

PRESS RELEASE

OJK REVOKES SOLO-BASED BPR SINAR BARU PERKASA'S PERMIT

Solo, December 6, 2017. The Financial Services Authority (OJK), by virtue of OJK's Board of Commissioners Decree No. KEP-218/D.03/2017 dated December 6, 2017, concerning Revocation of Business License of PT Bank Perkreditan Rakyat (BPR) Sinar Baru Perkasa, has revoked the business license of the BPR (rural bank) located at Jalan K.H. Agus Salim No. 17 Laweyan, effective December 6, 2017.

Before its business license was revoked, the rural bank had been assigned a status of bank under special surveillance (DPK) since May 10, 2017, and in accordance with the prevailing regulation, it was given a grace period of 180 days until November 5, 2017, to make restructuring efforts.

The BPR was put under special surveillance because its management had failed to manage the bank properly and the bank could not run normal operation owing to the absence of administration and the lack of appointed beneficiaries following the Controlling Shareholder's death, which prevented the bank from holding a general shareholders' meeting (RUPS) and nominating a new management team/extending the current management team's term of office. Thus, it was impossible for the bank to make any restructuring efforts.

Unfortunately, until the end of the specified deadline the BPR's restructuring efforts did nothing to improve the bank's condition in order to lift itself out of the special surveillance status—a bank needs to have a minimum capital adequacy ratio (CAR) of 4 percent to do so.

Following the revocation of PT Bank Perkreditan Rakyat (BPR) Sinar Baru Perkasa's business license, the Indonesia Deposit Insurance Corporation (LPS) will run its insurance function and carry out liquidation process in compliance with Law No. 24 of 2004 concerning Deposit Insurance Corporation as amended by Law No. 7 of 2009.

The OJK urges customers of PT BPR Sinar Baru Perkasa to remain calm as public funds in banks, including those in rural banks, are guaranteed by the LPS as long as their funds satisfy the applicable requirements.

Any concerned party can contact Financial Services Authority (OJK) Solo Office at Jl. Veteran No. 299, Surakarta, Central Java, Phone +62 271 632834/7889004, Fax +62 271 7889006.

For more information:

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