MAYOR OF SURAKARTA

CENTRAL JAVA PROVINCE

SURAKARTA CITY REGIONAL REGULATION NO 10 OF 2019

CONCERNING

GOVERNMENT CAPITAL PARTICIPATION OF SURAKARTA CITY IN

THE LIMITED COMPANY OF REGIONAL DEVELOPMENT BANK CENTRAL JAVA

IN THE NAME OF GOD THE ALL-MERCIFUL, THE ALL-POWERFUL

MAYOR OF SURAKARTA,

Considering : a. that the Limited Liability Company Bank Pembangunan Daerah Central Java is a banking business entity ideally with a financially capital-intensive nature to be able to provide the community with capital needs services,

b. that regional government investment in PT Bank Pembangunan Daerah Jawa Tengah (Bank Jateng) in accordance with Investment Feasibility Analysis Report No. 20/KAP/RW/VII/2019, dated June 27, 2019 is very necessary to increase capitalization and support business growth,

c. that equity participation in the Limited Liability Company Bank Pembangunan Daerah Jawa Tengah should be set by Regional Regulation,

d. that based on the considerations referred to in items a, b and c, it is necessary to establish a Regional Regulation on the Government Capital Participation of Surakarta City Government in the Limited Liability Company Bank Pembangunan Daerah Jawa Tengah,

Mindful of : 1. Article 18 paragraph (6) of the 1945 Constitution of the Republic of Indonesia,

2. Law Number 16 of 1950 concerning the Establishment of Large City Regions Within the Provinces of East Java, Central Java, West Java and the Special Region of Yogyakarta (State Gazette of the Republic of Indonesia 1950 Number 45),

3. Law Number 12 of 2011 concerning the Formation of Legislation (State Gazette of the Republic of Indonesia 2011 Number 82, Supplement to the State Gazette of the Republic of Indonesia Number 5234) as amended by Law Number 15 of 2019 concerning Amendments to Law Number 12 of 2011 on the Formation of Legislation (State Gazette of the Republic of Indonesia 2019 Number 183, Supplement to the State Gazette of the Republic of Indonesia Number 6398),

4. Law Number 23 of 2014 concerning Regional Government (State Gazette of the Republic of Indonesia 2014 Number 244, Supplement to the State Gazette of the Republic of Indonesia Number 5587) as it has been amended several times, most recently by Law Number 9 of 2015 concerning the Second Amendment to Law Number 23 of 2014 on Regional Government (State Gazette of the Republic of Indonesia 2015 Number 58, Supplement to the State Gazette of the Republic of Indonesia Number 5679),

With Joint Approval

REGIONAL HOUSE OF REPRESENTATIVES OF SURAKARTA CITY

and

MAYOR OF SURAKARTA

DECIDES:

Establishing a REGIONAL REGULATION ON CAPITAL PARTICIPATION OF THE SURAKARTA CITY GOVERNMENT IN A LIMITED LIABILITY COMPANY OF THE REGIONAL DEVELOPMENT BANK OF CENTRAL JAVA LIMITED.

GIBBERISH

GENERAL PROVISIONS

Article 1

In this Regional Regulation, the term means: which

1. The Region is the City of Surakarta.

2. Regional Government is the administration of government affairs by the Regional Government and the Regional People's Representative Council in accordance with the principle of autonomy and assistive duties with the broadest possible autonomy in the system and principles of the Unitary State of the Republic of Indonesia as referred to in the 1945 Constitution of the Republic of Indonesia.

3. Regional Government is the Mayor as the element of the Regional Government's administration who leads the implementation of government affairs that fall under the autonomous regional government's authority.

4. The Regional People's Representative Council, hereafter abbreviated as DPRD, is the regional people's representative body positioned as an organ of the government.

5. The Mayor is the Mayor of Surakarta.

6. The Regional Revenue and Expenditure Budget, hereafter abbreviated as APBD, is the annual financial plan of the Regional Government that is discussed and jointly approved by the Regional Government and the DPRD, and enacted by Regional Regulation.

7. Regional Government Capital Participation is a form of Regional Government investment in a Business Entity with ownership rights.

8. PT Bank Pembangunan Daerah Jawa Tengah is a Public Bank whose shares are owned by the Provincial, Regency, and City Governments of Central Java.

CHAPTER II

AMOUNT AND SOURCES

Article 2

(1) Capital Participation of the Surakarta City Government in

Limited Liability Bank for Regional Development of Central Java in 2020 is set at Rp7,626,000,000.00 (seven billion six hundred twenty-six million rupiah).

(2) The total amount of Regional Government Capital Participation

in the Limited Liability Bank for Regional Development of Central Java up to the time this Regional Regulation is enacted is Rp46,170,000,000.00 (forty-six billion one hundred seventy million rupiah).

Article 3

The Regional Government Capital Participation as referred to in Article 2 paragraph (1) is sourced from the APBD for Fiscal Year 2020.

CHAPTER III

BUDGETING

Article 4

The budgeting of Regional Government capital participation as referred to in Article 2 is categorized into the Regional Financing Expenditure Budget type

Regional Government Capital Participation.

CHAPTER IV

FORM OF CAPITAL PARTICIPATION

Article 5

(1) Form of Regional Government Capital Participation to

the Limited Liability Bank for Regional Development of Central Java is in the form of money.

(2) Regional Government Capital Participation as described

the management, as referred to in paragraph (1), is carried out in accordance with the provisions of the laws and regulations.

BAB V

USE, MANAGEMENT, AND ACCOUNTABILITY

Article 6

Capital Participation of the City Government of Surakarta in the Limited Liability Company Bank Pembangunan Daerah Jawa Tengah is used to increase capitalization and support business growth.

Article 7

The recording and accountability of the management of Regional Government Capital Participation is carried out in accordance with the Government Accounting Standards.

Article 8

The Limited Liability Bank of Central Java Development Bank must each year submit a accountability report in the form of a summary of Performance Realization and the Company's Financial Statements to the Mayor.

CHAPTER VI

CLOSING PROVISIONS

Article 9

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

In order for everyone to know it, orders the promulgation of this Regional Regulation with its placement in the Regional Gazette of the City of Surakarta.

Established in Surakarta
on the date 17 Oktober 2019
of the MAYOR URAKARTA,A

FX. HADI RUDYATMO

Promulgated in Surakarta on
October 17, 2019 date

SECRETARY OF THE REGIONAL CITY OF SURAKARTA,

AHYANI

REGIONAL GAZETTE OF THE CITY OF SURAKARTA YEAR 2019 NUMBER 10

NOREG REGIONAL REGULATION OF THE CITY OF SURAKARTA CENTRAL JAVA PROVINCE (10-330/2019)

EXPLANATION

ON

SURAKARTA CITY REGULATION

NUMBER 10 OF 2019

CONCERNING

INVESTMENT OF CAPITAL BY THE SURAKARTA CITY GOVERNMENT

INTO THE LIMITED LIABILITY COMPANY BANK PEMBANGUNAN DAERAH JAWA TENGAH

I. GENERAL

Perseroan Terbatas Bank Pembangunan Daerah Jawa Tengah is a regional-owned business entity operating in the banking sector, so it requires sufficient capital in the form of money to support capital fulfillment services for the community. The Surakarta City Government is one of the shareholders in the Perseroan Terbatas Bank Pembangunan Daerah Jawa Tengah, which has a role in increasing the capacity of the Perseroan Terbatas Bank Pembangunan Daerah Jawa Tengah.

Based on the Investment Feasibility Analysis carried out by the Surakarta City Government, there is investment feasibility for the Perseroan Terbatas Bank Pembangunan Daerah Jawa Tengah amounting to Rp7.626.000.000,00 (seven billion six hundred twenty-six million rupiah) that originating from the Regional Budget (APBD) for the year budget 2020.

Investment of Capital in the Perseroan Terbatas Bank Pembangunan Daerah Jawa Tengah is expected to be able to improve the performance of the Perseroan Terbatas Bank Pembangunan Daerah Jawa Tengah in order to provide services to the community while also increasing locally generated revenue.

The purpose of the Regional Government's Investment of Capital is to obtain economic benefits, social benefits, and/or other benefits.

The objectives of the Regional Government's Investment of Capital include:

a. improving public services and welfare as a result of the Regional Government's investment,

b. profit in the form of distribution of results and growth in value of the Perseroan Terbatas Bank Pembangunan Daerah Jawa Tengah that receives the Regional Government's investment,

c. increasing receipts of Locally Generated Revenue,

d. credit expansion, particularly to the production business sector,

e. developing new products and services, to have greater competitiveness against other banks,

f. expansion of office and service networks, in order to reach all segments of society and ease in transactions,

g. procurement of fixed asset investments, in order to support the network of offices and services, and

h. technology expenditure, in order to support increasingly better and modern.

II. ARTICLE BY ARTICLE

Article 1

Quite clear.

Article 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.