



DUPLICATE

SUKOHARJO REGENT  
PROVINCE OF CENTRAL JAVA

REGULATION OF THE REGENT OF SUKOHARJO  
NUMBER 15 YEAR 20 21

ABOUT

INSTRUCTIONS FOR IMPLEMENTATION OF SUKOHARJO REGENCY REGIONAL  
REGULATION NUMBER 6 YEAR 2019 CONCERNING REGIONAL COMPANIES  
BANK BANK SUKOHARJO PEOPLE'S CREDIT

BY THE GRACE OF GOD ALMIGHTY

SUKOHARJO REGENT,

- Weigh : a. that in order to implement the provisions of Article 21 paragraph ( 6 ), Article 37 paragraph ( 5 ), Article 69 paragraph ( 7 ), Article 7 2 paragraph ( 4 ) , Article 76, and Article 78 paragraph (2) Sukoharjo Regency Regional Regulation Number 6 of 2019 concerning Regional Public Liability Companies Bank Sukoharjo Rural Banks, a Regent Regulation is required which regulates the Implementation Guidelines for Sukoharjo Regency Regional Regulations concerning Regional Public Credit Companies Bank Sukoharjo Rural Banks ;
- b. that based on the considerations as referred to in letter a, it is necessary to stipulate a Regent Regulation concerning Instructions for Implementing a Sukoharjo Regency Regulation Number 6 of 2019 concerning Regional Public Liability Companies Bank Sukoharjo Rural Banks;
- Remember : 1. Law Number 13 of 1950 concerning the Establishment of Regency Areas within the Central Java Province;
2. Law Number 13 of 2003 concerning Manpower (State Gazette of the Republic of Indonesia of 2003 Number 39, Supplement to the State Gazette of the Republic of Indonesia Number 4279) as amended by Law Number 11 of 2020 concerning Job Creation (State Gazette of the Republic of Indonesia of 2020 Number 245 , Supplement to the State Gazette of the Republic of Indonesia Number 6573) ;
3. Law Number 23 of 2014 concerning Regional Government (State Gazette of the Republic of Indonesia of 2014 Number

244, Supplement to the State Gazette of the Republic of Indonesia Number 5587) as amended several times, most recently by Law Number 11 of 2020 concerning Job Creation (State Gazette of the Republic of Indonesia Year 2020 Number 245, Supplement to the State Gazette of the Republic of Indonesia Number 6573) ;

4. Government Regulation Number 54 of 2017 concerning Regional Owned Enterprises (State Gazette of the Republic of Indonesia of 2017 Number 305, Supplement to the State Gazette of the Republic of Indonesia Number 6173);
5. Sukoharjo Regency Regulation Number 6 of 2019 concerning Regional Public Credit Companies Bank Sukoharjo (Sukoharjo Regency Regional Gazette of 2019 Number 6, Supplement to Sukoharjo Regency Regional Gazette Number 282);

#### DECIDING :

Set : REGULATION OF THE REGENT REGARDING INSTRUCTIONS FOR IMPLEMENTATION OF REGIONAL REGULATION OF SUKOHARJO REGENCY NUMBER 6 YEAR 2019 CONCERNING REGIONAL COMPANY BANK CREDIT PEOPLE BANK SUKOHARJO .

#### PIG GENERAL REQUIREMENTS

##### article 1

1. The area is Sukoharjo Regency.
2. Regional Government is the Regent as an element of the Regional Government who leads the implementation of government affairs which are the authority of the autonomous region.
3. The Regent is the Regent of Sukoharjo.
4. Limited Liability Company, hereinafter referred to as company, is a legal entity which is a capital partnership, established based on an agreement, conducting business activities with authorized capital which is entirely divided into shares and fulfills the requirements stipulated in Law Number 40 of 2007 concerning Limited Liability Companies and its implementing regulations. .
5. Rural Banks, hereinafter abbreviated as BPR , are banks that carry out conventional business activities which in their activities do not provide services in payment traffic as referred to in the law concerning banking.

6. Regional-Owned Enterprises, hereinafter abbreviated as BUMD, are Regional-Owned Enterprises and/or other legal entities whose entire and/or part of the capital comes from the Regional Government.
7. Regional Public Liability Company Bank Sukoharjo People's Credit Bank, hereinafter referred to as PT BPR Bank Sukoharjo (Perseroda) is a BUMD in the form of a limited liability company whose capital is divided into shares whose entire shares are owned by the Sukoharjo Regency Government.
8. Branch Office, namely PT BPR Bank Sukoharjo (Perseroda) office which is directly responsible to the relevant PT BPR Bank Sukoharjo (Perseroda) head office, with a clear address of place of business where the Branch Office conducts its business.
9. General Meeting of Shareholders, hereinafter abbreviated as GMS, is an organ of a regional company that holds the highest power in a regional company and holds all the powers that are not delegated to the Board of Directors or members of the Board of Commissioners.
10. The Board of Directors is the Organ of PT. BPR Bank Sukoharjo (Perseroda) which is authorized and fully responsible for managing the company for the benefit of the company, in accordance with the aims and objectives of the company and representing the company, both inside and outside the court in accordance with the provisions of the articles of association.
11. Members of the Board of Commissioners are Organs of PT. BPR Bank Sukoharjo (Perseroda) which is tasked with conducting general and/or specific supervision in accordance with the articles of association and providing advice to the Board of Directors.
12. Core Capital is the core capital as referred to in the Regulation of the Financial Services Authority regarding the minimum capital requirement and fulfillment of the minimum core capital of BPR.
13. Authorized capital is the maximum share value that can be issued by PT BPR Bank Sukoharjo (Perseroda).
14. Paid-up capital is the equity participation obligation that has been fulfilled by the shareholders.

15. Governance is the governance of PT BPR Bank Sukoharjo (Perseroda) which applies the principles of *transparency* , *accountability* , *responsibility* , *independence* and *fairness* .
16. Executive Officer is an officer who is directly responsible to the board of directors or has influence on the policies and operations of PT BPR Bank Sukoharjo (Perseroda), including branch office leaders, division heads, division heads, managers and/or other equivalent officials.

## Section 2

The scope of the regulation of this Regent Regulation includes:

- a. GMS;
- b. Member of the Board of Commissioners;
- c. Directors;
- d. Organizational Structure and Work Procedures ;
- e. Operational;
- f. Fiscal Year and Reports;
- g. Monitoring and Evaluation;
- h. Use of Profits;
- i. Fixed Assets And Inventory;
- j. Liability and Claims for Indemnification;
- k. Cooperation; and
- l. Health Level Assessment and Restructuring.

## CHAPTER II

### GMS

#### Article 3

- (1) GMS is the highest authority in PT BPR Bank Sukoharjo (Perseroda).
- (2) GMS consists of Annual GMS and Extraordinary GMS.
- (3) The annual GMS as referred to in paragraph (2) shall be held no later than April of the following year.
- (4) Annual GMS ratify:
  - a. Annual finance report; and
  - b. Net Profit Sharing.
- (5) The Extraordinary GMS as referred to in paragraph (2) shall authorize activities other than those referred to in paragraph (4).
- (6) In the implementation of the GMS, Shareholders may present sources from members of the Board of

Commissioners, Directors or other parties as needed.

CHAPTER III  
MEMBERS OF THE COMMISSIONER

Part One  
Composition of Commissioners

Article 4

- (1) Members of the Board of Commissioners consist of representatives of the Shareholders of Sukoharjo Regency and may come from professional and independent third parties.
- (2) Shareholder representatives as referred to in paragraph (1) shall be prioritized for officials who evaluate, develop and supervise BUMD and are not in charge of carrying out public services.
- (3) Public services as referred to in paragraph (2) are activities or a series of activities in the context of fulfilling service needs for every citizen and resident of goods, services, and/or administrative services provided by public service providers in accordance with the provisions of laws and regulations. invitation.
- (4) Professional and independent as referred to in paragraph (1) is a Member of the Board of Commissioners who has no business relationship with the Board of Directors or shareholders, consisting of:
  - a. Other BUMD Commissioners and/or BUMD Commissioners who have completed their term of office;
  - b. retired BUMD employees;
  - c. former BUMD Directors; or
  - d. external BUMD other than those referred to in letter a, letter b and letter c.

Article 5

- (1) To assist the smooth running of the duties of the Commissioners, a Secretariat may be formed at the expense of PT BPR Bank Sukoharjo (Perseroda) with a maximum of 2 (two) members.

- (2) Establishment of a Secretariat of Members of the Board of Commissioners as referred to in paragraph (1) on the consideration of the efficiency of financing PT BPR Bank Sukoharjo (Perseroda).

The second part  
Implementation of the Board of Commissioners' Meeting

Article 6

- (1) Members of the Board of Commissioners hold meetings in the business development and management of PT BPR Bank Sukoharjo (Perseroda).
- (2) The meeting as referred to in paragraph (1) is chaired by the President Commissioner or a Member of the Commissioner appointed by the President Commissioner and is considered valid if attended by more than 1 (one) Member of the Commissioner.
- (3) Meetings of the Board of Commissioners are held at least 1 (one) time in 3 (three) months.
- (4) The agenda for the meeting which was attended by all members of the Board of Commissioners included:
- a. the business plan of PT BPR Bank Sukoharjo;
  - b. strategic issues of PT BPR Bank Sukoharjo ;
  - c. evaluation/determination of strategic policies; and
  - d. evaluation of the realization of the PT BPR Bank Sukoharjo Business Plan.
- (5) The Board of Commissioners holds a meeting to determine the business plan as referred to in paragraph (8) letter a at least 1 (one) time in 1 (one) year and must attend in person.
- (6) In the event that a Member of the Board of Commissioners cannot attend the meeting as referred to in paragraph (8) letter b, letter c and letter d physically, then he/she can attend the meeting via teleconferencing technology.

Part Three  
Mechanism and Decision Making  
Board of Commissioners Meeting

## Article 7

- (1) Decision making in the meeting of the members of the Board of Commissioners is made based on deliberation and consensus.
- (2) In the event that consensus deliberation does not occur, the decision is made based on the majority vote.
- (3) Members of the Board of Commissioners may make valid decisions without holding a Meeting of Members of the Board of Commissioners, provided that all members of the Board of Commissioners have been notified in writing, and given their approval, regarding the proposed proposal and signed the agreement.
- (4) The decisions taken as referred to in paragraph (3) have the same power as the decisions taken legally in the Meeting of the Members of the Board of Commissioners.
- (5) Every decision taken by a Member of the Board of Commissioners is binding and becomes the responsibility of all Members of the Board of Commissioners.

## Part Four

## Minutes of the Board of Commissioners' Meetings

## Article 8

- (1) The results of the meeting of the members of the Board of Commissioners must be stated in the Minutes of Meeting signed by all members of the Board of Commissioners present and properly documented.
- (2) Differences of opinion that occur in the Meeting of the Members of the Board of Commissioners must be clearly stated in the Minutes of the Meeting along with the reasons for the difference of opinion.
- (3) A copy of the Minutes of the Meeting of the Board of Commissioners which has been signed by all the members of the Board of Commissioners present, must be distributed to all members of the Board of Commissioners.

CHAPTER IV  
BOARD OF DIRECTORS

Part One  
Board of Directors Meeting

Article 9

- (1) The Board of Directors holds a meeting in the business development and management of PT BPR Bank Sukoharjo (Perseroda).
- (2) The meeting as referred to in paragraph (1) is chaired by the President Director or a Director appointed by the President Director and is considered valid if attended by more than 1 (one) member of the Board of Directors.
- (3) The meeting as referred to in paragraph (1) consists of:
  - a. monthly meeting;
  - b. quarterly meeting;
  - c. annual meeting; and
  - d. amazing meeting.
- (4) The monthly meeting as referred to in paragraph (3) letter a is a performance evaluation meeting every month.
- (5) The quarterly meeting as referred to in paragraph (3) letter b is a performance evaluation meeting every quarter.
- (6) The annual meeting as referred to in paragraph (3) letter c may be held:
  - a. at least 4 (four) times in 1 (one) year at the invitation of the President Director; or
  - b. at any time at the invitation of the President Director.
- (7) Extraordinary meetings as referred to in paragraph (3) letter d are held at any time to discuss other than the meetings as referred to in paragraph (3) letter a and letter b.
- (8) In the event that the Board of Directors cannot attend the meeting physically, they can attend the meeting via teleconferencing technology.



Part Two  
Mechanism and Decision Making of Board of Directors Meeting  
Article 10

- (1) Decision making in the meeting of the Board of Directors is made based on deliberation and consensus.
- (2) In the event that consensus deliberation does not occur, the decision is made based on the majority vote.
- (3) The Board of Directors may make valid decisions without holding a Board of Directors Meeting, provided that all members of the Board of Directors have been notified in writing, and given their approval, regarding the proposed proposal and signed the agreement.
- (4) The decisions taken as referred to in paragraph (3) have the same power as the decisions taken legally in the Board of Directors Meeting.
- (5) Every decision taken by the Board of Directors is binding and becomes the responsibility of all members of the Board of Directors.

Part Three  
Minutes of Board of Directors Meeting  
Article 11

- (1) The results of the meeting of the Board of Directors must be stated in the Minutes of Meeting signed by all members of the Board of Directors present and properly documented.
- (2) Differences of opinion that occur in the Meeting of the Board of Directors, must be clearly stated in the Minutes of the Meeting along with the reasons for the difference of opinion.
- (3) A copy of the Minutes of the Board of Directors Meeting which has been signed by all members of the Board of Directors present, must be distributed to all members of the Board of Directors.

CHAPTER V  
ORGANIZATIONAL STRUCTURE AND WORKING

Article 12

The Organizational Structure and Work Procedure of PT BPR Bank Sukoharjo (Perseroda) is determined by the Board of Directors with the approval of the Commissioners.

Article 13

The Organizational Structure and Work Procedures as referred to in Article 12 shall at least contain work units that handle the following functions:

- a. credit;
- b. fundraising;
- c. supervision;
- d. accountancy;
- e. information Technology;
- f. human and general resource development;
- g. compliance;
- h. risk management; and
- i. Anti-Money Laundering Prevention of Terrorism Financing (APU PPT).

Article 14

The positions, duties, functions, authorities and responsibilities of each organizational structure as referred to in Article 13 are determined by the Board of Directors with the approval of the members of the Board of Commissioners.

Article 15

Organizational structure as referred to in Article 13, its implementation is adjusted to the needs and capabilities of PT BPR Bank Sukoharjo (Perseroda) based on the results of the study and analysis of the Management of PT BPR Bank Sukoharjo (Perseroda).

CHAPTER VI  
OPERATION

Part One  
Fundraising

Article 16

- (1) PT BPR Bank Sukoharjo (Perseroda) collects public funds in the form of savings in the form of Savings, Time Deposits and/or other equivalent forms.
- (2) Savings and Time Deposits as referred to in paragraph (1) with the following conditions:
  - a. Managed and administered according to banking regulations; and
  - b. The amount of the interest rate is determined based on the Decision of the Board of Directors.
- (3) In order to guarantee public funds as referred to in paragraph (1), PT BPR Bank Sukoharjo (Perseroda) is required to participate in the Deposit Guarantee Program.
- (4) To maintain liquidity, PT BPR Bank Sukoharjo (Perseroda) may participate in the *Polling Fund* programs through existing Rural Bank associations.
- (5) PT BPR Bank Sukoharjo (Perseroda) which will implement the *Linkage* program with Commercial Banks with the approval of Members of the Board of Commissioners.

The second part  
Disbursement of Funds

Article 17

- (1) The fund distribution business of PT BPR Bank Sukoharjo (Perseroda) includes:
  - a. granting credit;
  - b. placement of funds in the form of Bank Indonesia Certificates; and/or
  - c. placements with other banks in the form of time deposits, certificates of deposit, savings accounts and/or other forms.
- (2) The distribution of funds as referred to in paragraph (1) must be carried out in accordance with the precautionary

principle.

- (3) The distribution of funds in the form of granting credit as referred to in paragraph (1) letter a is carried out in accordance with the provisions of the legislation.

### Part Three

#### Establishment of Allowance for Earning Assets and Write-off of Bad Loans

##### Article 18

- (1) The Board of Directors is required to monitor and take steps so that the quality of its productive assets is always in good condition.
- (2) PT BPR Bank Sukoharjo (Perseroda) is required to establish an allowance for possible losses on productive assets that is sufficient to cover the risk of possible losses in accordance with the provisions of laws and regulations.

##### Article 19

- (1) PT BPR Bank Sukoharjo (Perseroda) may propose a write-off of earning assets classified as non-performing collectibility status and a full Allowance for Write-Off Earning Assets has been established.
- (2) The write-off proposal as referred to in paragraph (1) is submitted by the Board of Directors to the members of the Board of Commissioners for approval.
- (3) Members of the Board of Commissioners based on the results of the study may give approval to part or all of the write-off proposals submitted by the Board of Directors.
- (4) Based on the approval of the Members of the Board of Commissioners, the write-off of earning assets as referred to in paragraph (3) is approved by the GMS based on the approval of the Members of the Board of Commissioners.
- (5) The write-off of earning assets as referred to in paragraph (4) is recorded in an administrative account and collections are still carried out by establishing a Credit Collection Team for Write-Offs.
- (6) The write-off of earning assets as referred to in paragraph (4) and paragraph (5) is reported to Shareholders on a monthly basis.

CHAPTER VII  
FISCAL YEAR AND REPORTS

Part One  
Fiscal Year and Reports

Article 20

- (1) The financial year of PT BPR Bank Sukoharjo (Perseroda) is the calendar year or the year starting from the beginning of January to the end of December.
- (2) The types of reports of PT BPR Bank Sukoharjo (Perseroda) consist of:
  - a. Monthly report;
  - b. Quarterly Report;
  - c. Semester Report;
  - d. Annual report;
  - e. Published Financial Report;
  - f. RBB Implementation Report; and
  - g. Other reports required.
- (3) The Monthly Report as referred to in paragraph (2) letter a is a report on the financial condition and results of operations of PT BPR Bank Sukoharjo (Perseroda) in the form of a Balance Sheet, Profit and Loss, along with administrative accounts accompanied by a detailed list of the said Balance Sheet items.
- (4) The Quarterly Report as referred to in paragraph (2) letter b is a report on the financial condition and results of operations of PT BPR Bank Sukoharjo (Perseroda) in the form of a Balance Sheet, Profit and Loss, along with administrative accounts accompanied by a detailed list of Balance Sheet items and published reports.
- (5) The Semester Report as referred to in paragraph (2) letter c is a report on the financial condition and results of operations of PT BPR Bank Sukoharjo (Perseroda) in the form of a Balance Sheet, Profit and Loss, along with administrative accounts accompanied by a detailed list of Balance Sheet items, publication reports and the realization of the RBB. .
- (6) The Annual Report as referred to in paragraph (2) letter d consists of a Balance Sheet, Profit and Loss Statement, Cash Flow Statement, Change in Equity Report,

Commitment and Contingency Report, as well as notes on financial statements that have been audited by a public accountant.

- (7) The Published Financial Report as referred to in paragraph (2) letter e shall at least contain:
- a. Financial statements, consisting of: balance sheet, income statement and commitment and contingency reports;
  - b. Other information which at least consists of :
    - 1) Earning Asset Quality (KAP) for placements with other banks and loans to related and unrelated parties; and
    - 2) financial ratios consisting of: minimum capital adequacy (KPMM), *Non-Performing Loan* (NPL), Allowance for Earning Assets (PPAP), *Return On Assets* (ROA), Operating Expenses to Operating Income (BOPO), *Cash Ratio* ( CR) and *Loan to Deposit Ratio* (LDR).
  - c. Composition of members of the board of directors, members of commissioners, composition of shareholders; and
  - d. The public accounting firm that audits and the name of the public accountant responsible for the BPR audit published at the end of the year.
- (8) The RBB Implementation Report as referred to in paragraph (2) letter f is a report on the realization of a business plan by the Board of Directors regarding the realization of a business plan and a business plan supervision report prepared by a Member of the Board of Commissioners regarding the implementation of a business plan.
- (9) Other required reports as referred to in paragraph (2) letter g are reports submitted by the RB. Bank Sukoharjo to other authorities/institutions.

#### Article 21

- (1) The Board of Directors is required to submit an Annual Accountability Report consisting of the Annual Financial Report and other reports to the Shareholders for approval no later than April of the following financial year.
- (2) The Board of Directors is required to submit an End of

Office Accountability Report to Shareholders through the Members of the Board of Commissioners no later than 3 (three) months prior to the end of the Board of Directors' term of office.

- (3) The End of Office Accountability Report as referred to in paragraph (2) is audited by a Public Accountant and ratified by the GMS.

The second part  
Public Accountant

#### Article 22

- (1) The Board of Directors may appoint a public accountant to audit the annual report as referred to in Article 20 paragraph (7) with the approval of the Members of the Board of Commissioners and ratified in the GMS.
- (2) PT BPR Bank Sukoharjo (Perseroda) may use the services of the same Public Accountant to audit the annual report at most 3 (three) times in a row.

### CHAPTER VIII MONITORING AND EVALUATION

#### Article 23

- (1) Evaluation is preceded by monitoring which can be carried out on a monthly, quarterly and annual basis.
- (2) Monitoring as referred to in paragraph (1) shall be carried out based on monthly, quarterly and annual reports.
- (3) Monitoring as referred to in paragraph (2) is carried out by:
  - a. Internal PT BPR Bank Sukoharjo (Perseroda); and/or
  - b. Local government.

#### Article 24

- (1) Evaluation of PT. BPR Bank Sukoharjo is carried out by comparing the target and realization.
  - (2) Evaluation of PT. BPR Bank Sukoharjo as referred to in paragraph (1), is carried out at least once a year.
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- (3) The evaluation as referred to in paragraph (2) shall be carried out by:
    - a. Internal PT BPR Bank Sukoharjo (Perseroda); and/or
    - b. Local government.

- (4) The evaluation as referred to in paragraph (2) shall at least include:
- a. performance assessment;
  - b. health level assessment; and
  - c. service assessment.

#### Article 25

The Regional Government as referred to in Article 23 paragraph (3) letter b and Article 24 paragraph (3) letter b, is carried out by the Regional Secretariat.

### CHAPTER IX USE OF PROFIT

#### Article 26

- (1) Net profit after calculating taxes and has been approved by the GMS, the distribution is determined as follows:
  - a. dividends for shareholders 55% (fifty five percent);
  - b. reserve 20% (twenty percent);
  - c. social and environmental responsibility/ *Corporate Social Responsibility* 3% (three percent);
  - d. tantiem 4% (four percent);
  - e. production services 8% (eight percent); and
  - f. welfare fund 10% (ten percent).
- (2) Dividends as referred to in paragraph (1) letter a, shall be distributed to Shareholders proportionally in accordance with the percentage of paid-up capital.
- (3) The reserves as referred to in paragraph (1) letter b, placed with the company, consist of:
  - a. general reserve 10% (ten percent); and
  - b. reserve objective 10% (ten percent).
- (4) The general reserve as referred to in paragraph (3) letter a is used to strengthen capital.
- (5) The purpose reserves as referred to in paragraph (3) letter b are reserves whose intended use has been determined and has been approved by the GMS.
- (6) The social and environmental responsibility ( *corporate social responsibility* ) as referred to in paragraph (1) letter c, is a social responsibility attached to the company to create a harmonious and balanced relationship in accordance with the values, norms, culture of the local community and the environment whose use is regulated.



- by Decision of the Board of Directors.
- (7) The bonus as referred to in paragraph (1) letter d, is given to the management with the following index:
    - a. President Director at 100% (one hundred percent);
    - b. Director by 80% (eighty percent);
    - c. Members of the President Commissioner are 40% of the President Director; and
    - d. The members of the Board of Commissioners are 80% of the members of the President Commissioner.
  - (6) Production services as referred to in paragraph (1) letter e, are provided to employees as compensation for services with an index regulated by a Decree of the Board of Directors.
  - (7) The welfare fund as referred to in paragraph (1) letter f, for the welfare of the Board of Directors and employees, is managed separately, which is one of the sources of funds for severance pay for the Board of Directors and employees entering retirement period determined by the Board of Directors with the approval of the Members of the Board of Commissioners. .

## CHAPTER X FIXED ASSETS AND INVENTORY

### Part One Procurement of Fixed Assets and Inventory

#### Article 27

- (1) Procurement of Fixed Assets and Inventory must have been planned and contained in the RBB in accordance with the provisions of the legislation.
- (2) The implementation of the Procurement of Fixed Assets and Inventory as referred to in paragraph (1) is carried out by the Board of Directors with the approval of the Members of the Board of Commissioners and the GMS.
- (3) Procurement of Fixed Assets in the form of land and/or buildings may be by way of buying and selling, exchanging ( *ruislag* ) and/or relinquishing rights, the implementation of which is in accordance with the

provisions of laws and regulations.

- (4) Fixed Assets and Inventory as referred to in paragraph (2) are managed and administered in accordance with the provisions of laws and regulations.
- (5) The application for approval for the procurement of Fixed Assets and Inventory as referred to in paragraph (2) shall be accompanied by a proposal which includes:
  - a. RBB, Balance Sheet, Profit and Loss Calculation;
  - b. List of Fixed Assets and Inventory already owned;
  - c. Calculation of Fixed Assets and Inventory before and after procurement; and
  - d. Other supporting data required.
- (6) Procurement of Fixed Assets and Inventory as referred to in paragraph (5) is carried out in accordance with the provisions of laws and regulations.
- (7) The results of the procurement of Fixed Assets and Inventory as referred to in paragraph (5) shall be reported to the Shareholders no later than 14 (fourteen) days after the handover of the procurement.

The second part  
Write-off of Fixed Assets and Inventory

Article 28

- (1) The Board of Directors may write-off Fixed Assets and Inventory that are at least 10 (ten) years old and/or book value of Rp. 1.00 (one rupiah) with the approval of the Members of the Board of Commissioners.
- (2) The implementation of the write-off of Fixed Assets and Inventory as referred to in paragraph (1) is carried out by the Board of Directors with the approval of the Members of the Board of Commissioners and the GMS.
- (3) The Board of Directors determines the Committee for the Elimination of Fixed Assets and Inventory which will be deleted by a Decision of the Board of Directors.
  
- (4) In the event of the write-off of Fixed Assets and Inventory of a special nature, it is accompanied by a Minutes of Physical Research Results.

- (5) The write-off of Fixed Assets and Inventory is carried out through:
  - a. Sale;
  - b. Exchange;
  - c. Grant; and/or
  - d. extermination.
- (6) The implementation of the sale, exchange, grant and destruction as referred to in paragraph (5) is carried out in accordance with the provisions of the legislation.
- (7) The Board of Directors reports the implementation of the write-off of Fixed Assets and Inventory to the Shareholders.
- (8) The proceeds from the sale of Assets, Fixed Assets and Inventory are deposited into the relevant treasury of PT BPR Bank Sukoharjo (Perseroda) in accordance with the provisions of the legislation.
- (9) Under certain conditions, PT BPR Bank Sukoharjo (Perseroda) may reassess its Fixed Assets and Inventory.

## CHAPTER XI LIABILITY AND ACKNOWLEDGMENTS

### Part One General

#### Article 29

- (1) Members of the Commissioners, Directors or Employees of PT BPR Bank Sukoharjo (Perseroda) who intentionally or unintentionally or due to their negligence cause harm to PT BPR Bank Sukoharjo (Perseroda) are obliged to compensate for the losses.
- (2) Settlement of Claims for Compensation may be carried out by:
  - a. peace efforts;
  - b. ordinary claim for compensation; or
  - c. recording.

### The second part Peace Effort

#### Article 30

- (1) Settlement of losses to PT BPR Bank Sukoharjo

(Perseroda) carried out by Members of the Board of Commissioners, Members of the Board of Directors and/or Employees through amicable efforts by returning in cash or installments.

- (2) The repayment in installments as referred to in paragraph (1) shall be made no later than 1 (one) year as of the signing of the Certificate of Absolute Liability and must be accompanied by Guaranteed Goods of sufficient value.
- (3) Settlement by means of installments as referred to in paragraph (2) is carried out through deductions from salary or income which is accompanied by a Power of Attorney for Withholding Salary to the Treasurer.
- (4) In the event that the salary deduction as referred to in paragraph (3) is not sufficient for the loss of PT. BPR Bank Sukoharjo then the collateral is used to cover losses.
- (5) The collateral as referred to in paragraph (4) must be accompanied by proof of legal ownership and accompanied by a notarized power of attorney to sell.
- (6) The implementation of the peaceful effort as referred to in paragraph (1) is carried out with the approval of the Members of the Board of Commissioners.
- (7) In the event of loss caused by the Commissioner, the implementation of amicable efforts is carried out with the approval of the GMS.
- (8) In if there is an excess from the sale of collateral as referred to in paragraph (4), it is returned to the members of the commissioners, members of the board of directors and/or employees.
- (9) The implementation of the sale as referred to in paragraph (6) and paragraph (7) is carried out in accordance with the provisions of the applicable laws and regulations.

Part Three  
Ordinary Indemnity Claims

Article 31

- (1) The claim for Ordinary Compensation as referred to in

Article 29 paragraph (2) letter b shall be made based on the investigation and the results of the collection of evidence relating to the claim against the Member of the Commissioner, Member of the Board of Directors and/or the employee concerned.

- (2) In the event that a Member of the Commissioner, Member of the Board of Directors and/or an Employee dies, the heirs are obliged to bear the compensation.
- (3) Losses as referred to in paragraph (2) are losses caused by the actions of Members of the Board of Commissioners, Members of the Board of Directors and/or Employees who violate the law or neglect their obligations or do not carry out their obligations properly that are blamed on them, and are related to the implementation of functions or with the status of his position either directly or indirectly.

#### Article 32

The settlement of the Claim for Compensation shall be submitted for completion through the Compensation Claim Settlement Team with the following conditions:

- a. irregularities by members of the Board of Commissioners and the Board of Directors, the team is formed by the GMS; and
- b. irregularities by employees, a Team is formed by the Board of Directors with the approval of the Members of the Board of Commissioners.

#### Article 33

- (1) In the event that efforts to obtain compensation through peaceful means as referred to in Article 30 are not successful, the process of Claiming Compensation shall be notified in writing by the Team as referred to in Article 32 to the Members of the Board of Commissioners, Members of the Board of Directors and/or Employees who commit deviations, with mentions:
  - a. identity of the perpetrator;
  - b. the amount of losses suffered by PT BPR Bank Sukoharjo (Perseroda) which must be replaced;
  - c. the causes and reasons for the prosecution; and
  - d. The grace period given to file a self-defense is 14 (fourteen) days from the receipt of notification by the Member of the Commissioner, Member of the Board of Directors and/or the employee concerned.

- (2) If members of the Board of Commissioners, members of the Board of Directors and/or employees as referred to in paragraph (1) within 14 (fourteen) days have not submitted a self-defense or have submitted a self-defense but are unable to absolve at all from errors/omissions, the Team shall determine Loading decisions.
- (3) Based on the decision to charge as referred to in paragraph (2), PT BPR Bank Sukoharjo (Perseroda) shall collect the payment of compensation to the Member of the Commissioner, Member of the Board of Directors and/or the employee concerned.
- (4) The decision to charge as referred to in paragraph (2) can be implemented by deducting the salary and/or other income of the Member of the Commissioner, Member of the Board of Directors and/or the employee concerned, giving permission to pay in installments for a maximum period of 1 (one) year. , and if deemed necessary, can ask for assistance from the authorities to make collections by force.

#### Article 34

- (1) Members of the Board of Commissioners, members of the Board of Directors and/or Employees who are responsible for the loss of movable or immovable property belonging to PT BPR Bank Sukoharjo (Perseroda) may replace them with money or goods.
- (2) Compensation for loss in the form of goods may be made specifically for movable goods in the form of 4 (four) and/or 2 (two) wheeled motorized vehicles.
- (3) Compensation for losses in the form of money may be made to movable or immovable goods in cash or in installments for a maximum period of 2 (two) years.
- (4) The estimated value of the lost goods for which compensation is requested as referred to in paragraph (1) shall be determined by the Team in accordance with the market price.
- (5) Loss as referred to in paragraph (1) except for the occurrence of *force majeure* .

#### Part Four

## Recording

## Article 35

- (1) Members of the Board of Commissioners, members of the Board of Directors and/or Employees who die or run away and whose address is unknown, while the person concerned has committed an act that has caused a loss to PT BPR Bank Sukoharjo (Perseroda) must be subject to a Claim for Compensation by including it in the records through a Decree Team on Recording Indemnity.
- (2) With the issuance of a Team Decision concerning the Recording of Claims for Compensation as referred to in paragraph (1), specifically for the Member of the Commissioner, Member of the Board of Directors and/or the employee concerned dies without heirs, the record is removed from the accounting administration system of PT BPR Bank Sukoharjo (Perseroda). ).
- (3) The registration as referred to in paragraph (1) may be collected at any time if the address of the Member of the Commissioner, Member of the Board of Directors and/or the employee concerned is known.

CHAPTER XII  
COOPERATION

## Article 36

- (1) PT BPR Bank Sukoharjo (Perseroda) may cooperate with other parties in an effort to increase capital, human resources, professional management of banking/financial institutions and others in accordance with the provisions of laws and regulations.
- (2) Cooperation as referred to in paragraph (1), among others, is carried out through the following programs:
  - a. partnership;
  - b. utilization of equity (joint venture);
  - c. joint operation (joint operation); and/or
  - d. other cooperation in accordance with the provisions of the legislation.
- (3) The cooperation as referred to in paragraph (1) can be implemented by:
  - a. Regional Government and or Regency/City Government;
  - b. Commercial Banks and/or other Rural Banks;

- c. Financial institutions;
  - d. Banking Association;
  - e. Insurance; and
  - f. Other institutions that are legal entities.
- (4) The form of cooperation as referred to in paragraph (2) can be in the form of:
- a. Funding;
  - b. Human Resources Improvement;
  - c. Implementation of Government Programs;
  - d. Guarantee Program;
  - e. Credit Insurance;
  - f. Handling of Non-performing Loans; and/or
  - g. Other forms of collaboration.
- (5) The cooperation as referred to in paragraph (1) must first obtain the approval of the Member of the Board of Commissioners.
- (6) To carry out the cooperation as referred to in paragraph (1) PT BPR Bank Sukoharjo (Perseroda) can pledge all assets with the approval of the GMS.
- (7) PT BPR Bank Sukoharjo (Perseroda) places its excess liquid assets in a healthy, safe and profitable Central Bank, Commercial Bank and Rural Bank.

### CHAPTER XIII HEALTH LEVEL ASSESSMENT AND RESTRUCTURING

#### Article 37

- (1) Assessment of the soundness of PT BPR Bank Sukoharjo (Perseroda) is an assessment with a qualitative approach from various aspects that affect the condition and development of a bank by assessing several factors including capital, productive asset quality, management, profitability and liquidity (CAMEL).
- (2) The assessment of the soundness level of PT BPR Bank Sukoharjo (Perseroda) as referred to in paragraph (1) aims to ensure that bank management is in line with sound banking principles, prudential principles and in accordance with the provisions of the applicable laws and regulations .

#### Article 38

- (1) Scope of Restructuring includes regulatory restructuring and/or company restructuring.



- (2) The restructuring as referred to in paragraph (1) shall be carried out through:
- a. internal restructuring covering finance, management, operations, systems and procedures;
  - b. structuring the functional relationship between the Regional Government and BUMD to determine the direction in the framework of implementing public service obligations.

B AB XV  
CLOSING

Article 39

This Regent Regulation comes into force on the date of promulgation.

For public cognizance, it is ordered that this Regulation of the Regent be promulgated by placing it in the Sukoharjo Regency Gazette.

Set in Sukoharjo  
on April 12, 2021  
BUPA T I SUKOHARJO,

signed.

SOLAR ETHICS

Promulgated in Sukoharjo  
at the date of 12 April 2021

Acting REGIONAL SECRETARY  
SUKOHARJO DISTRICT ,

signed.

BUDI SANTOSO

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