

REGULATION OF THE MUNICIPALITY OF SURAKARTA
NUMBER 1 OF 2025
ON

CHANGE OF LEGAL ENTITY FORM FROM REGIONAL PUBLIC PURPOSE
COMPANY OF BANK PERKREDITAN RAKYAT BANK SOLO INTO REGIONAL
LIMITED LIABILITY COMPANY OF BANK PEREKONOMIAN RAKYAT BANK
SOLO

BY THE BLESSINGS OF ALMOGHTY GOD

MAYOR OF SURAKARTA,

Considering : a. that national development in the economic sector is carried out through the development of advanced business activities as economic drivers to realize a just and prosperous society that is united and sovereign based on Pancasila and the 1945 Constitution of the Republic of Indonesia;
b. that in order to improve the company's performance and services to the community as well as regional revenue sources, it is necessary to change the legal entity form of the Regional Public Purpose Company Bank Perkreditan Rakyat Bank Solo into a Regional Limited Liability Company;
c. that in accordance with the provisions of Government Regulation Number 54 of 2017 on Local--Owned Enterprises, changes in legal entity form are issued by regional regulations;
d. that based on the considerations as referred to in letters a, b, and c, it is necessary to issue a Regional Regulation on Change of Legal Entity Form from Regional Public Purpose Company of Bank Perkreditan Rakyat Bank Solo into Regional Limited Liability Company of Bank Perekonomian Rakyat Bank Solo;

Observing : 1. Article 18 section (6) of the 1945 Constitution of the Republic of Indonesia;
2. Law Number 16 of 1950 on Establishment of Major Cities within the Provinces of East Java, Central Java, West Java, and the Special Region of Yogyakarta (State Gazette of the Republic of Indonesia of 1950 Number 45);

3. Law Number 23 of 2014 on Local Governments (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 last by Law Law Number 6 of 2023 on Enactment of Government Regulation in Lieu of Law Number 2 of 2022 on Job Creation to Become Law (State Gazette of the Republic of Indonesia of 2023 Number 41, Supplement to the State Gazette of the Republic of Indonesia Number 6856);
4. Law Number 11 of 2023 on the Province of Central Java (State Gazette of the Republic of Indonesia of 2023 Number 58, Supplement to the State Gazette of the Republic of Indonesia Number 6867);
5. Government Regulation Number 54 of 2017 on Local-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);

with the Joint Approval of
THE REGIONAL HOUSE OF REPRESENTATIVES
and
THE MAYER OF SURAKARTA

HAS DECIDED:

To issue : CHANGE OF LEGAL ENTITY FORM FROM REGIONAL PUBLIC PURPOSE COMPANY OF BANK PERKREDITAN RAKYAT BANK SOLO INTO REGIONAL LIMITED LIABILITY COMPANY OF BANK PEREKONOMIAN RAKYAT BANK SOLO.

CHAPTER I
GENERAL PROVISIONS

Article 1

In this Regional Regulation:

1. Region means the Municipality of Surakarta.
2. Local Government means the Regional Head as the element of the Local Government that leads the implementation of government affairs under the authority of the autonomous region.
3. Mayor means the Mayor of Surakarta.
4. Regional House of Representatives (Dewan Perwakilan Rakyat Daerah), hereinafter referred to as DPRD, means the Regional House of Representatives of Surakarta City.
5. Local-Owned Enterprise (Badan Usaha Milik Daerah), hereinafter referred to as BUMD, means a business entity whose capital is wholly or largely owned by the Region.
6. People's Economic Bank (Bank Perekonominan Rakyat), hereinafter referred to as BPR, means a bank that conducts business activities conventionally or based on sharia principles, which in its activities does not provide services in direct giro transactions.
7. Regional Limited Liability Company of Bank Perekonominan Rakyat Bank Solo, hereinafter referred to as PT BPR Bank Solo (Perseroda), means a local-owned enterprise whose capital is in the form of shares, all or at

least 51% (fifty-one percent) of which are owned by the Local Government.

8. General Meeting of Shareholders, hereinafter referred to as GMS, means the highest authority of PT BPR Bank Solo (Perseroda) and holds all powers not delegated to the Board of Directors or Board of Commissioners.
9. Board of Commissioners means an organ of PT BPR Bank Solo (Perseroda) tasked with supervising and advising the Board of Directors in carrying out the management activities of PT BPR Bank Solo (Perseroda).
10. Board of Directors means the governing body of PT BPR Bank Solo (Perseroda) responsible for managing PT BPR Bank Solo (Perseroda) for the interests and purposes of PT BPR Bank Solo (Perseroda), as well as representing PT BPR Bank Solo (Perseroda), both in and out of court in accordance with the provisions of the articles of association.
11. Share means a security that serves as proof of ownership of capital in PT BPR Bank Solo (Perseroda).

CHAPTER II CHANGES OF LEGAL ENTITY FORM, NAME, AND LOCATION

Part One Changes of Legal Entity and Name

Article 2

With this Regional Regulation, the legal entity forms of the Regional Public Purpose Company of Bank Perkreditan Rakyat Bank Solo Surakarta City, which was established based on Regulation of the Municipality of Surakarta Number 1 of 2020 on Regional Public Purpose Company of Bank Perkreditan Rakyat Bank Solo, has changed to Regional Limited Liability Company of Bank Perekonomian Rakyat Bank Solo, hereinafter referred to as PT BPR Bank Solo (Perseroda).

Article 3

With the change of legal entity form as referred to in Article 2, all assets, businesses, rights and obligations, facilities, infrastructure, management, personnel, capital, all agreements made with other parties, and the operating license of Regional Public Purpose Company of Bank Perkreditan Rakyat Bank Solo are transferred to PT BPR Bank Solo (Perseroda).

Part Two Location

Article 4

- (1) PT BPR Bank Solo (Perseroda) is located and has its head office in the Region.
- (2) PT BPR Bank Solo (Perseroda) as referred to in section (1) may open branch offices and cash offices in accordance with the provisions of legislation.

CHAPTER III TERM OF ESTABLISHMENT

Article 5

PT BPR Bank Solo (Perseroda) is established for an indefinite period.

CHAPTER IV PURPOSE AND OBJECTIVES

Article 6

- (1) The purpose of changing the legal entity form from Perumda BPR Bank Solo into PT BPR Bank Solo (Perseroda) is to encourage regional economic growth, provide services to the community, and increase regional revenue sources based on good corporate governance.
- (2) The purpose of changing the legal entity form from Perumda BPR Bank Solo into PT BPR Bank Solo (Perseroda) is to:
 - a. provide benefits for regional economic development;
 - b. expand access to financial services for the community;
 - c. promote effective, efficient, and effective financing for micro, small, and medium enterprises in accordance with the provisions of legislation;
 - d. develop PT BPR Bank Solo (Perseroda) based on the principles of good corporate governance; and
 - e. earn profits or gains.

CHAPTER V BUSINESS ACTIVITIES

Article 7

The business activities of PT BPR Bank Solo (Perseroda) include:

- a. collecting funds from the government and the public in the form of deposits, in the form of time deposits, savings, and/or other equivalent forms;
- b. granting credit;
- c. collaborating with financial institutions and other institutions;
- d. placing its funds in financial institutions and other institutions;
- e. assisting Local Government in optimizing the distribution of funds for programs and activities in accordance with the provisions of legislation;
- f. being able to assist Local Government as distributors of salaries and/or allowances for Civil Service, regional workers with employment agreements, daily casual workers/others; and
- g. conducting other banking activities in accordance with the provisions of legislation

Article 8

In carrying out business activities as referred to in Article 7, PT BPR Bank Solo (Perseroda) may utilize information technology.

CHAPTER VI CAPITAL AND SHARES

Part One Capital

Article 9

- (1) The authorized capital of PT BPR Bank Solo (Perseroda) is initially set at Rp50,000,000,000.00 (fifty billion rupiah).
- (2) The paid-in capital of PT BPR Bank Solo (Perseroda) is Rp16,575,000,000.00 (sixteen billion five hundred seventy-five million rupiah).
- (3) The composition of the Authorized Capital as referred to in section (1) consists of capital wholly owned by the Local Government or at least 51% (fifty-one percent).
- (4) The paid-in capital as referred to in section (2) is wholly owned by the Local Government as the shareholder.
- (5) Changes to the authorized capital as referred to in section (1) and the composition of the authorized capital as referred to in section (3) are determined by a GMS Resolution in accordance with the provisions of legislation.
- (6) Significant changes to the Authorized Capital as referred to in section (5) and the Paid-up Capital as referred to in section (2) are included in the Articles of Association.

Article 10

- (1) The fulfillment of the authorized capital of PT BPR Bank Solo (Perseroda) as referred to in Article 9 section (1) is carried out through equity participation by the Local Government in accordance with the financial capabilities of the Region and the provisions of legislation.
- (2) The equity participation of the Local Government as referred to in section (1) constitutes separate regional assets.
- (3) Local Government Equity Participation as referred to in section (1) is stipulated by a Regional Regulation.

Part Two Shares

Article 11

Ownership, type, number, and nominal value, as well as the rights and obligations of shareholders are determined by the GMS and included in the articles of association in accordance with the provisions of legislation.

CHAPTER VII
ARTICLES OF ASSOCIATION

Article 12

- (1) The articles of association of PT BPR Bank Solo (Perseroda) at least contain:
 - a. name and location;
 - b. purpose and objective;
 - c. business activities;
 - d. term of establishment;
 - e. the amount of authorized capital and paid-in capital;
 - f. number of Shares;
 - g. classification of Shares and the number of Shares for each classification, as well as the rights attached to each Share;
 - h. the par value of each Share;
 - i. the titles and number of members of the Board of Commissioners and Board of Directors;
 - j. determination of the venue and procedures for holding the GMS;
 - k. procedures for the appointment, replacement, and dismissal of members of the Board of Commissioners and members of the Board of Directors;
 - l. the duties and authority of the Board of Commissioners and the Board of Directors;
 - m. use of profits and distribution of dividends; and
 - n. other provisions in accordance with the provisions of legislation.
- (2) The Articles of Association as referred to in section (1) are prepared by the Board of Directors.
- (3) The Articles of Association are determined at the GMS.

CHAPTER VIII
ORGANS AND PERSONNEL OF PT BPR BANK SOLO
(PERSERODA)

Part One
Organs

Article 13

- (1) The organs of PT BPR Bank Solo (Perseroda) consist of:
 - a. GMS;
 - b. a Commissioner; and
 - c. a Director.
- (2) The organs as referred to in section (1) are implemented in accordance with the provisions of legislation governing limited liability companies.
- (3) Further provisions regarding the organs of PT BPR Bank Solo (Perseroda) as referred to in section (1) are regulated in the Articles of Association and in accordance with legislation.

Part Two
Employees

Article 14

Employees of PT BPR Bank Solo (Perseroda) are workers whose appointment, dismissal, position, rights, and obligations are regulated in accordance with the provisions of legislation on manpower.

CHAPTER IX
TRANSITIONAL PROVISIONS

Article 15

- (1) The process of changing the legal entity form and nomenclature from Regional Public Purpose Company of BPR Bank Solo into PT BPR Bank Solo (Perseroda) is carried out within the time period in accordance with the provisions of legislation.
- (2) During the process of changing the legal entity form and nomenclature as referred to in section (1), the Regional Public Purpose Company of Bank Perkreditan Rakyat Bank Solo continue to operate in accordance with the provisions of legislation.
- (3) All employees who were appointed prior to the issuance of this Regional Regulation remain unchanged in terms of their status, position, and employment rights until their new status, position, and employment rights are determined in accordance with the Articles of Association of PT BPR Bank Solo (Perseroda).
- (4) The Board of Supervisors of the Regional Public Purpose Company of Bank Perkreditan Rakyat Bank Solo that has been appointed continues to carry out its duties and functions until the appointment of commissioners of PT BPR Bank Solo (Perseroda).
- (5) The Board of Directors of the Regional Public Purpose Company of Bank Perkreditan Rakyat Bank Solo that has been appointed continues to carry out its duties and functions until the appointment of the board of directors of PT BPR Bank Solo (Perseroda).
- (6) The term of office of the Board of Supervisors and Board of Directors as referred to in section (4) and section (5) that has been determined prior to the issuance of this Regional Regulation remain in effect until the end of the term of office.
- (7) In the event of a change in nomenclature or name due to provisions of legislation, the Equity Participation as referred to in Article 9 section (1) is implemented in accordance with applicable procedures.
- (8) In the event that PT BPR Bank Solo (Perseroda) undergoes a merger or consolidation in accordance with the provisions of legislation, the additional equity participation is carried out in the company resulting from the merger or consolidation.
- (9) In the event that equity participation has been planned prior to the issuance of this regional regulation, it may continue in accordance with this legislation.

Article 16

The equity participation of the Regional Public Purpose Company BPR Bank Solo as stated in Regulation of the Municipality of Surakarta Number 8 of 2015 on Local Government Equity Participation in Regional Company of Bank Perkreditan Rakyat Bank Solo is still valid until the legal entity status of PT BPR Bank Solo (Perseroda) in accordance with the provisions of legislation on limited liability companies and until the issuance of a Regional Regulation governing equity participation in PT BPR Bank Solo (Perseroda).

CHAPTER X
CLOSING PROVISIONS

Article 17

Regulation of the Municipality of Surakarta Number 1 of 2020 on Regional Public Purpose Company of Bank Solo People's Credit Bank (Regional Gazette of the Municipality of Surakarta of 2020 Number 1, Supplement to the Regional Gazette of the Municipality of Surakarta Number 103) is repealed and declared ineffective upon the validity of the legal entity status of PT BPR Bank Solo (Perseroda) in accordance with the provisions of legislation on limited liability companies.

Article 18

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

In order that every person may know hereof, it is ordered to promulgate this Regional Regulation by its placement in the Regional Gazette of the Municipality of Surakarta.

Issued in Surakarta
on 20 January 2025

MAYOR OF SURAKARTA,

signed

TEGUH PRAKOSA

Promulgated in Surakarta
on 20 January 2025

REGIONAL SECRETARY OF
THE REGENCY OF SURAKARTA,

signed

BUDI MURTONO

REGIONAL GAZETTE OF THE MUNICIPALITY OF SURAKARTA OF 2025
NUMBER 1

Jakarta, 31 October 2025
Has been translated as an Official Translation
on behalf of the Minister of Law
of the Republic of Indonesia
DIRECTOR GENERAL OF LEGISLATION,

DHAHANA PUTRA



**ELUCIDATION OF
REGULATION OF THE MUNICIPALITY OF SURAKARTA
NUMBER 1 OF 2025**

**CHANGE OF THE LEGAL ENTITY FORM FROM THE REGIONAL PUBLIC
PURPOSE COMPANY OF BANK PERKREDITAN RAKYAT BANK SOLO INTO THE
REGIONAL LIMITED LIABILITY COMPANY OF BANK PEREKONOMIAN RAKYAT
BANK SOLO**

I. GENERAL

In accordance with Law Number 4 of 2023 on Development and Strengthening of the Financial Sector, the change of legal entity form from Regional Public Purpose Company (Perumda) into Regional Limited Liability Company (Perseroda) is the first step in strengthening the institutional aspects of the People's Economy Bank industry with the aim of encouraging regional economic growth and increasing regional revenue sources.

The Regional Limited Liability Company of Bank Perekonomian Rakyat Bank Solo (Perseroda) is a regional company whose capital is 100% (one hundred percent) owned by the Surakarta Municipal government. A Regional Limited Liability Company is a BUMD in the form of a limited liability company whose capital is divided into shares, all or at least 51% (fifty-one percent) of which are owned by one Region.

PT BPR Bank Solo (Perseroda) strives to continuously promote economic growth and regional development in all areas, including as a source of Local Owned-Source Revenue (PAD) to improve the standard of living of the community in the Region. BUMD provides opportunities for local governments to develop regional income in innovative ways that do not burden residents, such as creating businesses rooted in the local economy or exploring the unique potential of the region. To make BUMD an effective instrument in increasing PAD, it is important to improve the professionalism of BUMD through better management, improving the quality of human resources, and providing adequate facilities and infrastructure, so that it can compete with other economic sectors.

II. ARTICLE BY ARTICLE

Article 1

Sufficiently clear.

Article 2

Sufficiently clear.

Article 3

Sufficiently clear.

Article 4

Sufficiently clear.

Article 5

Sufficiently clear.

Article 6

Sufficiently clear.

Article 7

Sufficiently clear.

Article 8

Sufficiently clear.

Article 9

Sufficiently clear.

Article 10

Sufficiently clear.

Article 11

Sufficiently clear.

Article 12

Sufficiently clear.

Article 13

Sufficiently clear.

Article 14

Sufficiently clear.

Article 15

Sufficiently clear.

Article 16

Sufficiently clear.

Article 17

Sufficiently clear.

Article 18

Sufficiently clear.

SUPPLEMENT TO THE REGIONAL GAZETTE OF THE MUNICIPALITY OF
SURAKARTA NUMBER 161