



**REGENT SUKOHARJO
PROVINCE OF CENTRAL JAVA
REGIONAL REGULATIONS OF SUKOHARJO DISTRICT
NUMBER 14 OF 2016**

ABOUT

**REGIONAL GOVERNMENT CAPITAL INCLUSION
TO REGIONAL OWNED ENTERPRISES**

BY THE GRACE OF GOD ALMIGHTY

REGENT SUKOHARJO,

Considering: a. that in order to realize people's welfare, the regional government needs to explore the economic potential that exists in the region by encouraging the role of Regional Owned Enterprises in strengthening the economy in Sukoharjo Regency;

- b. that in order to develop business activities and strengthen the capital structure in order to encourage regional economic growth and increase local original income, it is necessary to include Regional Government capital in the Agency**

Regionally Owned

- c. Enterprises; that based on the provisions of Article 304 paragraph (1) Law Number 23 of 2014 concerning Regional Government as has been amended several times, most recently by Law Number 9 2015 concerning the Second Amendment to the Law Law Number 23 of 2014 concerning Government Regions, Regions can invest capital in State-Owned Enterprises and/or BUMDs;**
- d. that based on the provisions of Article 75 Government Regulation Number 58 of 2005 concerning Regional Financial Management, capital participation Regional Government can be implemented if the amount to be included in the relevant budget year has been determined in the Regional Regulation on**

Concerning Regional Capital Inclusion; that

- e. Sukoharjo Regency Regional Regulations Number 4 of 2013 concerning Capital Participation Regional Government to Bank Limited Liability Companies Central Java Regional Development, Regional Company People's Credit Bank, District Credit Agency Grogol and the District Credit Agency Regional Company Sukoharjo, is no longer in accordance with the development and growth of Regional Owned Enterprises in Sukoharjo Regency, then Regional Regulation Sukoharjo Regency Number 4 of 2013 concerning Local Government Capital Inclusion in Companies Central Java Regional Development Bank Limited, Regional People's Credit Bank Company Grogol District Credit and Regional Company Agency**

Sukoharjo District Credit needs to be replaced;

- f. that based on the considerations as intended in letters a, b, c, d and e, it is necessary to establish Regional Regulations concerning Regional Government Capital Investment to the Agency Regionally Owned Enterprises;

Remember: 1.

1. Article 18 paragraph (6) of the Constitution Republic of Indonesia in 1945;
2. Law Number 13 of 1950 concerning the Establishment of Internal Regency Regions Central Java Province Environment;
3. Law Number 17 of 2003 concerning State Finances (State Gazette of the Republic Indonesia Year 2003 Number 47, Additional Gazette Republic of Indonesia Number 4286);
4. Law Number 1 of 2004 concerning State Treasury (State Gazette Republic of Indonesia 2004 Number 5, Supplement State Gazette of the Republic of Indonesia Number 4355);
5. Law Number 15 of 2004 concerning Management and Responsibility Audits State Finance (State Gazette of the Republic of Indonesia 2004 Number 66, Supplement to the State Gazette Republic of Indonesia Number 4400);
6. Law Number 33 of 2004 concerning Financial Balance between Governments Central and Regional Government (State Gazette Republic of Indonesia Year 2004 Number 126, Supplement State Gazette of the Republic of Indonesia Number 4438);
7. Law Number 25 of 2007 concerning Capital Investment (State Gazette of the Republic Indonesia 2007 Number 67, Additional Gazette Republic of Indonesia Number 4724);
8. Law Number 40 of 2007 concerning Limited Liability Companies (State Gazette of the Republic Indonesia 2007 Number 106, Supplement State Gazette of the Republic of Indonesia Number 4756);
9. Law Number 12 of 2011 concerning the Formation of Legislative Regulations (State Gazette of the Republic of Indonesia 2011 Number 82, Supplement to the State Gazette of the Republic Indonesia Number 5234);
10. Law Number 23 of 2014 concerning Regional Government (State Gazette Republic of Indonesia Year 2014 Number 244, Supplement State Gazette of the Republic of Indonesia Number 5587) as amended several times, most recently by Law Number 9 of 2015 concerning Second Amendment to Law Number 23 2014 concerning Regional Government (Gazette Republic of Indonesia Year 2015 Number 58, Supplement to the State Gazette of the Republic of Indonesia Number 5679);

11. **Government Regulation Number 58 of 2005 concerning Regional Financial Management (State Gazette of the Republic of Indonesia of 2005 Number 140, Supplement to State Gazette of the Republic of Indonesia Number 4578);**
12. **Government Regulation Number 79 of 2005 concerning Guidance for Development and Supervision Implementation of Regional Government (Gazette Republic of Indonesia Year 2005 Number 165, Supplement to the State Gazette of the Republic of Indonesia Number 4593);**
13. **Government Regulation Number 8 of 2007 concerning Government Investment (State Gazette of the Republic of Indonesia of 2007 Number 24, Supplement to State Gazette of the Republic of Indonesia Number 4698);**
14. **Government Regulation Number 71 of 2010 concerning Government Accounting Standards (Sheet Republic of Indonesia Year 2010 Number 123, Supplement to the State Gazette of the Republic of Indonesia Number 4516);**
15. **Presidential Regulation Number 87 of 2014 concerning Implementing Regulations of Law Number 12 of 2011 concerning the Formation of Legislation (State Gazette of the Republic of Indonesia of 2014 Number 199);**
16. **Minister of Home Affairs Regulation Number 80 of 2015 concerning the Formation of Regional Legal Products (State Gazette of the Republic of Indonesia of 2015 Number 2036);**
17. **Central Java Regional Province Regional Regulation Number 6 of 1999 concerning Changes in the Legal Entity of the Central Java Regional Development Bank from a Regional Company (PD) to a Limited Liability Company (PT) Central Java Regional Development Bank (Regional Gazette of the Central Java Regional Development Bank 1999 Number 17, Series D Number 17); 18. Central Java Province Regional Regulation Number 19 of 2002 concerning District Credit Agency Regional Companies in Central Java Province (Central Java Province Regional Gazette of 2002 Number 121); 19. Central Java Province Regional Regulation Number 11 of 2008 concerning Regional Companies, People's Credit Banks, District Credit Agencies (PD. BPR BKK) in Central Java Province (Central Java Province Regional Gazette of 2008 Number 11 Series E Number 5, Supplement to the Java Province Regional Gazette Central Number 17) as amended by Central Java Province Regional Regulation Number 3 of 2012 concerning Amendments to Central Java Province Regional Regulation Number 11 of 2008 concerning Regional Companies for District Credit Agencies in Central Java Province (Java Province Regional Gazette**

Middle of 2012 Number 3, Additional Gazette
Central Java Province Region Number 39);

20. Sukoharjo Regency Regional Regulation Number 20 of 2007 concerning Regional Drinking Water Companies (Sukoharjo Regency Regional Gazette of 2007 Number 22, Supplement to Sukoharjo Regency Regional Gazette Number 151); 21. Sukoharjo Regency Regional Regulation Number 21 of 2007 concerning Regional Printing and Publishing Companies (Sukoharjo Regency Regional Gazette of 2007 Number 24, Supplement to Sukoharjo Regency Regional Gazette Number 153); 22. Sukoharjo Regency Regional Regulation Number 22 of 2007 concerning Village Credit Agency Regional Companies (Sukoharjo Regency Regional Gazette of 2007 Number 24, Supplement to Sukoharjo Regency Regional Gazette Number 153), as amended by Sukoharjo Regency Regional Regulation Number 8 of 2009 concerning Amendments to Sukoharjo Regency Regional Regulation Number 22 of 2007 concerning Village Credit Agency Regional Companies (Sukoharjo Regency Regional Gazette of 2009 Number 8, Supplement to Sukoharjo Regency Regional Gazette Number 167); 23. Regional Regulation of Sukoharjo Regency Number 23 of 2007 concerning Regional Companies of People's Credit Bank Market Bank (Sukoharjo Regency Regional Gazette of 2007 Number 25, Supplement to Sukoharjo Regency Regional Gazette Number 154); 24. Sukoharjo Regency Regional Regulation Number 6 of 2012 concerning the Establishment of a Limited Liability Company Sharia People's Financing Bank of Sukoharjo Regency (Sukoharjo Regency Regional Gazette of 2012 Number 11, Supplement to Sukoharjo Regency Regional Gazette Number 201); 25. Sukoharjo Regency Regional Regulation Number 2 of 2013 concerning Sukoharjo Regency Agricultural Regional Companies (Sukoharjo Regency Regional Gazette of 2013 Number 3, Supplement to Sukoharjo Regency Regional Gazette Number 204); 26. Sukoharjo Regency Regional Regulation Number 7 of 2015 concerning Regional Public Companies for Various Businesses and Services (Sukoharjo Regency Regional Gazette of 2015 Number 7, Supplement to Sukoharjo Regency Regional Gazette Number 221);

With Mutual Consent

REGIONAL PEOPLE'S REPRESENTATIVE COUNCIL OF SUKOHARJO DISTRICT

And

REGENT SUKOHARJO

DECIDE :

**To stipulate: REGIONAL REGULATIONS CONCERNING REGIONAL GOVERNMENT
CAPITAL INCLUSION IN REGIONAL OWNED BUSINESS ENTITIES.**

PIG**GENERAL REQUIREMENTS****article 1**

**In this Regional Regulation what is meant by: 1. Region is
Sukoharjo Regency.**

2. The Regent is the Regent of Sukoharjo.

**3. Regional Government is the Regional Head as an element of regional
government administrators who leads the implementation of
government affairs which fall under the authority of the autonomous
region.**

**4. The Regional People's Representative Council, hereinafter abbreviated
as DPRD, is the Regional People's Representative Institution which
functions as an organizing element of Regional Government.**

**5. Regional government capital participation is a form of regional
government investment in the form of money in a Business Entity
by obtaining ownership rights and/or transfer of ownership of
regional property from unseparated regional assets to separate
regional assets, to be calculated as regional capital/shares in the
entity business or other legal entity.**

**6. Regionally Owned Enterprises, hereinafter abbreviated as BUMD, are
Regionally Owned Enterprises and/or other legal entities whose
capital comes entirely and/or partly from the Sukoharjo Regency
Government.**

**7. Central Java Regional Development Bank Limited Liability Company,
hereinafter referred to as PT. The Central Java Regional Development
Bank is a limited liability company operating in the banking sector
for the Central Java Provincial Government whose shares are owned
by the Central Java Provincial Government and the district/city
governments throughout Central Java Province.**

**8. Regional Company, People's Credit Agency, Grogol District Credit
Agency, hereinafter referred to as PD BPR BKK Grogol, is a Regional
Company, Rural Credit Agency, District Credit Agency in Central
Java Province whose shares are owned by the Central Java
Provincial and Regional Governments.**

**9. Sukoharjo District Credit Agency Regional Company, hereinafter
referred to as PD BKK Sukoharjo, is a District Credit Agency
Regional Company in Central Java Province whose shares are
owned by the Central Java Provincial and Regional Governments.**

10. **Regional Company Rural Bank Market Bank Sukoharjo Regency, hereinafter referred to as PD BPR Bank Pasar, is a Regional Company operating in banking sector, the entire capital of which is separated regional wealth.**
11. **Regional Drinking Water Company, hereinafter abbreviated as PDAM, is a Regional Company which operates in the field of drinking water services.**
12. **Regional Printing and Publishing Company, hereinafter referred to as Percada, is the Regional Printing and Publishing Company of Sukoharjo Regency.**
13. **Village Credit Agency, hereinafter abbreviated as PD BKD, is the Village Credit Agency of Sukoharjo Regency which is a Regional Owned Enterprise in the form of a regional Credit Agency company.**
14. **Sharia People's Bank Limited Liability Company, hereinafter referred to as PT. BPR Syariah is a business entity that carries out its business in the banking sector based on sharia principles, the capital of which partly belongs to the regional government which is separated regional wealth.**
15. **Regional Agricultural Company is a Regional Company which operates in the field of agricultural empowerment.**
16. **Regional Public Company Various Businesses and Services, hereinafter referred to as Perumda Various Businesses and Services, is a Regionally Owned Enterprise which operates in the field of various businesses and services, the entire capital of which is owned by the region and is not divided into shares.**
17. **The General Meeting of Shareholders, hereinafter abbreviated as GMS, is a Company organ that has authority that is not granted to the Directors or Board of Commissioners within the limits specified in the provisions of the laws and/or articles of association.**
18. **Regional Revenue and Expenditure Budget, hereinafter abbreviated as APBD, is a regional annual financial plan determined based on Regional Regulations concerning APBD.**

CHAPTER II

PURPOSE AND OBJECTIVES

Section 2

- (1) **Capital participation as a regional government investment is intended to obtain economic, social and/or other benefits.**
- (2) **Economic, social and/or other benefits as intended in paragraph (1) include:**
 - a. **a certain amount of profit within a certain period of time in the form of dividends, interest and value growth**

Regional Companies that receive local government investment;

b. increase in the form of services and profits for investment returns of a certain amount within a certain period of time;

c. an increase in regional revenues within a certain period of time as a direct result of the investment in question; d. an increase in employment

of a certain amount of labor within a certain period of time as a direct result of the investment in question; and/or e. increasing community welfare as a result of local government investment.

Article 3

The objectives of Regional Government capital participation

are: a. increasing regional economic growth and development; b. increase regional income;

and c. improve community welfare.

CHAPTER III

REGIONAL GOVERNMENT CAPITAL INCLUSION

Part One

General

Article 4

Regional Government Capital Participation is given to: a. PT.

Central Java Regional Development Bank; b. PD BPR

BKK Grogol; c. PD BKK

Sukoharjo; d. PD BPR

Bank Pasar; e. PDAM; f.

Perkad; g.

PD BKD; h.

PT. Sharia

BPR; i. Regional

Agricultural Company; And

j. Perumda Various Businesses and Services.

The second part

PT Central Java Regional Development Bank

Article 5

(1) Inclusion of Regional Government capital that has been paid to PT. Central Java Development Bank arrived

by the end of 2015 is IDR 36,000,000,000.00 (thirty six billion rupiah).

- (2) With this Regional Regulation the Regional Government makes capital participation to PT. Central Java Regional Development Bank amounting to IDR 69,989,000,000.00 (sixty-nine billion nine hundred and eighty-nine million rupiah), with the following details:
- a. In 2016 amounting to IDR 22,964,000,000.00 (twenty two billion nine hundred and sixty four million rupiah);
 - b. In 2017, it amounted to IDR 12,825,000,000.00 (twelve billion eight hundred and twenty-five million rupiah);
 - c. In 2018 it amounted to IDR 11,400,000,000.00 (eleven billion four hundred million rupiah);
 - d. In 2019, it amounted to IDR 11,400,000,000.00 (eleven billion four hundred million rupiah); And
 - e. In 2020 amounting to IDR 11,400,000,000.00 (eleven billion four hundred million rupiah).
- (3) Fulfillment of Regional Government Capital Participation to PT. The Central Java Development Bank as referred to in paragraph (2), is budgeted through the APBD for the fiscal year up to 2020.

Part Three PD BPR BKK Grogol

Article 6

- (1) The Regional Government's capital contribution that has been paid to PD BPR BKK Grogol until the end of 2015 is IDR 7,350,000,000.00 (seven billion three hundred and fifty million rupiah).
- (2) With this Regional Regulation the Regional Government makes capital participation to PD BPR BKK Grogol in the amount of IDR 7,350,000,000.00 (seven billion three hundred and fifty million rupiah), with the following details:
- a. In 2016 it amounted to IDR 1,000,000,000.00 (one billion rupiah);
 - b. In 2017, it amounted to IDR 1,500,000,000.00 (one billion five hundred million rupiah);
 - c. In 2018, it amounted to IDR 1,500,000,000.00 (one billion five hundred million rupiah);
 - d. In 2019 it amounted to IDR 1,500,000,000.00 (one billion five hundred million); And
 - e. In 2020 it amounted to IDR 1,850,000,000.00 (one billion eight hundred and fifty million rupiah);
- (3) Fulfillment of Regional Government capital participation to PD BPR BKK Grogol as intended in paragraph (2),

budgeted through the APBD for the fiscal year up to 2020.

**Part Four
PD BKK Sukoharjo**

Article 7

- (1) The Regional Government's capital investment that has been paid to PD BKK Sukoharjo up to the end of 2015 is IDR 6,444,935,752.00 (six billion four hundred forty-four million nine hundred thirty-five thousand seven hundred and fifty-two thousand rupiah) .
- (2) With this Regional Regulation the Regional Government makes capital participation to PD. BKK amounting to IDR 3,355,064,248.00 (three billion three hundred fifty-five million sixty-four thousand two hundred and forty-eight rupiah) with the following details:
 - a. In 2016 amounting to IDR 1,000,000,000.00 (one billion rupiah); And
 - b. In 2017 it amounted to IDR 2,355,064,248.00 (two billion three hundred fifty-five million sixty-four thousand two hundred and forty-eight rupiah).
- (3) Fulfillment of Regional Government capital participation to PD BKK Sukoharjo as referred to in paragraph (2), is budgeted through the APBD for the relevant budget year up to 2017.

**Part Five
PD BPR Bank Pasar**

Article 8

- (1) The Regional Government capital participation that has been paid to PD BPR Bank Pasar until the end of 2015 is IDR 26,099,812,418.00 (twenty-six billion ninety-nine million eight hundred twelve thousand four hundred and eighteen rupiah).
- (2) With this Regional Regulation the Regional Government makes capital participation to PD BPR Bank Pasar in the amount of IDR 23,900,187,582.00 (twenty three billion nine hundred million one hundred eighty seven thousand five hundred eighty-two rupiah) with the following details:
 - a. In 2016 it amounted to IDR 3,900,000,000.00 (three billion nine hundred million rupiah);
 - b. In 2017 it amounted to IDR 5,000,187,582.00 (five billion one hundred eighty seven thousand five hundred eighty two rupiah);
 - c. In 2018 it amounted to IDR 5,000,000,000.00 (five billion rupiah);

- d. In 2019 amounting to IDR 5,000,000,000.00 (five billion rupiah);
And
- e. In 2020 it amounted to IDR 5,000,000,000.00 (five billion rupiah).

(3) Fulfillment of Regional Government capital participation to PD BPR Bank Pasar as referred to in paragraph (2), is budgeted through the APBD for the relevant budget year up to 2020.

Part Six PDAM

Article 9

- (1) The Regional Government's capital contribution that has been paid to PDAM up to the end of 2015 is IDR 25,208,000,000.00 (twenty-five billion two hundred and eight million rupiah).**
- (2) With this Regional Regulation the Regional Government makes capital participation to PDAM in the amount of IDR 54,792,000,000.00 (fifty-four billion seven hundred and ninety-two million rupiah) with the following details: a. In 2016, it amounted to IDR 4,792,000,000.00 (four billion seven hundred and ninety-two million rupiah); b. In 2017 amounting to IDR 12,500,000,000.00 (twelve billion five hundred million rupiah); c. In 2018 amounting to IDR 12,500,000,000.00 (twelve billion five hundred million rupiah); d. In 2019 amounting to IDR 12,500,000,000.00 (twelve billion five hundred million rupiah); and b. In 2020 amounting to IDR 12,500,000,000.00 (twelve billion five hundred million rupiah).**
- (3) Fulfillment of Regional Government capital participation in PDAM as referred to in paragraph (2), is budgeted through the APBD for the relevant budget year up to 2020.**

Part Seven Believe it

Article 10

- (1) The Regional Government's capital contribution that has been paid to Percada until the end of 2015 is IDR 5,427,208,000.00 (five billion four hundred twenty seven million two hundred eight thousand rupiah).**
- (2) With this Regional Regulation the Regional Government makes a capital investment to Percada amounting to IDR 4,572,792,000.00 (four billion five hundred seventy-two million seven hundred ninety-two thousand rupiah) with the following details:**

- a. In 2017 it amounted to IDR 1,000,000,000.00 (one billion rupiah);
 - b. In 2018 it amounted to IDR 1,000,000,000.00 (one billion rupiah);

 - c. In 2019 it amounted to IDR 1,000,000,000.00 (one billion rupiah);
 - d. In 2020, IDR 1,000,000,000.00 (one billion rupiah); And

 - e. In 2021 it is IDR 572,792,000.00 (five hundred seventy-two million seven hundred ninety-two thousand rupiah).
- (3) Fulfillment of Regional Government capital participation in Percada as intended in paragraph (2), will be budgeted through the APBD for the relevant budget year up to 2021.

**Part Eight
PD BKD**

Article 11

- (1) Regional Government capital participation that has been paid to PD BKD up to the end of 2015 is IDR 5,642,366,725.00 (five billion six hundred forty-two million three hundred sixty-six thousand seven hundred and twenty-five rupiah);
- (2) With this Regional Regulation the Regional Government makes capital participation to PD BKD in the amount of IDR 5,000,000,000.00 (five billion rupiah) with the following details:
- a. In 2017 it amounted to IDR 1,000,000,000.00 (one billion rupiah);
 - b. In 2018 it amounted to IDR 1,000,000,000.00 (one billion rupiah);
 - c. In 2019 it amounted to IDR 1,000,000,000.00 (one billion rupiah);
 - d. In 2020, IDR 1,000,000,000.00 (one billion rupiah); And

 - e. In 2021 it will be IDR 1,000,000,000.00 (one billion rupiah).
- (3) Fulfillment of Regional Government capital participation in PD BKD as intended in paragraph (2), is budgeted through the APBD for the relevant budget year up to 2021.

**Part Nine PT. Sharia
BPR**

Article 12

- (1) With this Regional Regulation the Regional Government makes capital participation to PT. Sharia BPR

amounting to IDR 9,000,000,000.00 (nine billion rupiah) with the following details: a. In 2017

amounting to IDR 7,000,000,000.00 (seven billion rupiah); b. In 2018, it

amounted to IDR 500,000,000.00 (five hundred million rupiah);

c. In 2019 amounting to IDR 500,000,000.00 (five hundred million rupiah);

d. In 2020, IDR 500,000,000.00 (five hundred million rupiah); And

e. In 2021 it will be IDR 500,000,000.00 (five hundred million rupiah).

- (2) Fulfillment of Regional Government capital participation in PD BPR Syariah as intended in paragraph (1), is budgeted through the APBD for the relevant fiscal year up to 2021.

Part Ten
Regional Agricultural Company

Article 13

- (1) With this Regional Regulation the Regional Government makes capital participation to Regional Agricultural Companies in the amount of IDR 15,000,000,000.00 (fifteen billion rupiah) with the following details: a. In 2017 it amounted to IDR 3,000,000,000.00 (three billion rupiah);
- b. In 2018 it amounted to IDR 3,000,000,000.00 (three billion rupiah);
- c. In 2019 it amounted to IDR 3,000,000,000.00 (three billion rupiah);
- d. In 2020 amounting to IDR 3,000,000,000.00 (three billion rupiah); And
- e. In 2021 it will amount to IDR 3,000,000,000.00 (three billion rupiah).
- (2) Fulfillment of Regional Government capital participation in the Sukoharjo Regional Agricultural Company as referred to in paragraph (1), is budgeted through the APBD for the relevant fiscal year up to 2021.

Part Eleven
Perumda Various Businesses and Services

Article 14

- (1) With this Regional Regulation the Regional Government makes capital participation to Perumda Aneka Usaha and Jasa in the amount of IDR 15,000,000,000.00 (fifteen billion rupiah) with the following details: a. In 2017 it amounted to IDR 3,000,000,000.00 (three billion rupiah);

- b. In 2018 it amounted to IDR 3,000,000,000.00 (three billion rupiah);
 - c. In 2019 it amounted to IDR 3,000,000,000.00 (three billion rupiah);

 - d. In 2020 amounting to IDR 3,000,000,000.00 (three billion rupiah);
And
 - e. In 2021 it will amount to IDR 3,000,000,000.00 (three billion rupiah).
- (2) Fulfillment of Regional Government capital participation in Perumda Miscellaneous Enterprises and Services as referred to in paragraph (1), is budgeted through the APBD for the relevant budget year up to 2021.

CHAPTER IV

CAPITAL INVESTMENT PROCEDURES

Article 15

- (1) Fulfillment of Government capital participation requirements
The regional budget is through the APBD for the fiscal year up to 2021 with the following details:
- a. In 2016, it amounted to IDR 33,656,000,000.00 (thirty-three billion six hundred and fifty-six million rupiah);
 - b. In 2017 amounting to IDR 49,180,251,830.00 (forty-nine billion one hundred eighty million two hundred fifty-one thousand eight hundred and thirty rupiah);
 - c. In 2018, it amounted to IDR 38,900,000,000.00 (thirty eight billion nine hundred million rupiah); d. In 2019 amounting to IDR 38,900,000,000.00 (thirty eight billion nine hundred million rupiah); e. In 2020 amounting to IDR 39,250,000,000.00 (thirty-nine billion two hundred and fifty million rupiah); And
 - f. In 2021, it will be IDR 5,072,792,000.00 (five billion seventy-two million seven hundred and ninety-two thousand rupiah).
- (2) The amount of Regional Government capital participation as referred to in paragraph (1) letter a consists of:
- a. cash deposit of Rp. 15,692,000,000.00 (fifteen billion six hundred and ninety-two million rupiah); b. Unit Management Asset sharing deposit amounting to Rp. 137,000,000.00 (one hundred thirty-seven million rupiah);
 - c. deposit

Reserve	General
amounting to Rp. 16,341,000,000.00 (sixteen billion three hundred and forty one million rupiah); And	

d. deposit of the remaining undetermined retained earnings from last year amounting to Rp. 1,486,000,000.00 (one billion four hundred and eighty six million rupiah).

(3) The amount of Regional Government capital participation as referred to in paragraph (1) letter b, letter c, letter d, letter e, and letter f is in the form of cash deposits.

Article 16

(1) Regional Government in fulfilling the shortage of Regional Government capital participation as intended in Article 5 paragraph (2), Article 6 paragraph (2), Article 7 paragraph (2), Article 8 paragraph (2), Article 9 paragraph (2), Article 10 paragraph (2), Article 11 paragraph (2), Article 12 paragraph (1), Article 13 paragraph (1), and Article 14 paragraph

(1) consider: a. Regional financial capacity in the relevant budget year; And

b. PT performance evaluation results. Central Java Regional Development Bank, PD BPR BKK Grogol, PD BKK Sukoharjo, PD BPR Bank Pasar, PDAM, Percada, PD BKD, PT. Sharia BPR, Regional Agricultural Companies, and Perumda Various Businesses and Services.

(2) If the Regional Government cannot fulfill the shortfall in capital participation in the relevant year, based on the considerations as intended in paragraph (1) it can be budgeted again in the following fiscal year.

Article 17

Fulfillment of capital participation to PT. BPR Syariah, Regional Agricultural Companies and Perumda Miscellaneous Business and Services are provided after the apparatus structure is formed.

Article 18

Regional Government capital participation constitutes wealth Separated areas.

Article 19

The administration and accountability of Regional Government Capital Investments is carried out in accordance with Government Accounting Standards.

CHAPTER V RIGHTS AND OBLIGATIONS

Article 20

(1) The Regional Government has the right to:

a. annually receive:

1. dividend distribution according to the percentage of share ownership in PT. Central Java Regional Development Bank, PD. BPR BKK Grogol, PD. BKK Sukoharjo, PT. Sharia BPR; And

2. distribution of profits to PD BPR Bank Pasar, PDAM, Percada, PD BKD, Regional Agricultural Companies and Perumda Miscellaneous Businesses and Services in accordance with the provisions of statutory regulations.

b. has voting rights in the GMS of PT. Central Java Regional Development Bank, PD BPR BKK Grogol, PD BKK Sukoharjo, PT. Sharia BPR, and ratify the results of Board or Supervisory Body meetings at PD BPR Bank Pasar, PDAM, Percada, PD BKD, Regional Agricultural Companies and Perumda Miscellaneous Businesses and Services.

(2) PT. Central Java Regional Development Bank, PD BPR BKK Grogol, PD BKK Sukoharjo, PD BPR Bank Pasar, PDAM, Percada, PD BKD, PT. Sharia BPRs, Regional Agricultural Companies and Perumda Miscellaneous Businesses and Services are required to:

a. report the progress of the company's development to the Regent in accordance with applicable regulations; And

b. carry out :

1. GMS decision for PT. Central Java Regional Development Bank, PD BPR BKK Grogol, PD BKK Sukoharjo, and PT. Sharia BPR; and 2. the decision of the Regent as the Regional

Representative as Capital Owner in PD BPR Bank Pasar, PDAM, Percada, PD BKD, Regional Agricultural Company and Perumda Miscellaneous Businesses and Services.

CHAPTER VI PROFIT SHARING

Article 21

(1) Distribution of dividends to PT. Central Java Regional Development Bank, PD BPR BKK Grogol, PD BKK Sukoharjo, and PT. Sharia BPR is determined by the GMS and the distribution of profits to PD BPR Bank Pasar, PDAM, Percada, PD BKD, Regional Agricultural Companies and Perumda Miscellaneous Businesses and Services is determined by the Regent.

(2) Dividends and profits as intended in paragraph (1) become the rights of the Regional Government and are deposited into the Regional Treasury.

(3) The amount of dividend and profit distribution as intended in paragraph (1) and paragraph (2) is determined based on the provisions of statutory regulations.

Article 22

Dividends and Profits obtained from Regional Government capital participation in PT. Central Java Regional Development Bank, PD BPR BKK Grogol, PD BKK Sukoharjo, as well as profit distribution to PD BPR Bank Pasar, PDAM, PERCADA, PD BKD, PT. Sharia BPR, Regional Agricultural Companies and Perumda Miscellaneous Business and Services is directly a component of regional income.

CHAPTER VII**TRANSITIONAL PROVISIONS****Article 23**

- (1) Regional Government capital participation to PT. Central Java Development Bank, PD BPR BKK Grogol, PD BKK Sukoharjo, PD BPR Bank Pasar, PDAM, Percada, and PD BKD which have been deposited before the enactment of this Regional Regulation are declared valid as capital participation of the Regional Government.**
- (2) If there is a change in the form of the Legal Entity and the name of PT. Central Java Regional Development Bank, PD BPR BKK Grogol, PD BKK Sukoharjo, PD BPR Bank Pasar, PDAM, PERCADA, PD BKD, PT. BPR Syariah, Regional Agricultural Companies and Perumda Miscellaneous Businesses and Services, Regional Government capital participation remains valid and is still considered valid.**

CHAPTER VIII**CLOSING****Article 24**

At the time this Regional Regulation came into force, Sukoharjo Regency Regional Regulation Number 4 of 2013 concerning Regional Government Capital Inclusion in Limited Liability Companies, Central Java Regional Development Banks, Regional Companies, People's Credit Banks, Grogol District Credit Agency and Regional Companies, Sukoharjo District Credit Agency (Regency Regional Gazette Sukoharjo Year 2013 Number 4, Supplement to the Regional Gazette of Sukoharjo Regency Number 205) is revoked and declared invalid.

Article 25

This local regulation are applied at the date stated.

So that everyone is aware, this Regional Regulation is ordered to be promulgated by placing it in the Sukoharjo Regency Regional Gazette.

**Stipulated in Sukoharjo on
October 7 2016**

REGENT SUKOHARJO,

signed

WARDOYO WIJAYA

**Promulgated in Sukoharjo
on October 7, 2016**

**REGIONAL SECRETARY
SUKOHARJO DISTRICT,**

signed

**AGUS SANTOSA
SUKOHARJO DISTRICT REGIONAL GAZETTE
YEAR 2016 NUMBER 14**

**The copy corresponds to the original
HEAD OF LEGAL SECTION,**

signed

**BUDI SUSETYO, SH, MH
NIP**

Trustee. 19730705 199203 1 004

**NOREG REGIONAL REGULATIONS OF SUKOHARJO DISTRICT, PROVINCE
CENTRAL JAVA : (14/2016)**

**EXPLANATION
ON
REGIONAL REGULATIONS OF SUKOHARJO DISTRICT
NUMBER 14 OF 2016
ABOUT
REGIONAL GOVERNMENT CAPITAL INCLUSION
TO REGIONAL OWNED ENTERPRISES**

I. GENERAL.

Regionally Owned Enterprises are an alternative source of original regional income for the Sukoharjo Regency Government, in addition to income originating from the regional tax sector and the results of regional levies and other legitimate regional income. In order to increase local revenue originating from Regional Owned Enterprises, it is deemed necessary to increase the amount of capital included by the Sukoharjo Regency Government in addition to increasing human resources and facilities and infrastructure, so that they are able to operate more efficiently, competitively and generate profits. In this way, Regional Owned Enterprises in Sukoharjo Regency are expected to make a real contribution to local original income and function as a source of funding for regional development in Sukoharjo Regency.

Based on Law Number 23 of 2014 concerning Regional Government as amended several times, most recently by Law Number 9 of 2015 concerning the Second Amendment to Law Number 23 of 2014 concerning Regional Government, Government Regulation Number 58 of 2005 concerning Regional Financial Management , and Regulation of the Minister of Home Affairs Number 13 of 2006 concerning Guidelines for Regional Financial Management as amended several times, most recently with Regulation of the Minister of Home Affairs Number 21 of 2011 concerning the Second Amendment to Regulation of the Minister of Home Affairs Number 13 of 2006 concerning Guidelines for Regional Financial Management, then the inclusion Regional government capital can be implemented if the amount to be included in the relevant budget year has been specified in the regional regulations regarding the inclusion of regional capital in question, then the capital investment of the Sukoharjo Regency Government to Regional Owned Enterprises must be stipulated in the Regional Regulations of Sukoharjo Regency.

II. ARTICLE BY ARTICLE.

article 1

Quite clear.

Section 2

Quite clear.

Article 3

Quite clear.

Article 4

Quite clear.

Article 5

Quite clear.

Article 6

Quite clear.

Article 7

Quite clear.

Article 8

Quite clear.

Article 9

Quite clear.

Article 10

Quite clear.

Article 11

Quite clear.

Article 12

Quite clear.

Article 13

Quite clear.

Article 14

Quite clear.

Article 15

Paragraph (1)

Quite clear.

Paragraph (2)

Letter a

Quite clear.

Letter b

What is meant by "Sharing Asset Management Unit", hereinafter abbreviated as AMU, is the proceeds from the withdrawal of bad credit which was written off at the time of recapitulation which is then returned to shareholders according to the percentage of shares owned.

Letter c

What is meant by "General Reserves" are reserves formed from the allowance for retained earnings or from net profit after deducting taxes, obtaining approval from the general meeting of shareholders.

shares or member meetings in accordance with the provisions of the establishment or articles of association of each bank or also known as general reserve.

Letter d

What is meant by "retained earnings" is the balance of net profit after tax has been deducted by the GMS or members' meeting and it is decided not to distribute it (retained earnings).

Paragraph (3)

Quite clear.

Article 16

Quite clear.

Article 17

Quite clear.

Article 18

What is meant by "separated regional wealth" is regional wealth that is released from general control and is accounted for through the Regional Financial Budget and is intended to be controlled and accounted for by itself.

Article 19

What is meant by "government accounting standards" are the accounting principles applied in preparing and presenting financial reports in accordance with the provisions of statutory regulations.

Article 20

Paragraph (1)

Letter a

What is meant by "shares" are securities which are a sign of participation or ownership of the provincial and regional governments in PT. Bank Jateng, PD. BPR BKK Grogol, PD. BKK Sukoharjo and PT. BKK Sharia Bank.

Letter b

Quite clear.

Paragraph (2)

Quite clear.

Article 21

Paragraph (1)

What is meant by "dividend" is the portion of the company's profits or income determined by the board of directors, ratified by the general meeting of shareholders to be distributed to shareholders.

Paragraph (2)

Quite clear.

Article 22

Quite clear.

Article 23

Quite clear.

Article 24

Quite clear.

Article 25

Quite clear.

SUPPLEMENTARY SUKOHARJO DISTRICT REGIONAL GAZETTE NUMBER 238