

**PROPOSED FOR IMPROVEMENT OF WELFARE  
IN FORM OF GIVING OTHER RETIREMENT BENEFITS  
TO EMPLOYEES PENSION FUND PARTICIPANT OF  
PT BANK PEMBANGUNAN DAERAH JAWA TIMUR, Tbk**

---

**A. BACKGROUND :**

**1. Legal Basis :**

Act of the Republic of Indonesia No. 11 of 1992 on Retirement Funds.

1.1 Consider :

a. The pension fund is a means of raising funds in order **to improve the welfare of the participants ...**

1.2 Article 25 subsection (2) :

Retirement benefits for participants or the widow / widower must be in the form of fixed installments, or **increase in order to compensate the price increasing**, which is paid once a month for a lifetime.

**2. Capital Adequacy Ratio (CAR)**

**As per December 31, 2014 :**

a. Wealth for Funding	: 387,4 B
b. Actuarial Present Value	: 303,6 B
c. Surplus	: 83,9 B
<b>CAR (a) : (b) is equal to</b>	<b>: 127,6 %</b>

**B. DISCUSSION :**

**1. Pension Benefits that accepted at This time**

Employees Pension Fund of PT Bank Pembangunan Daerah Jawa Timur, Tbk until now has not provide Other Retirement benefits. Based on the benchmark results, some pension funds have provided Other Retirement Benefits.

**2. Regulation**

Indonesian Government Regulation No. 76 of 1992 on employer pension funds Article 9 subsection (4) :

In terms of the Pension Fund Regulatory change is resulting in changes to the funding and or the amount of retirement benefits, the founder statement referred to in subsection (3) **shall be approved by the owner of the company or the General Meeting of Shareholders.**

**C. PROPOSAL :**

Provide Other Retirement Benefits in the amount of two (2) times the monthly pension benefits granted every Ramadan and December, starting in 2015 or after the Pension Fund Regulation (PDP) approved by the Financial Services Authority (OJK).

Surabaya, March 17, 2015  
PT Bank Pembangunan Daerah Jawa Timur, Tbk.  
Signed

BOARD OF DIRECTORS