owned.
14. Purpose Reserve refers to a portion of profit after tax, set aside for specific purposes and approved by the General Meeting of Shareholders.

## CHAPTER II INTENT AND PURPOSE

### Article 2

The purpose of the capital participation by the Regional Government is to strengthen the capital structure and increase the percentage of shares owned by the Region.

### Article 3

The objectives of the capital participation by the Regional Government are:

- a. to enhance regional economic growth;
- b. to increase regional original income; and
- c. to fulfill the basic capital requirements in accordance with regional government obligations.

## CHAPTER II LOCAL GOVERNMENT AUTHORITY

### Article 3

- (1) Government Regional authorized in the organization and construction of Parking facilities in the Region.
- (2) The authority as referred to in paragraph (1) includes:

## CAPITAL PARTICIPATION

### Article 4

The Regional Government shall make capital participation to:

- a. PT. Bank Jateng;
- b. PD. BPR BKK Grogol; and
- c. PD. BKK Sukoharjo.

### Article 5

(1) The capital participation requirement of the Regional Government to PT. Bank Jateng until the end of 2017 is IDR 36,000,000,000.00 (thirty-six billion rupiahs).

(2) The capital participation by the Regional Government that has been paid to PT. Bank Jateng until the end of 2012 is IDR 14,634,000,000.00 (fourteen billion six hundred thirty-four million rupiahs) with the following details:

- a. until 2005: IDR 5,096,000,000.00 (five billion ninety-six million rupiahs);
- b. in 2006: IDR 0.00 (zero rupiahs);
- c. in 2007: IDR 160,000,000.00 (one hundred sixty million rupiahs);
- d. in 2008: IDR 1,800,000,000.00 (one billion eight hundred million rupiahs);
- e. in 2009: IDR 1,212,000,000.00 (one billion two hundred twelve million rupiahs);
- f. in 2010: IDR 1,173,000,000.00 (one billion one hundred seventy-three million rupiahs);
- g. in 2011: IDR 3,529,000,000.00 (three billion five hundred twenty-nine million rupiahs); and
- h. in 2012: IDR 1,664,000,000.00 (one billion six hundred sixty-four million rupiahs).

(3) The fulfillment of the shortfall in the capital participation of the Regional Government to PT. Bank Jateng, amounting to IDR 21,366,000,000.00 (twenty-one billion three hundred sixty-six million rupiahs), will be budgeted through the APBD for the relevant fiscal year until 2017.

### Article 6

(1) The capital participation requirement of the Regional Government to PD. BPR BKK Grogol is IDR 14,700,000,000.00 (fourteen billion seven hundred million rupiahs).

(2) The capital participation by the Regional Government that has been paid to PD. BPR BKK Grogol until the end of 2012 is IDR 5,700,000,000.00 (five billion seven hundred million rupiahs) with the following details:

- a. until 2005: IDR 1,745,721,308.00 (one billion seven hundred forty-five million seven hundred twenty-one thousand three hundred eight rupiahs);
- b. in 2006: IDR 412,260,694.00 (four hundred twelve million two hundred sixty thousand six hundred ninety-four rupiahs);
- c. in 2007: IDR 3,200,000,000.00 (three billion two hundred million rupiahs);
- d. in 2008: IDR 0.00 (zero rupiahs);
- e. in 2009: IDR 0.00 (zero rupiahs);
- f. in 2010: IDR 0.00 (zero rupiahs);
- g. in 2011: IDR 200,000,000.00 (two hundred million rupiahs); and
- h. in 2012: IDR 142,017,998.00 (one hundred forty-two million seventeen thousand nine hundred ninety-eight rupiahs).

(3) The fulfillment of the shortfall in the capital participation of the Regional Government to PD. BPR BKK Grogol, amounting to IDR 9,000,000,000.00 (nine billion rupiahs), the Regional Government is obligated to fulfill the shortfall in basic capital no later than 10 (ten) years, and it will be budgeted through the APBD starting from 2013.

#### Article 7

(1) The capital participation requirement of the Regional Government to PD. BKK Sukoharjo is IDR 9,800,000,000.00 (nine billion eight hundred million rupiahs).

(2) The capital participation by the Regional Government that has been paid to PD. BKK Sukoharjo until the end of 2012 is IDR 4,844,935,752.00 (four billion eight hundred forty-four million nine hundred thirty-five thousand seven hundred fifty-two rupiahs) with the following details:

- a. until 2005: IDR 1,649,214,444.00 (one billion six hundred forty-nine million two hundred fourteen thousand four hundred forty-four rupiahs);
- b. in 2006: IDR 587,739,306.00 (five hundred eighty-seven million seven hundred thirty-nine thousand three hundred six rupiahs);
- c. in 2007: IDR 800,000,000.00 (eight hundred million rupiahs);
- d. in 2008: IDR 1,150,000,000.00 (one billion one hundred fifty million rupiahs);
- e. in 2009: IDR 0.00 (zero rupiahs);

- f. in 2010: IDR 500,000,000.00 (five hundred million rupiahs);
- g. in 2011: IDR 50,000,000.00 (fifty million rupiahs); and
- h. in 2012: IDR 107,982,002.00 (one hundred seven million nine hundred eighty-two thousand two rupiahs).

(3) The fulfillment of the shortfall in the capital participation of the Regional Government to PD. BKK Sukoharjo, amounting to IDR 4,955,064,248.00 (four billion nine hundred fifty-five million sixty-four thousand two hundred forty-eight rupiahs), the Regional Government is obligated to fulfill the shortfall in basic capital no later than 10 (ten) years, and it will be budgeted through the APBD starting from 2013.

#### Chapter IV PROCEDURE FOR CAPITAL PARTICIPATION

##### Article 8

(1) The fulfillment of the capital participation requirement of the Regional Government as referred to in Article 5 paragraph (3) will be budgeted through the APBD for the relevant fiscal year until 2017, with AMU shares and Purpose Reserves as follows:

- a. In 2013: IDR 5,166,000,000.00 (five billion one hundred sixty-six million rupiahs);
- b. In 2014: IDR 2,040,000,000.00 (two billion forty million rupiahs);
- c. In 2015: IDR 2,340,000,000.00 (two billion three hundred forty million rupiahs);
- d. In 2016: IDR 2,820,000,000.00 (two billion eight hundred twenty million rupiahs); and
- e. In 2017: IDR 9,000,000,000.00 (nine billion rupiahs).

(2) The amount of capital participation of the Regional Government as referred to in paragraph (1) letter a comes from:

- a. Cash deposit of IDR 1,765,000,000.00 (one billion seven hundred sixty-five million rupiahs); and
- b. AMU and Purpose Reserves of IDR 3,401,000,000.00 (three billion four hundred one million rupiahs).

(3) The amount of capital participation of the Regional Government as referred to in paragraph (1) letters b to d comes from cash deposits.

(4) The amount of capital participation of the Regional Government as referred to in paragraph (1) letter e comes from:

- a. Cash deposit of IDR 3,000,000,000.00 (three billion rupiahs); and
- b. AMU and Purpose Reserves of IDR 6,000,000,000.00 (six billion rupiahs).

#### Article 9

The amount of the shortfall in capital participation of the Regional Government as referred to in Article 6 paragraph (3) and Article 7 paragraph (3) will come from cash deposits.

#### Article 10

The amount of the shortfall in capital participation of the Regional Government as referred to in Article 5 paragraph (3), Article 6 paragraph (3), and Article 7 paragraph (3) will be determined by considering:

- a. The financial capability of the Region in the relevant fiscal year; and
- b. The performance percentage of PT. Bank Jateng, PD. BPR BKK Grogol, and PD. BKK Sukoharjo.

#### Article 11

The capital participation of the Regional Government is considered separated regional wealth.

### Chapter V

#### IMPLEMENTATION OF CAPITAL PARTICIPATION

#### Article 12

The implementation related to the capital participation of the Regional Government in PT. Bank Jateng, PD. BPR BKK Grogol, and PD. BKK Sukoharjo as referred to in Articles 5 to 10 will be carried out in accordance with the provisions of the applicable laws and regulations.

### Chapter VI

#### RIGHTS AND OBLIGATIONS

#### Article 13

- (1) The Regional Government is entitled to receive dividend distribution each year in accordance with the percentage of share ownership in PT. Bank Jateng, PD. BPR BKK Grogol, and PD. BKK Sukoharjo.
- (2) The Regional Government has the right to vote in the General Meeting of Shareholders (RUPS) of PT.

Bank Jateng, PD. BPR BKK Grogol, and PD. BKK Sukoharjo.

(3) PT. Bank Jateng, PD. BPR BKK Grogol, and PD. BKK Sukoharjo are entitled to capital placement in accordance with RUPS decisions or additional capital contributions made by the Regional Government.

(4) PT. Bank Jateng, PD. BPR BKK Grogol, and PD. BKK Sukoharjo must report the progress of the company's development to the Regent and the DPRD in accordance with the applicable regulations.

(5) The Regional Government and PT. Bank Jateng, PD. BPR BKK Grogol, and PD. BKK Sukoharjo must implement the decisions of the RUPS.

Here's the translation of the next part of the regulation:

## Chapter V

### IMPLEMENTATION OF CAPITAL PARTICIPATION

#### Article 12

The implementation related to the capital participation of the Regional Government in PT. Bank Jateng, PD. BPR BKK Grogol, and PD. BKK Sukoharjo as referred to in Articles 5 to 10 will be carried out in accordance with the provisions of the applicable laws and regulations.

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(3) PT. Bank Jateng, PD. BPR BKK Grogol, and PD. BKK Sukoharjo are entitled to capital placement in accordance with RUPS decisions or additional capital contributions made by the Regional Government.

(4) PT. Bank Jateng, PD. BPR BKK Grogol, and PD. BKK Sukoharjo must report the progress of the company's development to the Regent and the DPRD in accordance with the applicable regulations.

(5) The Regional Government and PT. Bank Jateng, PD. BPR BKK Grogol, and PD. BKK Sukoharjo must implement the decisions of the RUPS.

Chapter VII  
DIVIDENDS

Article 14

(1) Dividend distribution will be determined by the General Meeting of Shareholders (RUPS).

(2) The dividend referred to in paragraph (1) is the right of the Regional Government and will be deposited into the Regional Treasury.

Article 15

Dividends obtained from the capital participation of the Regional Government in PT. Bank Jateng, PD. BPR BKK Grogol, and PD. BKK Sukoharjo directly constitute a component of the Regional Government's revenue.

Chapter VIII  
TRANSITIONAL PROVISIONS

Article 16

(1) The capital participation of the Regional Government in PT. Bank Jateng, PD. BPR BKK Grogol, and PD. BKK Sukoharjo, which has been paid before the enactment of this Regional Regulation, is declared valid as the capital participation of the Regional Government.

(2) In the event of a change in the legal entity form or name of PT. Bank Jateng, PD. BPR BKK Grogol, and PD. BKK Sukoharjo, the capital participation of the Regional Government will remain valid and considered legitimate.

Chapter IX  
CLOSING PROVISIONS

Article 17

This Regional Regulation shall come into force on the date of promulgation.

In order for everyone to know it, the promulgation of this Regional Regulation is ordered by placing it in the Regional Gazette of Sukoharjo Regency.

Settled in Sukoharjo on  
July 30, 2013

REGENT OF SUKOHARJO,  
ttd.

WARDOYO WIJAYA

Promulgated in  
Sukoharjo on September 7, 2013

REGIONAL SECRETARY  
OF SUKOHARJO  
REGENCY,

ttd.

WIDODO

The Regional Sheet of Sukoharjo Regency  
Year 2013 Number 4

EXPLANATION  
ON  
REGIONAL REGULATION OF SUKOHARJO REGENCY  
NUMBER 4 OF 2013

ABOUT

REGIONAL GOVERNMENT CAPITAL PARTICIPATION TO LIMITED LIABILITY  
COMPANY BANK PEMBANGUNAN DAERAH JAWA TENGAH, REGIONAL  
COMPANY BANK PERKREDITAN RAKYAT OF GROGOL SUBDISTRICT, AND  
REGIONAL COMPANY CREDIT INSTITUTION OF SUKOHARJO SUBDISTRICT

I. GENERAL

Based on Law Number 32 of 2004 on Regional Government, which has been amended several times, most recently by Law Number 12 of 2008 concerning the Second Amendment to Law Number 32 of 2004 on Regional Government, Government Regulation Number 58 of 2005 on Regional Financial Management, and the Ministry of Home Affairs Regulation Number 13 of 2006 on Guidelines for Regional Financial Management, which has been amended several times, most recently by the Ministry of Home Affairs Regulation Number 21 of 2011 concerning the Second Amendment to the Ministry of Home Affairs Regulation Number 13 of 2006 on Guidelines for Regional Financial Management, the Regional Government may participate in the capital of a government-owned and/or privately owned business entity.

II. ARTICLE BY ARTICLE

Article 1

Clear enough.

Article 2

Clear enough.

Article 3

Clear enough.

Article 4

Clear enough.

Article 5

Clear enough.

Article 6

Clear enough.

Article 7

Clear enough.

Article 8

Paragraph (1)  
Clear enough.

Paragraph (2)

Letter a  
Clear enough.

Letter b

AMU and Purpose Reserve, which refers to capital participation to Bank Jateng that is of a cash-in - cash-out nature.

Paragraph (3)  
Clear enough.

Paragraph (4)  
Clear enough.

Article 9  
Clear enough.

Article 10  
Clear enough.

Article 11  
Clear enough.

Article 12  
Clear enough.

Article 13  
Clear enough.

Article 14  
Clear enough.

Article 15  
Clear enough.

Article 16  
Clear enough.

Article 17  
Clear enough.