

OJK AND INVESTMENT ALERT TASK FORCE STOP PANDAWA GROUP DEPOK'S ACTIVITIES

Financial Services Authority, Jakarta, November 15, 2016: The Financial Services Authority (OJK) and the Task Force for Handling Alleged Unlawful Acts involving Public Funds Collection and Investment Management (the Investment Alert Task Force) have reached a decision to stop all fund collection activities that the Pandawa Group had been carrying out as they are likely to harm the public and allegedly violate Indonesian Law on Banking.

Pandawa Group's office is located at Jalan Raya Meruyung No. 8A, RT (neighborhood association) 002/RW (community association) 024, Meruyung, Limo, Depok City, West Java. The group was discovered to have collected funds from the public for some time by offering high investment yields.

Investment Alert Task Force Chairman Tongam Luban Tombing on Tuesday in Jakarta said that the Task Force summoned Pandawa Group chief Salman Nuryanto and the management of Pandawa Mandiri Group Savings and Loan Cooperative (KSP) on November 11, 2016, to the OJK office. At the meeting, Salman Nuryanto and the KSP management explained as follows:

1. The Ministry of Cooperatives and Small and Medium Enterprises have conducted investigation on the KSP and at the moment is providing counseling to the cooperative so it will be able to operate in accordance with stipulations on cooperatives.
2. There is no Pandawa Group, but instead there is Pandawa Mandiri Group KSP, although the Investment Alert Task Force has shown agreements between the Group and the customers that were signed by Salman Nuryanto.
3. The public funds collection was carried out personally by Salman Nuryanto and his acts did not have any connection with the cooperative.
4. About 1,000 people have invested their money and the total funds collected worth IDR 500 billion. The investors receive monthly interest rates/yields of 10 percent from their investments.
5. Salman Nuryanto, or Pandawa Mandiri Group KSP, or Pandawa Group, has never offered the public to put their money in them. Instead, people have come willingly to them to do so.

At the meeting, the Investment Alert Task Force issued a decision that states as follows:

1. The Task Force does not allow Salman Nuryanto and/or Pandawa Group to carry out any activities in relation to public funds collection from November 11, 2016, onwards.
2. It is illegal for Pandawa Group to perform any activities that involve public funds collection.

3. Salman Nuryanto and Pandawa Mandiri Group KSP are ordered to:
 - a. not use the name of Pandawa Group in any activities carried out to collect funds from the public.
 - b. replace signboards and any items related to Pandawa Group with those that bear the name of Pandawa Mandiri Group KSP.
4. Salman Nuryanto is required to continue restructuring the KSP until it has complied with the stipulations on cooperatives.

Follow-ups to the Investment Alert Task Force's decision are listed below:

1. Salman Nuryanto and Pandawa Mandiri Group KSP shall implement the decision made at the meeting with the Investment Alert Task Force.
2. The Ministry of Cooperatives and Small and Medium Enterprises shall continue giving counseling to the KSP until the cooperative can run in compliance with the stipulations on cooperatives.
3. The OJK shall provide information to the KSP on procedures for establishing financial services institutions.
4. If Salman Nuryanto and/or Pandawa Group continues collecting funds illegally, the OJK and the National Police's Criminal Investigation Department (*Bareskrim*) shall open investigation on them for violating the provision of Article 46 of Indonesian Law on Banking, on prohibition against illegal funds collection or illegal banks, which are punishable by up to 15 years in jail and subject to a maximum fine of IDR 200 billion.

Under Indonesian criminal law, criminal sentences are not only imposed on the perpetrators, but also on anyone who serves as an accomplice, who gives the order to the perpetrator to commit the act, or who serves as an accessory to the act, as referred to in articles 55 and 56 of Indonesian Penal Code.

In regard to this case, the OJK and the Investment Alert Task Force urge the public, especially those who live in Depok and nearby areas, to:

1. Not entrust their money to Salman Nuryanto and/or Pandawa Group as they have never received any license from the OJK.
2. Take the following precautions prior to putting their money into any investment:
 - a. Make sure that the companies that offer investment opportunities have business licenses from the authorized agencies and their licenses are relevant to their business activities.
 - b. Make sure that the parties that offer investment products have permits to do so or have been registered as marketing partners.

If these illegal activities persist, please report them to OJK Consumer Care by calling 1 500 655 or sending an email to konsumen@ojk.go.id and waspadainvestasi@ojk.go.id.

For more information:

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