

BANK INDONESIA REGULATION

NUMBER: 11/23/PBI/2009

CONCERNING

ISLAMIC RURAL BANKS

WITH THE BLESSING OF GOD ALMIGHTY

THE GOVERNOR OF BANK INDONESIA,

- Considering:
- a. whereas the national economy need of an Islamic banking system which is capable of serving all layers of society, including middle, small and micro-scale business;
 - b. whereas in efforts of increasing the provision of sharia banking services to middle, small and micro-scale business in an optimal manner, Islamic Rural Banks shall be both sound and sustainable;
 - c. whereas based on the considerations as referred to the abovementioned letter a and letter b, it is deemed necessary to enact provisions concerning Islamic Rural Banks in a Bank Indonesia Regulation.
- Observing:
1. Act Number 23 of 1999 concerning Bank Indonesia (State Gazette of the Republic of Indonesia Number 66 of 1999, Supplement to State Gazette of the Republic of Indonesia Number 3843) as last amended by Government Regulation

in Act Number 2 of 2008 (State Gazette of the Republic of Indonesia Number 142 of 2009, Supplement to the State Gazette of the Republic of Indonesia Number 4901) as set out by Law Number 6 Year 2009 on the Establishment of Government Regulation in Lieu of Law Number 2 of 2008 on the Second Amendment to Law No. 23 of 1999 on Bank Indonesia into Law (State Gazette of the Republic of Indonesia Number 7 of 2009, Supplement to State Gazette of the Republic of Indonesia Number 4962);

2. Act Number 21 of 2008 concerning Islamic Banking (State Gazette of the Republic of Indonesia Number 94 of 2008, Supplement to State Gazette of the Republic of Indonesia Number 4867);
3. Act Number 40 of 2007 concerning Limited Liability Companies (State Gazette of the Republic of Indonesia Number 106 of 2007, Supplement to the State Gazette of the Republic of Indonesia Number 4756);

HAS DECREED

To enact : BANK INDONESIA REGULATION CONCERNING
ISLAMIC RURAL BANKS.

CHAPTER I

GENERAL PROVISIONS

Article 1

In this Regulation of Bank Indonesia, the following terms shall have the following meanings:

1. Islamic Rural Bank, hereinafter shall be referred to as BPRS, is an Islamic Rural Bank as referred to in Act Number 21 of 2008 concerning Islamic Banking;
2. Branch Office is an BPRS office directly responsible to head office BPRS concerned which business address which accords with the location where such Branch Office conducts its business;
3. Cash Office is an office which business activities are to cash services for support its head office;
4. Cash Services Activities is a cash activities in the framework of giving services to parties that become bank customers, covering among, among others:
 - a. Outdoor Cash Activity, is a cash service activities which move from place to place by using transportation vehicle or is provided at a certain locations on non-permanent basis, among others mobile cash unit, floating cash or non-permanent bank counter;
 - b. Payment Point is an activity in the form of receipt of payments under a cooperation between bank and another parties at certain location, for example receipt of telephone bill payments, electricity bills payments and/or third party deposits; and
 - c. Automated Teller Machine (ATM) is cash or non-cash sevice activities performed using electronic machine facility to support customers, among others to withdraw or deposit, payments through account transfers, interbank transfers and/or provide information concerning customer accounts balanced/movements, including ATM activities which

- conducted through the use of technology by way of cooperation with another party;
5. Sharia Principle is the Islamic law principles in the banking business based on the guidelines (*fatwa*) issued by National Sharia Board of Indonesian Ulema Council;
 6. Board of Commissioners is the Board of Commissioners as referred Act Number 40 of 2007 concerning Limited Liability Company;
 7. Board of Directors is the Board of Directors as referred to in Act Number 40 of 2007 concerning Limited Liability Company;
 8. Sharia Supervisory Board, hereinafter shall be referred to as DPS, is a board whose task are to provide advice and recommendations to the Board of Directors as well as and to monitor bank activities so that they in line sharia principle;
 9. Executive Officer is an Officer directly responsible to a Director or the Board of Directors and/or exerting influence on bank policies and operations;
 10. Controlling Shareholder, hereinafter shall be referred to as PSP, is a legal entity, individual and/or business group which:
 - a. owns bank shares amounting to 25% (twenty five percent) or more of total shares that have been issued and have voting rights; or
 - b. owns bank shares amounting to less than 25% (twenty five percent) of total shares that have been issued and have voting rights but can be proven to exercise control of the bank, whether directly or indirectly;
 11. Day means calendar day.

Article 2

BPRS's legal entity form is a Limited Liability Company.

Article 3

An BPRS must have articles of association, which in addition to meeting the requirements of articles of association stipulated in legislations, should also contain provisions concerning:

- a. candidate members of Board of Commissioners, Board of Directors and DPS determined by shareholders general meeting;
- b. appointments of members of Board of Commissioners, members of Board of Directors and members of DPS shall become effective after approvals from Bank Indonesia;
- c. task, authorities, responsibilities and other matters related to the requirements of Board of Commissioners, Board of Directors and DPS should accord with prevailing legislations;
- d. BPRS's shareholders general meeting determines remuneration of members of Board of Commissioners and Board of Directors, annual accountability report, appointments and fee of public accounting firm and other matters determined in Bank Indonesia stipulations;and
- e. shareholders general meeting should be led by chief of Commissioner.

CHAPTER II

LICENCES

Section One

Establishment of a BPRS

Article 4

- (1) An BPRS could only be established and conduct business activities after having obtained a license from Bank Indonesia.
- (2) The provision of license as referred to in paragraph (1) shall be issued 2 (two) stages:
 - a. approval in principles, which is approval for undertaking preparations for BPRS establishment; and
 - b. operating license, which is a license provided for undertaking BPRS business activities after the preparation as referred to in letter a has completed.

Article 5

The paid-up capital for establishment BPRS is determined to be no less than :

- a. Rp2,000,000,000.00 (two billion rupiah) for an BPRS to be established in the area of the Capital City Territory of Jakarta, Bogor, Depok, Tangerang and Bekasi Districts/Cities;
- b. Rp1,000,000,000.00 (one billion rupiah) for an BPRS to be established in provincial capital cities outside of the areas as referred to in letter a;
- c. Rp500,000,000.00 (five hundred million rupiah) for an BPRS to be established in other areas outside the areas as referred to in letter a and letter b.

Article 6

A BPRS may only be established and/or owned by:

- a. Indonesian citizens and/or Indonesian legal entity wholly owned by Indonesian citizens;
- b. local government; or
- c. two or more parties as referred to in letter a and letter b.

Part Two

Approval in Principles

Article 7

- (1) Application for approval in principles an BPRS as referred to in Article 4 paragraph (2) letter a shall be submitted by at least one of the candidate owners , among other things:
 - a. deed of incorporation or draft deed of incorporation , including articles of association or draft articles of association;
 - b. list of shareholders including details on their respective shareholding;
 - c. list of candidate members of Board of Commissioners, members of Board of Directors and members of DPS including details documents that shall be stipulated in a Circular Letter of Bank Indonesia;
 - d. feasibility study on economic potential and market opportunities;
 - e. business plan; and
 - f. proof of capital payment at a minimum 30% (thirty percent) of up capital as referred to in Article 5.
- (2) The candidate owners of BPRS should provide explanation on the sources of funds, plans, objectives of establishment, and financial capability in order to maintain solvability and growth of BPRS.

Article 8

- (1) Approval in principles as referred to in Article 7 paragraph (1) shall be effective for 1 (one) year since the date of issue and shall not be extendable.
- (2) A party having obtained approval in principles as referred to in paragraph (1) shall be prohibited from conducting business prior to obtaining an operation license.
- (3) If within the period as referred to in paragraph (1) the prospective BPRS owner failed to submit any application for operating license to Bank Indonesia, the previously issued approval shall be declared no longer valid.

Part Three

Operating License

Article 9

Application for operating license BPRS as referred to in Article 4 paragraph (2) letter b shall be submitted by a parties granted approval in principles as referred to in Article 7 paragraph (1) along with, among other things:

- a. deed of incorporation containing the articles of association legalized by authorized institution;
- b. list of shareholders as referred to in Article 7 paragraph (1) letter c, in case of any changes shareholders;
- c. list of candidate members of Board of Commissioners, members of Board of Directors and members of DPS as referred to in Article 7 paragraph (1) letter c, in case of any changes candidate members of Board of Commissioners, Board of Directors and/or DPS;
- d. proof of payment of paid-up capital as referred to in Article 5.

Article 10

- (1) An BPRS which has obtained an operating license from Bank Indonesia required to open for business activities no later than 60 (sixty) days since the date of issued of the operating license.
- (2) Report of opening for business activities of BPRS to in paragraph (1) shall be submitted by Board of Directors BPRS to Bank Indonesia no later than 10 (ten) days after the date of operation business activities.
- (3) If within the period as referred to in paragraph (1) the BPRS has not opened business activities, the previously issued operating BPRS shall be declared no longer valid.

Article 11

Any BPRS which has already obtained an operating license from Bank Indonesia is required to inscribe phrase “Bank Pembiayaan Rakyat Syariah” or the abrivation “BPR Syariah” or “BPRS” in front of the RB name accordance with statue of the BPRS.

CHAPTER III

OWNERSHIP OF AND CHANGE IN CAPITAL

Part One

Ownership

Article 12

Ownership of BPRS legal entities as referred to in Article 6 shall not exceed the net worth of the legal entity concerned.

Article 13

Sources of funds used in framework of BPRS ownership are prohibited:

- a. to originate from any loans or financing facilities in any form whatsoever from banks and/other parties; and/or
- b. to originate from and for the purposes of money laundering.

Article 14

- (1) Parties eligible to become owners of an BPRS shall meet the integrity requirements, which sat least should include:
 - a. possession of good character and moral values;
 - b. willingness to comply with sharia banking regulations and other prevailing legislations; and
 - c. possession of high commitment for development of sound and sustainable BPRS.
- (2) BPRS must have Controlling Shareholder.
- (3) Shareholder shall be required to meet requirements as the Controlling Shareholder as referred to in paragraph (2), besides having to meet the integrity requirement as referred to in paragraph (1) shall be required to meet the financial feasibility requirements.

Part Two

Changes in Ownership

Article 15

- (1) Any change in the ownership of an BPRS which results in change and/or existence of a new controlling shareholders shall be subject to the procedures for change in owners of

an BPRS which are provided for under the provisions of prevailing laws and regulations on mergers, consolidations and acquisitions.

- (2) Any change in the ownership of an BPRS as referred to in paragraph (1) which results from inheritance shall not be treated as an acquisition but rather it requires the approval from Bank Indonesia.
- (3) Any change in the ownership of an BPRS which has not resulted from a change and/or an existence of a new controlling shareholders must be reported by the Board of Directors of the BPRS to Bank Indonesia no later than 10 (ten) days after such change.

Part Three

Changes in Authorized Capital

Article 16

Any change in authorized capital should be reported by the Board of Directors of an BPRS to Bank Indonesia no later than 10 (ten) days after the date of receipt of approval of amendment to article from the authorized institution.

Article 17

The repurchase of shares issued by an BPRS shall be approved in advance by Bank Indonesia and conducted in accordance with prevailing stipulations.

Article 18

An BPRS must properly keep the list of shareholders and the changes.

CHAPTER IV

BOARD OF COMMISSIONERS, BOARD OF DIRECTORS,
SHARIA SUPERVISORY BOARD AND EXECUTIVE OFFICIAL

Part One

Board of Commissioners and Board of Directors

Article 19

Members of Board of Commissioners and members of Board of Directors are obliged to meet the requirement on integrity, competency and financial reputation.

Article 20

- (1) The Board of Commissioners undertakes supervision on Board of Directors tasks and responsibilities, as well as give advice to Board of Directors.
- (2) The supervision and advice as referred to in paragraph (1) is undertaken so that Board of Directors can develop and mitigate risks on business activities.
- (3) Board of Commissioners should encourage Board of Directors of BPRS to comply prudential principles and sharia principles.

Article 21

- (1) Total number of members of Board of Commissioners shall be no less than 2 (two) persons and no more than 3 (three) persons.
- (2) From the members of Board of Commissioners as referred to in paragraph (1) above, at least 1 (one) person should domicile near of BPRS.
- (3) Board of Commissioners shall be led by President Commissioner or the chief of Commissioner.

Article 22

A member of the Board of Commissioners could only have concurrent position as:

- a. a member of the Board of Commissioners at maximum 2 (two) BPRS or another Rural Bank; or
- b. a member of the Board of Commissioners, Board of Directors or Executive Officer at 2 (two) other non-bank institutions/companies.

Article 23

- (1) The Board of Directors manage an BPRS with authorities and responsibilities as set out in the provisions of laws and regulations applicable to Islamic banking.
- (2) The Board of Directors responsible for conducting the management of an BPRS as an intermediary institution by meeting the prudential principle and sharia principle.

Article 24

- (1) Total numbers of members of the Board of Directors of an BPRS shall be no less than 2 (two) persons.
- (2) The Board of Directors shall be led by the President Director or the chief Director.
- (3) At least 50% (fifty percent) of members of the Board of Directors, including the chief Director, shall possess operational experience of at least:
 - a. 2 (two) years as an officer in the field of funding and/or financing at Islamic banks;

- b. 2 (two) years as an officer in the field of funding and/or credit at conventional banks and knowledge in the field of Islamic banking;
 - c. 3 (three) years at the board of directors level or its equivalent level at micro Islamic financial institutions.
- (4) A member of the Board of Directors have minimum level of formal education at least an equivalent to *Diploma III* or *Bachelor title*.
 - (5) A member of the Board of Directors shall hold passing certificate from certification institution no later than 2 (two) years as of the effective date of his/her appointment.
 - (6) The President Director and other members of the Board of Directors should independent in carrying out their duties.
 - (7) The President Director should independent from the controlling shareholder.

Article 25

- (1) All members of the Board of Directors should domicile in the surrounding of BPRS head office .
- (2) A member of the Board of Directors should not have family relations with:
 - a. other members of the Board of Directors as a parent, child, parent-in-law, son/daughter-in-law, husband, wife, biological brother/sister or brother/sister-in-law; and/or
 - b. members of the Board of Commissioners as a parent, child, parent-in-law, son/daughter in-law, husband, wife, biological brother/sister.
- (3) A member of the Board of Directors may not hold his/her position concurrently with a position as a member of the Board of Directors, member of the Board of Commissioners,

member of DPS or an Executive Official in a financial institution, a business entity or other institutions.

- (4) A member of the Board of Directors may not grant a general proxy which results in the assignment of his/her duties, authorities and responsibilities to other parties.

Article 26

- (1) The appointment of members of the Board of Commissioners and/or members of the Board of Directors of a BPRS shall be require approvals from the general meeting of shareholders.
- (2) The appointment of members of the Board of Commissioners and/or members of the Board of Directors shall be effective upon the obtaining of approvals from Bank Indonesia.
- (3) Shareholders may nominate candidate members of the Board of Commissioners and/or members of the Board of Directors of the BPRS before a general meeting of shareholders.
- (4) Candidate members of the Board of Commissioners and/or candidate members of the Board of Directors of the BPRS as referred to in paragraph (3) shall be appointed in a general meeting of shareholders no later than 45 (forty five) days as of the date of the approvals from Bank Indonesia.
- (5) The appointment of members of the Board of Commissioners and/or members of the Board of Directors as referred to in paragraph (4) shall be reported by the BPRS to Bank Indonesia no later than 10 (ten) days as of the date of the general meeting of shareholders.

Article 27

- (1) The proposal for the dismissal and/or resignation of a member of the Board of Commissioners and/or a member of the Board of Directors shall be submitted to Bank Indonesia.
- (2) The dismissal and/or resignation of a member of the Board of Commissioners and/or a member of the Board of Directors as referred to in paragraph (1) shall be effective upon the obtaining of confirmation from Bank Indonesia.

Part Two

Sharia Supervisory Board

Article 28

- (1) A BPRS shall establish DPS which shall be domiciled at the head office of such BPRS.
- (2) A member of DPS shall meet the following requirements:
 - a. Integrity, which shall at least include:
 1. having good characters and morals;
 2. having the the commitment to meet Islamic banking regulations and prevailing laws and regulations;
 3. having a high commitment to the operational development of a sound BPRS.
 4. not included in the Fit and Proper List (Not Passing List) as regulated under the provisions on the fit and proper test set out by Bank Indonesia.
 - b. Competence, which shall at least include having knowledge and experience in *sharia mu'amalah* and knowledge in banking and/or finance in general; and
 - c. Financial competence, which shall at least include:
 1. not included the list of those with bad debts;
 2. never declared bankrupt or being a shareholder, a member of a Board of Commissioners or a member of a Board of Directors who is found guilty of having

caused a company to be declared bankrupt within a period of 5 (five) years prior to his/her nomination.

Article 29

- (1) DPS shall have the duties and responsibilities of providing advice and suggestions to the Board of Directors and to supervise the application of Sharia Principles in funds collection, financing and service activities of other BPRS.
- (2) The conducting of duties and responsibilities of DPS as referred to in paragraph (1) shall among others include:
 - a. to supervise the process of development of new BPRS products;
 - b. to seek *fatwa* (guidelines) from the National Sharia Board for new BPRS products which do not yet bear such guidelines;
 - c. to conduct periodical reviews on the mechanism of funds collection and funds distribution as well as the provision of BPRS services; and
 - d. to request data and information about the *sharia* aspects of BPRS working units in the conducting of their duties.
- (3) Guidelines for the performance of duties and authorities of DPS as referred to in paragraph (1) shall be further stipulated in a Circular Letter of Bank Indonesia.

Article 30

- (1) The total number of DPS members shall be a minimum of 2 (two) persons and a maximum of 3 (three) persons.
- (2) DPS shall be chaired by a chairman elected among its members.

- (3) A member of DPS may concurrently hold this position and the position as a DPS member of a maximum 4 (four) other Islamic financial institutions.

Article 31

- (1) The appointment of DPS members shall require an approval of the general meeting of shareholders.
- (2) The appointment as referred to in paragraph (1) shall be carried out upon the obtaining of recommendations from the National Sharia Board of Indonesian Ulema Council.
- (3) The appointment of DPS members shall be effective upon the obtaining of the approval from Bank Indonesia.

Article 32

- (1) The proposal on the dismissal and/or resignation of a DPS member shall be submitted to Bank Indonesia.
- (2) The dismissal and/or resignation of a DPS member as referred to in paragraph (1) shall be effective upon the obtaining of confirmation from Bank Indonesia.

Part Three

Executive Officers

Article 33

- (1) The appointment, replacement or dismissal of an Executive Officer of a BPRS shall be reported by the Board of Directors of such BPRS to Bank Indonesia no later than 10 (ten) days as of the effective date of such appointment, replacement or dismissal.

- (2) If according to the assessment and examination of Bank Indonesia, the Executive Officer as referred to in paragraph (1) is mentioned on the Fit and Proper List (Not Passing List) or the List of Bad Debts or other information is obtained which indicates the non-fulfillment of integrity and competence aspects, the appointment of such Executive Officer shall be cancelled no later than 30 (thirty) days as of the date of the confirmation letter from Bank Indonesia.

CHAPTER V

BUSINESS ACTIVITIES

Article 34

A BPRS shall conduct business activities as set out in Act concerning Islamic Banking by applying the sharia principles and the prudential principles.

CHAPTER VI

OPENING OF BPRS OFFICE

Part One

Branch Office

Article 35

- (1) Opening of a Branch Office could only be undertaken with a license from Bank Indonesia.
- (2) The opening of the Branch Office as referred to in paragraph (1) shall at least meet the following requirements:
 - a. it is located within the same 1 (one) province as its head office;

- b. it has already been mentioned in the annual business plan of the BPRS;
 - c. it is supported by an adequate information system technology; and
 - d. an additional paid-up capital is injected at least 75% (seventy five percent) of the minimum BPRS capital as referred to in Article 5 pursuant to the location of the opening of a Branch Office.
- (3) Specifically for a BPRS which head office is located in the Special Capital City Region of Jakarta Raya and the Bogor, Depok, Tangerang and Bekasi Districts/Cities, besides it may open Branch Offices in the region as referred to in paragraph (2) letter a, the BPRS may also open Branch Offices in the Special Capital City Region of Jakarta Raya and Bogor, Depok, Tangerang and Bekasi Districts/Cities.

Article 36

- (1) The opening of Branch Office shall be undertaken no later than 30 (thirty) days as of the date of issuance of the license.
- (2) The opening of the Branch Office as referred to in paragraph (1) shall be reported by the Board of Directors of the BPRS to Bank Indonesia no later than 10 (ten) days as of the date of the opening.
- (3) If within the period as referred to in paragraph (1) the BPRS still has not opened a Branch Office, the license previously issued for the Branch Office opening becomes no longer valid.

Part Two

Cash Office and Out-of-Office Cash Activities

Article 37

- (1) The proposal for the opening of a Cash Office and Out-of-Office Cash Activities shall be mentioned in the annual business plan of the BPRS.
- (2) The opening of a Cash Office and Out-of-Office Cash Activities may only be conducted in surrounding regions of the BPRS head office.
- (3) The financial statements of the Cash Office and financial transactions conducted in the Out-of-Office Cash Activities shall be incorporated in the financial statements of the BPRS head office on the same day.

Article 38

The opening of a Cash Office shall be reported by the Board of Directors of a BPRS to Bank Indonesia no later than 10 (ten) days as of the date of the opening.

Article 39

- (1) The opening of Out-of-Office Cash Activities shall be reported by the Board of Directors of a BPRS to Bank Indonesia each semester for positions at the end of June and December.
- (2) The report on the opening of Out-of-Office Cash Activities as referred to in paragraph (1) shall be submitted no later than 10 (ten) days as of the end of the reported month.

CHAPTER VII

CHANGE OF OFFICE ADDRESS

Part One

Head Office and Branch Office

Article 40

- (1) Change of address of a head office and a Branch Office could only be undertaken with license from Bank Indonesia.
- (2) Change of the address of a head office and a Branch Office could only be effected within the region of the same District/City.
- (3) Change of address of a head office and a Branch Office shall take into account the interests of the customers.

Article 41

- (1) Change of address of a head office and a Branch Office shall be announced to the customers and the communities no later than 10 (ten) days prior to the execution of office address change.
- (2) The execution of change of the address of a head office and a Branch Office shall be reported by the Board of Directors of a BPRS to Bank Indonesia no later than 10 (ten) days after the execution of office address change.
- (3) If within a period of 30 (thirty) days as of the date the license is granted and BPRS still has not executed the office address change, the license for office address change of the Head office and the Branch Office shall be reviewed.

Part Two

Cash Office and Out-of-Office Cash Activities

Article 42

- (1) Change of address of a Cash Office and Out-of-Office Cash Activities could only be undertaken at surrounding regions to the BPRS head office.
- (2) Change of address of a Cash Office and Out-of-Office Cash Activities must take into account the interests of customers.

Article 43

- (1) Change of address of a Cash Office shall be announced to the customers and communities no later than 10 (ten) days prior to the date of its execution.
- (2) The execution of change of address of a Cash Office shall be reported by the Board of Directors of a BPRS no later than 10 (ten) days after the execution date of office address change.

Article 44

- (1) A change of address of Out-of-Office Cash Activities shall be reported by the Board of Directors of a BPRS to Bank Indonesia each semester for positions at the end of June and December.
- (2) The report on the change of address of Out-of-Office Cash Activities as referred to in paragraph (1) shall be submitted no later than 10 (ten) days as of the end of the reported month.

CHAPTER VIII

CLOSING OF OFFICE

Part One

Branch Office

Article 45

The closing of a Branch Office could only be undertaken with license from Bank Indonesia.

Article 46

- (1) A BPRS which has already acquired license for the closing of a Branch Office shall:
 - a. settle all obligations of the Branch Office;
 - b. announce the proposal for closing of the Branch Office to the customers and communities no later than 3 (three) days prior to the date of its closing; and
 - c. discontinue all business activities at such Branch Office.
- (2) The closing execution of Branch Office shall be reported by the Board of Directors of the BPRS no later than 10 (ten) days as of the date of its execution.

Part Two

Cash Office and Out-of-Office Cash Activities

Article 47

The closing execution of a Cash Office shall be reported by the Board of Directors of a BPRS no later than 10 (ten) days as of the date of closing execution.

Article 48

- (1) The closing of Out-of-Office Cash Activities shall be reported by the Board of Directors of a BPRS to Bank

Indonesia each semester for positions at the end of June and December.

- (2) The report on the closing of Out-of-Office Cash Activities as referred to in paragraph (1) shall be submitted no later than 10 (ten) days as of the end of the reported month.

CHAPTER IX

AMENDMENTS TO ARTICLES OF ASSOCIATION AND NAME

Part One

Amendments to Articles of Association

Article 49

A BPRS shall report each change of its articles of association no later than 10 (ten) days as of the receipt of approval or receipt of notification on such amendment to the articles of association from the competent authority.

Part Two

Change of Name

Article 50

- (1) Change of BPRS's name must be undertaken by complying with stipulations of prevailing legislations.
- (2) A BPRS which has already obtained an approval for the amendment to its articles of association related to the use of new name from the competent authority, is obliged to submit an application to Bank Indonesia concerning the confirmation on the use of business license owned by Bank using the new name.
- (3) The application as referred to in paragraph (2) shall be submitted by the Board of Directors of the BPRS no later

than 30 (thirty) days as of such change of name is approved by the competent authority.

Article 51

The execution of change of BPRS's name shall be announced in local daily newspapers or at announcement boards at the relevant sub-district office and the BPRS office no later than 10 (ten) days as of the date of approval from Bank Indonesia.

CHAPTER X

REVOCATION OF OPERATING LICENSE UPON THE REQUEST OF BPRS

Article 52

Bank Indonesia could revoke the operating license of a BPRS upon the request of such BPRS.

Article 53

- (1) A BPRS which has already acquired approval for the revocation of operating license shall:
 - a. discontinue all of its business activities;
 - b. announce to the customers and communities no later than 10 (ten) days as of the date of the approval letter on preparations for the revocation of operating license; and
 - c. immediately settle all of its rights and obligations.
- (2) The termination of BPRS activities shall be reported by the Board of Directors of the BPRS no later than 10 (ten) days as of the date of termination.

Article 54

The legal entity status of a BPRS shall be deleted as of the date of announcement concerning the legal entity termination in the State Gazette of the Republic of Indonesia.

CHAPTER XI

BPRS OFFICE NOT OPERATING ON WORKING DAYS

Article 55

The temporary closing of a BPRS office outside of official holidays shall require an approval from Bank Indonesia.

Article 56

- (1) A BPRS shall request an approval for its proposal for not operating on working days no later than 15 (fifteen) days before its non-operational date.
- (2) The proposal of the BPRS office not to operate on working days shall be announced to the communities no later than 3 (three) days before its non-operational date.

CHAPTER XII

MENTIONING OF STATUS AND LOGO AT BPRS OFFICE

Article 57

- (1) A BPRS shall clearly mention the name and type of office status for each of its offices.
- (2) A BPRS shall place the iB logo in its forms, letters, products and offices as well as Cash Activities outside of its Offices.

CHAPTER XIII

SANCTIONS

Article 58

- (1) A BPRS which does not comply with the provisions of Article 6, Article 10 paragraph (1), Article 11, Article 13, Article 14 paragraph (2), Article 15 paragraph (2), Article 17, Article 18, Article 19, Article 20 paragraph (3), Article 21 paragraph (2), Article 22, Article 24 paragraph (5), paragraph (6) and paragraph (7), Article 25, Article 26 paragraph (4), Article 27 paragraph (1), Article 28, Article 32 paragraph (1), Article 33 paragraph (2), Article 34, Article 35 paragraph (1), Article 36 paragraph (1), Article 37 paragraph (2) and paragraph (3), Article 39 paragraph (1), Article 40 paragraph (1) and paragraph (2), Article 42 article (1), Article 44 paragraph (1), Article 45, Article 46 paragraph (1), Article 48 paragraph (1), Article 50, Article 53 paragraph (1), Article 55, Article 56 paragraph (1), Article 57, Article 59 paragraph (3), and paragraph (4) and Article 60 may be subject to administrative sanctions pursuant to Article 58 of Act Number 21 of 2008 concerning Islamic Banking.
- (2) A BPRS which does not comply with the provisions of Article 10 paragraph (2), Article 15 paragraph (3), Article 16, Article 26 paragraph (5), Article 33 paragraph (1), Article 36 paragraph (2), Article 38, Article 39 paragraph (2), Article 41 paragraph (1) and paragraph (2), Article 43, Article 44 paragraph (2), Article 46 paragraph (2), Article 47, Article 48 paragraph (2), Article 49, Article 51, Article 53 paragraph (2) and Article 56 paragraph (2) may be subject to administrative sanctions pursuant to Article 58

of Act Number 21 of 2008 concerning Islamic Banking, in the form of:

- a. written reprimands and penalties in the amount of Rp100,000.00 (one hundred thousand rupiah) per day of delay for each report and/or announcement or a maximum of Rp1,000,000.00 (one million rupiah) for each report and/or announcement;
 - b. written reprimands and penalties in the maximum amount of Rp1,000,000.00 (one million rupiah) if the BPRS fails to submit a report and/or make an announcement.
- (3) A BPRS is declared to have not submitted the report and/or the announcement as referred to in paragraph (2) letter b if it still has not submitted such report and/or made such announcement within 30 (thirty) days as of the deadline for submission of such report and/or making of such announcement.
- (4) The imposition of sanctions in the form of written reprimands and penalties for not submitting the report and/or not making the announcement as referred to in paragraph (2) letter b shall not invalidate the obligations of a BPRS to submit such report and/or make such announcement.
- (5) Any party that does not comply with the provisions in Article 4 paragraph (1) and Article 8 paragraph (2) may be punishable with criminal sanctions pursuant to Article 59 of Act Number 21 of 2008 concerning Islamic Banking.

CHAPTER XIV

TRANSITIONAL PROVISIONS

Article 59

- (1) A principle approval for the establishment of a BPRS which has been issued by Bank Indonesia prior to the coming

into force of this Bank Indonesia Regulation shall remain valid.

- (2) The requirement for members of the Board of Directors to have formal education which is equivalent to a minimum *Diploma III* or *bachelor title* (three-year non degree vocational college education) as referred to in Article 24 paragraph (4) shall be exempted for those members of the Board of Directors of BPRS which have been approved by Bank Indonesia and appointed before the coming into force of this Bank Indonesia Regulation.
- (3) A member of DPS which does not meet the requirements to hold concurrent positions as referred to in Article 30 paragraph (3) shall meet those provisions no later than 1 (one) year as of the coming into force of this Bank Indonesia Regulation.
- (4) A BPRS which has already acquired a business license as a BPRS shall adjust itself to the provisions pursuant to the mandate of the Act concerning Islamic Banking.

Article 60

A BPRS which has not met the paid-up capital requirements as referred to in Article 6 shall meet the paid-up capital requirements under the following provisions:

- a. at least 70% (seventy percent) of the total paid-up capital, to be paid up no later than on 31 December 2010;
- b. 100% (one hundred percent) of the total paid-up capital, to be paid up no later than on 31 December 2012.

CHAPTER XV

CLOSING PROVISIONS

Article 61

The implementing regulations on Islamic Rural Banks shall be further stipulated in a Circular Letter of Bank Indonesia.

Article 62

With the enactment of this Bank Indonesia Regulation, Bank Indonesia Regulation Number 6/17/PBI/2004 dated 1 July 2004 concerning Islamic Rural Banks Based on Sharia Principles (State Gazette of the Republic of Indonesia Number 58 of 2004, Supplement to State Gazette Number 4392) and Bank Indonesia Regulation Number 8/25/PBI/2006 dated 5 October 2006 concerning Amendments to Bank Indonesia Regulation Number 6/17/PBI/2004 dated 1 July 2004 concerning Islamic Rural Banks Based on Sharia Principles (State Gazette of the Republic of Indonesia Number 82 of 2006, Supplement to State Gazette Number 4651) are declared no longer valid.

Article 63

This Regulation of Bank Indonesia shall come into force on the date of enactment.

For the public to be informed, it is ordered that this Bank Indonesia Regulation be promulgated in The State Gazette of The Republic of Indonesia.

Enacted in : Jakarta

Dated : July 1, 2009

(Temporary Official) GOVERNOR OF BANK INDONESIA

MIRANDA S. GOELTOM

Promulgated in : Jakarta

Dated : 1 July 2009

THE MINISTER OF LAW AND HUMAN RIGHTS

REPUBLIC OF INDONESIA

ANDI MATTALATTA

STATE GAZETTE OF THE REPUBLIC OF INDONESIA NUMBER 101 OF
2009

DPbS

ELUCIDATION
TO
BANK INDONESIA REGULATION
NUMBER 11/23/PBI/2009
CONCERNING
ISLAMIC RURAL BANKS

I. GENERAL

For the purpose of supporting the development of the national economy, there has been a growing need for banking institutions which can provide various services to the communities. The public's need for Islamic banking institutions has also increased. In order to meet such demands of the communities, the establishment of Islamic banks within the national banking system is made possible and one of the type is in the form of Islamic Rural Bank (BPRS). The establishment of BPRS is intended to provide quick practical and simple banking services to communities, particularly to middle, small and micro-sized entrepreneurs in villages and cities which have not been covered under the services of commercial banks.

BPRS as one of the communities' most trusted institutions and whose business activities are based on the Sharia Principles are continuously expected to uphold the mandate of fund owners by distributing those funds to productive businesses to improve the standard of living of the communities. In conducting its business activities, BPRS must continuously uphold the prudential principle and apply the Sharia Principles consistently so as to become a sound BPRS which provides its best services to the communities.

In order to create a sound BPRS, comprehensive, transparent and legally certain policies will need to be applied, including those pertaining to the arrangements in ownership and capital, management, network expansion and business activities of the BPRS.

With the enactment of Act Number 21 of 2008 concerning Islamic Banking which introduces several amendments to the arrangements in BPRS institution and business activities, so that it will be necessary to revise the already existing provisions concerning BPRS.

II. ARTICLE BY ARTICLE

Article 1

Self-explanatory.

Article 2

Self-explanatory.

Article 3

Letter a

Self-explanatory.

Letter b

Self-explanatory.

Letter c

The main points in the arrangement of duties of the Board of Directors of a BPRS in its articles of association include:

- a. duties and responsibilities;
- b. reporting;
- c. protection in the conducting of duties.

Letter d

Self-explanatory.

Letter e

In the event the Board of Commissioners has an impediment, the General Meeting of Shareholders may be chaired by other members of the Board of Commissioners.

Article 4

Paragraph (1)

Self-explanatory.

Paragraph (2)

Letter a

The principle approval for the establishment of a BPRS shall be granted Bank Indonesia based on, among others:

- a. assessment on the commitment of candidate owners of the BPRS in the establishment of such BPRS;
- b. analysis on the feasibility study regarding the establishment of such BPRS;
- c. analysis, which include the level of saturation in the amount of BPRS and the even distribution of national economic development; and
- d. fit and proper test of candidate PSP, members of the Board of Directors and members of the Board of Commissioners and interviews of candidate DPS members.

Letter b

The granting of a business permit for the establishment of a BPRS shall be granted by Bank Indonesia based on, among others:

- a. analysis on the operational readiness to establish the BPRS; and
- b. fit and proper test of candidate PSP, members of the Board of Directors and members of the Board of Commissioners and interviews of candidate DPS members in the event of change(s) thereon.

Article 5

Since the conditions and the economic developments of regions vary, Bank Indonesia may request candidate BPRS owners to provide paid-up capital which are above the minimum required amount.

Article 6

Self-explanatory.

Article 7

Paragraph (1)

Letter a

Self-explanatory.

Letter b

Self-explanatory.

Letter c

Self-explanatory.

Letter d

Self-explanatory.

Letter e

The term “business plan” means the proposed business activities of a BPRS which shall at least contain:

1. the proposed collection and distribution of funds and their achievement strategies; and

2. projected monthly balance sheets and cumulative monthly profit and loss statements for 12 (twelve) months which commence as of the BPRS engaging in operational activities;

Letter f

Self-explanatory.

Paragraph (2)

The issues which shall be clarified by way of a presentation to Bank Indonesia include:

- a. the objectives and reasons behind the establishment of the BPRS;
- b. targeted markets for the collection and distribution of funds;
- c. long-term, medium-term and long-term business plans;
- d. information technology (IT) system; and
- e. organizational and personnel structure.

Article 8

Self-explanatory.

Article 9

Self-explanatory.

Article 10

Self-explanatory.

Article 11

For example: PT Bank Pembiayaan Rakyat Syariah "ABC"; or

PT BPR Syariah "ABC"; or

PT BPRS "ABC"; or

Bank Pembiayaan Rakyat Syariah "ABC"; or

BPR Syariah “ABC”; or

BPRS “ABC”.

Article 12

The term “net capital” means:

- a. the sum of paid-up capital, general reserves, target reserves, profits of preceeding year and profits of the current year less participation and losses for legal entities in the form of Limited Liability Company/ Regional Company;
- b. the sum of principal savings, compulsory savings, grants, participation capital, reserve funds and business yields less participation and losses for a legal entity in the form of Cooperative; or
- c. the calculation of net capital or their equivalent in accordance with the type of the relevant legal entity, for other legal entitites.

Letter 13

Letter a

The meaning of other parties does not include the Central Government, Local Governments or institutions whose duties are to save BPRS in accordance with prevailing stipulation and regulations.

Letter b

Self-explanatory.

Article 14

Paragraph (1)

Letter a

Self-explanatory.

Letter b

Self-explanatory.

Letter c

The phrase “having a high commitment” means, among others, the willingness to assist in the development of the BPRS so that it will become sound, robust and sustainable.

Paragraph (2)

A PSP shall function as the coordinator of shareholders for effective communications between the bank owners and the stakeholders.

In the event the BPRS does not have a PSP, one of the shareholders shall be appointed as such PSP by Bank Indonesia.

Paragraph (3)

The requirements and procedures for fulfillment of the PSP requirements shall comply with Bank Indonesia Regulation concerning the fit and proper test.

Article 15

Paragraph (1)

Changes in the ownership of a BPRS shall include:

- a. any changes in shareholders;
- b. any additions of new shareholders; and/or
- c. any changes in the composition of total shareholding between old shareholders without replacements and the addition of new shareholders;

with or without an increase in the authorized capital.

Paragraph (2)

The phrase “shall not be treated as an acquisition” shall refer to a change in PSP which does not need to meet the acquisition requirements and procedures as set out under prevailing laws and regulations.

Paragraph (3)

Changes in the ownership of a BPRS shall include:

- a. any changes in shareholders;
- b. any additions of new shareholders; and/or
- c. any changes in the composition of total shareholding between old shareholders without replacements and the addition of new shareholders;

with or without an increase in the authorized capital.

Article 16

Self-explanatory.

Article 17

Self-explanatory.

Article 18

Self-explanatory.

Article 19

The requirements and procedures for assessment on the fulfillment of requirements by members of the Board of

Commissioners and the Board of Directors are set out in a Bank Indonesia Regulation concerning the fit and proper test.

Article 20

Self-explanatory.

Article 21

Paragraph (1)

Self-explanatory.

Paragraph (2)

The close proximity between the residence of the commissioner and the domicile of the BPRS is principally intended for the Board of Commissioners to be able to conduct its duties effectively in accordance with prevailing regulations.

The phrase “reside near” refers to a distance which may be reached by land and/or water transportation in no later than 2 (two) hours under normal conditions.

Paragraph (3)

Self-explanatory.

Article 22

A member of the Board of Commissioners may not hold his/her position concurrently with a position as a member of the Board of Directors of another BPRS, BPR and/or Commercial Banks.

Article 23

Self-explanatory.

Article 24

Paragraph (1)

Self-explanatory.

Paragraph (2)

Self-explanatory.

Paragraph (3)

Letter a

Self-explanatory.

Letter b

Self-explanatory.

Letter c

The meaning of “micro Islamic financial institutions” shall include Islamic savings-and-loans cooperative and *Baitul Maal wa Tamwil* (BMT).

Paragraph (4)

Formal education of an equivalent to a *Diploma III* or *Bachelor title* shall be proven with a diploma which is issued by the relevant university.

Paragraph (5)

Self-explanatory.

Paragraph (6)

The phrase “must be independent” means that decisions are made both professionally and objectively.

Paragraph (7)

An independent assessment shall be based on the correlation between the person concerned with the

management, ownership and/or financial relations and all of the business groups of the controlling Shareholder.

Article 25

Paragraph (1)

The phrase “reside near” means a distance which may be reached by land and/or water transportation in no more than 2 (two) hours under normal conditions.

Paragraph (2)

Self-explanatory.

Paragraph (3)

A member of the Board of Directors of a BPRS who concurrently holds his/her position and a position in the management of a non-profit organization/institution shall be reported to Bank Indonesia.

Paragraph (4)

Self-explanatory.

Article 26

Paragraph (1)

Under certain conditions, candidate members of the Board of Commissioners and/or candidate members of the Board of Directors of a BPRS may need to undergo the fit and proper test before a general meeting of shareholders.

Paragraph (2)

This provision shall also apply in the assignment of position from a member of the Board of Directors to a member of the Board of Commissioner or vice versa.

The granting of approval to a candidate member of the Board of Commissioners and/or a candidate member of

the Board of Directors shall be conducted by Bank Indonesia based on, among others:

- a. examination on the completeness and accuracy of the documents; and
- b. fit and proper test on such candidate member of the Board of Commissioners and/or candidate member of the Board of Directors.

Paragraph (3)

The nomination of a candidate member of the Board of Commissioners and/or a candidate member of the Board of Directors of a BPRS before a general meeting of shareholders may only be conducted after the BPRS provides an explanation to Bank Indonesia which is accompanied by a sufficiently good reason.

Paragraph (4)

If a candidate member of the Board of Commissioners and/or a candidate member of the Board of Directors is not appointed by a general meeting of shareholders within a period of 45 (forty five) days, the approval which is granted by Bank Indonesia shall no longer be valid.

Paragraph (5)

Self-explanatory.

Article 27

Paragraph (1)

Self-explanatory.

Paragraph (2)

The phrase “effective dismissal” means a date after the relevant dismissal is approved by the general meeting of shareholders, after the handing over of the position or after other mechanisms as set out in the articles of association,

Article 28

Paragraph (1)

Self-explanatory.

Paragraph (2)

Letter a

Number 1

Self-explanatory.

Number 2

Self-explanatory.

Number 3

The phrase “having a high commitment” among others means the willingness to make available ample time for a BPRS to effectively carry out its duties.

Number 4

Self-explanatory.

Letter b

The term “*sharia mu’amalah*” refers social relations, including business activities, which are in line with or are based on the principles of Sharia.

Letter c

Number 1

The term “list of those with bad debts” refers to a list of bad debts as set out in a Bank Indonesia Regulation concerning the Information System of Debtors.

Number 2

Self-explanatory.

Article 29

Self-explanatory.

Article 30

Self-explanatory.

Article 31

Paragraph (1)

Self-explanatory.

Paragraph (2)

Self-explanatory.

Paragraph (3)

The approval for a candidate member of DPS shall be granted based on, among others:

- a. assessment on the commitment of such candidate member of DPS so being under the supervision of the BPRS and his/her time availability; and
- b. interview on such candidate member of DPS.

Article 32

Paragraph (1)

Self-explanatory.

Paragraph (2)

The term “effective dismissal” shall refer to the date after the dismissal of the concerned person is approved by a general meeting of shareholders, after the handover of the position or after other mechanisms as set out in the articles of association.

Article 33

Paragraph (1)

Self-explanatory.

Paragraph (2)

The phrase “other information which indicates the non-fulfillment of integrity aspect” among others is obtained conducted through interview, observation and test at the

time of inspection of the BPRS, track record information on the results of supervision of Bank Indonesia or other sources.

Article 34

Self-explanatory.

Article 35

Paragraph (1)

Approval to the request for opening a Branch Office shall be granted based on, among others:

- a. assessment on the operational readiness of the Branch Office;
- b. analysis on the results of feasibility study as submitted by the BPRS;
- c. analysis on the financial performance of the BPRS, among others:
 1. a gross Non Performing Financing (NPF) ratio of no more than 15%;
 2. is not in an increasingly large loss; and
 3. has a lowest composite rank of 3 (three) during 2 (two) of the latest assessment periods.
- d. fulfillment of capital requirements; and
- e. no overlimit and/or violation of the Legal Lending Limit.

Paragraph (2)

Letter a

Self-explanatory.

Letter b

Self-explanatory.

Letter c

The phrase “adequate information system technology” refers to an information system technology which enables the automated and online listing of customer transactions at the Branch Office with other offices of the BPRS.

Letter d

Self-explanatory.

Paragraph (3)

Self-explanatory.

Article 36

Self-explanatory.

Article 37

Paragraph (1)

Self-explanatory.

Paragraph (2)

The term “surrounding regions” refers to, among others, those that are within the same District/City as the domicile of the BPRS head office.

Paragraph (3)

Self-explanatory.

Article 38

Self-explanatory.

Article 39

Self-explanatory.

Article 40

Paragraph (1)

Approval to the request for a permit on change of address of a head office and a Branch Office shall be granted based on considerations which include:

- a. reasons behind the change in office;
- b. operational readiness of the head office and the Branch Office; and
- c. results of analysis on performance at the old office location and feasibility study on business at the new office location.

Paragraph (2)

Self-explanatory.

Paragraph (3)

The factors that shall be considered are, among others:

- a. distance between the old office and the new office;
- b. number of financed customers; and
- c. supporting infrastructures at the new office location.

Article 41

Paragraph (1)

The announcement shall be made in local daily newspapers or through its posting at the location of the old office.

Paragraph (2)

Self-explanatory.

Paragraph (3)

The term “shall be reviewed” means that the permit for the change shall be cancelled if the BPRS does not convey relevant reasons for its delay in conducting such change in office location or extended if such delay is caused by force majeure events or other acceptable considerations.

Article 42

Paragraph (1)

The term “surrounding regions” refers to, among others, those that are located within the same District/City as the domicile of the BPRS head office.

Paragraph (2)

Factors that shall be considered are, among others:

- a. distance between the old office and the new office;
- b. number of financed customers; and
- c. supporting infrastructures at the location of the new office.

Article 43

Paragraph (1)

The announcement may be made by its posting at the location of the old office.

Paragraph (2)

Self-explanatory.

Article 44

Self-explanatory.

Article 45

Self-explanatory.

Article 46

Paragraph (1)

Letter a

Self-explanatory.

Letter b

The announcement shall be made in local daily newspapers or through its posting at the location of the old office.

Letter c

Self-explanatory.

Paragraph (2)

Self-explanatory.

Article 47

Self-explanatory.

Article 48

Self-explanatory.

Article 49

Self-explanatory.

Article 50

Self-explanatory.

Article 51

Self-explanatory.

Article 52

Self-explanatory.

Article 53

Paragraph (1)

Letter a

Self-explanatory.

Letter b

The announcement shall be made in local daily newspapers or through its posting at both the sub-district office and the location of the old BPRS office.

The announcement on the revocation of a business permit shall among others contain the proposed dissolution of the BPRS as a legal entity and the proposed settlement of all rights and obligations of such BPRS.

Letter c

The settlement of obligations includes the settlement of obligations to other customers and creditors, payments of outstanding salaries, payments of office costs, outstanding taxes and other relevant costs.

Paragraph (2)

Self-explanatory.

Article 54

The dissolution of a BPRS legal entity shall be effected in accordance with prevailing provisions and regulations.

Article 55

Self-explanatory.

Article 56

Self-explanatory.

Article 57

Paragraph (1)

The BPRS as referred to here include the head office, Branch Offices and Cash Offices.

The mentioning of the name and type of a BPRS office may among others be made on a name board and/or on a wall or front glass of a BPRS office so as to be seen by its customers.

For example:

1. Writing at a Branch Office

PT BANK PEMBIAYAAN RAKYAT SYARIAH/BANK
PEMBIAYAAN RAKYAT SYARIAH/PT BPR
SYARIAH/BPR SYARIAH/PT BPRS/BPRS/"XXX".

2. Writing at a Cash Office

PT BANK PEMBIAYAAN RAKYAT SYARIAH/BANK
PEMBIAYAAN RAKYAT SYARIAH/PT BPR
SYARIAH/BPR SYARIAH/PT BPRS/BPRS/"XXX"

"YYY" Cash Office

Paragraph (2)

Self-explanatory.

Article 58

Paragraph (1)

Self-explanatory.

Paragraph (2)

The report is deemed received by Bank Indonesia if it is submitted in a complete manner by mentioning the data, information and/or documents that are required based on the type of the report.

The date of receipt of the report by Bank Indonesia shall be the date:

- a. of the postage stamp (time stamp), namely if the report is send through P.T. Pos Indonesia; or
- b. of receipt of the report, namely if the report is directly submitted by the BUK or UUS or if sent through a delivery service company other than P.T. Pos Indonesia.

Letter a

The amount of sanction in the form of the obligation to pay shall be calculated as follows:

Amount of obligation to pay:

number of days of delay x Rp100,000.00 x total
number of reports/announcements

Letter b

The amount of sanction in the form of the obligation to pay shall be calculated as follows:

Amount of obligation to pay:

Rp1,000,000.00 x total number of reports/
announcements

A BPRS that is subject to the sanction for not submitting a report/announcement shall not be subject to a sanction for late submission of reports/announcements.

Paragraph (3)

Self-explanatory.

Paragraph (4)

Self-explanatory.

Paragraph (5)

Self-explanatory.

Article 59

Self-explanatory.

Article 60

Self-explanatory.

Article 61

Self-explanatory.

Article 62

Self-explanatory.

Article 63

Self-explanatory.