

Member of the Board of Directors and Officers to
Division Head # 079
Branch Manager and Officers to
Division Head # 079

May 31, 2012

ANTI-FRAUD STRATEGY IMPLEMENTATION POLICY

In order to prevent the occurrence of cases of operational irregularities and banking crimes, particularly *Fraud*, which may have adverse impact to customers and Bank Bumi Arta, it is necessary to develop a strategy of a comprehensive and detailed anti-*Fraud* in the Implementation of Anti-*Fraud* Strategy Policy in an effort to improve the effectiveness of internal control and minimize risks of *Fraud*.

Implementation of the Anti-*Fraud* Strategy Application Policy is an integral part of the implementation of Risk Management particularly internal control system, and the implementation of *Good Governance*. Implementation thereof should be the focus of attention and culture in all aspects of the organization of Bank Bumi Arta, both by management and employees.

The Anti-Fraud Strategy Implementation Policy aims to guide Bank Bumi Arta in controlling *Fraud* through efforts which not only for prevention but also to detect and investigate and



improve the system as part of an integral strategy in controlling *Fraud*.

For a proper understanding and a thorough implementation of the Anti-*Fraud* Strategy Implementation Policy, management in this case the Board of Directors, Central Office Heads, Central Office Work Unit Heads, Central Office Division Heads, Branch Managers, Deputy Branch Manager, Sub-Branch Manager, Authorized Signer and Division Head should always provide guidance and raise awareness of *Fraud* risk control to all employees of Bank Bumi Arta.

A. General Definitions

1. ***Fraud*** shall mean an act of irregularity or deliberate omission to trick, deceive, or manipulate the Bank, customers or other parties, which occurs in the Bank and or using means of Bank resulting in the Bank, customers, or other parties suffer loss and or perpetrators of fraud obtain financial benefit directly or indirectly.
2. **Internal Fraud** shall mean a *fraud* committed by employees and/or family of employees and/or cooperation between the employees/employee families and customers or other third parties.



3. **External Fraud** shall mean a *fraud* committed by other parties without involving the families and/or the employee families.
4. **Anti-Fraud Strategi** shall mean the Bank strategy in controlling *Fraud* designed with reference to the occurrence process of *Fraud* with due observance to the characteristics and the range of potential *Fraud* structured in a comprehensive-integrated manner and implemented in *Fraud* control system form.
5. **Whistleblower** shall mean a person or employees in an organization who report, witness, discover any crime or illegitimate practices and threaten the public interest in the organization and who decide to disclose such irregularities to the public or authorized agencies (Wikipedia, Columbia electronic encyclopedia: 2005).
6. **Whistleblowing** shall mean any disclosure of violation or disclosure of unlawful, unethical/immoral, acts or other actions that may have adverse affect to the organization and stakeholders, committed by employees or organizational leadership to the other leadership of the organization or institutions that may take action on violations. This disclosure is generally done on a *confidential* basis.



7. **Investigation** shall mean an activity to find evidences related to offenses committed by employees or the company, as reported through the *whistleblowing system* reporting.
8. **Four Eyes Principle** shall mean a separation of the function with the aims that everyone in his office should have not an opportunity to commit and conceal errors or irregularities in the execution of their tasks at all levels of the organization and the entire step of operations.
9. **Motive of Fraud occurrence:**
- a. Needs/demands (high financial/debt liabilities, expensive lifestyle, job loss, etc.)
 - b. Opportunities (weak control, organizational change, dependence on the control system, etc.)
 - c. Rationalization/justification (abuse of power/position, by reason of committing for the company's benefit).
10. Type/classification of acts grouped as *Fraud*:
- a. **Falsification or concealment of information**, among others:
 - 1) Forgery of customer signature.
 - 2) *Fake identity*.



- 3) *Electronic Fraud-phising/scam emails-counterfeit website*
- 4) Changes in invalid document.
- 5) Falsification of documents to secure loan.
- 6) Use of Bank name by unauthorized third parties.
- 7) Diversion of funds.
- 8) Manipulation of records or reconciliation to conceal loss.
- 9) Manipulation of the advantages or disadvantages to meet the target.
- 10) Manipulation of profit/information to improve performance bonuses.

b. Manipulation of assets, among others:

- 1) Check *fraud*.
- 2) Counterfeit costs and disbursement data.
- 3) Theft/unauthorized use of original documents, check/bilyet giro (demand deposits) and other valuables item.
- 4) Bank *property* theft, including intellectual property rights.
- 5) Transfer of *assets* illegally.

c. Breach of trusts, among others:

- 1) Accepting bribes from the customers or suppliers for the provision of loan or contract award.



- 2) Transactions with internal parties (An employee holds undisclosed financial interest in a transaction or arrangement giving rise to loss for business, the prices the Bank secures is not the best).

d. Information Disclosure

11. Implementation of anti-*Fraud* strategy on Bank Bumi Arta is **part of Risk Management implementation**, especially related to internal control system aspects.
12. **The success of anti-*Fraud* strategy** is influenced by the environment Bank Bumi Arta supporting the creation of a conducive environment so that all parties concerned should play an active role in implementing the *Fraud* control system.
13. The structure of anti-*Fraud* strategy on Bank Bumi Arta integrates as a whole the basic principles of risk management in particular internal control and good governance.
14. *Fraud* is not acceptable and therefore the whole *Fraud* incident/ action suspected as *Fraud* shall be addressed seriously and immediately.



15. Each event of *Fraud* should be reported to the Board of Directors regardless of loss value, both financial and non-financial losses.

16. **The purpose of handling *Fraud*** on Bank Bumi Arta as follows:

a. Identify action needed to minimize loss or potential loss and to optimize the *recovery* attributable to *Fraud* act.

b. Identify internal control weakness and recommend development of internal control / mitigation measures particularly for the business unit and the Bank in general.

c. Identify *Fraud* modus operandi.

d. Determine the perpetrators and other parties associated with the event of *Fraud*, as a basis for the enforcement of sanctions to the person concerned.

17. **Anti-Fraud Statement on Bank Bumi Arta:**

a. *Fraud* cannot be tolerated (*zero tolerance*), and therefore the entire events/actions of *Fraud* suspected as *Fraud* shall be addressed seriously and immediately.

b. *Fraud* actions will subject to serious penalty for each perpetrator thereof and also for all parties



working together directly or indirectly with those perpetrators.

c. Bank Bumi Arta will implement the actions as in the regulations governing the items related to all acts of *Fraud*.

B. Risk Management Implementation

Anti-*Fraud* strategy is implemented as part of the Risk Management application and cannot be separated from the scope of implementing risk management in general. Therefore, to support effective implementation of anti-*Fraud* strategy, the Management of Bank Bumi Arta should strengthen the aspects of Risk Management that focuses on *Fraud* control, as follows:

1. Active control of the Board of Commissioners and Board of Directors

Board of Commissioners and Board of Directors shall promote anti-*Fraud* culture and awareness at all levels of organization on Bank Bumi Arta. Active control of the management to *Fraud* includes issues under the authority and responsibility of the management both the Board of Commissioners and Board of Directors. Such authority and responsibility are as follows:



a. Duties and responsibilities of the Board of Commissioners

- 1) Develop culture and awareness of anti-*Fraud* at all levels of organization;
- 2) Control the implementation of the code of conduct relating to *Fraud* prevention for all levels of organization;
- 3) Give approval to the policy of anti-*Fraud* strategy prepared by the Board of Directors;
- 4) Control anti-*Fraud* strategy implementation by the Board of Directors as a whole.
- 5) Conduct follow-up monitoring and evaluation of the Board of Directors on *Fraud* events.

b. Duties and responsibilities of the Board of Directors

- 1) Develop culture and awareness of anti-*Fraud* at all levels of organization, among other, include declaration of anti-*Fraud Statement* and adequate communication to all levels of organization regarding behaviors including *Fraud* measures.
- 2) Develop and implement code of conduct relating to the prevention of *Fraud* at all levels of organization;



- 3) Prepare and implement anti-*Fraud* strategy as a whole.
- 4) Develop the quality of human resources (HR), in particular associated with increase in *awareness* and control of *Fraud*.
- 5) Monitor and evaluate events of *Fraud* and follow-up determination.
- 6) Develop effective communication channel on Bank internal so that all officers/employees of Bank understand and comply with applicable policies and procedures, including policies to control *Fraud*.

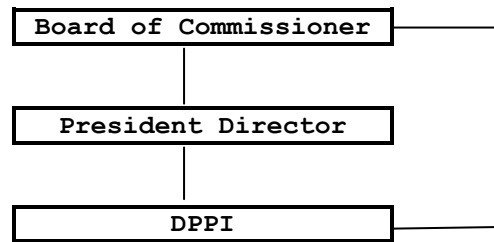
2. Organizational Structure

- a. In order to support the implementation of anti-*Fraud* strategy and adapt to the characteristics and complexity of the bank's operations, the Board of Directors creates a **function that manages the implementation of anti-*Fraud* strategy attached to the Division of Internal Control and Audit (Divisi Pengawasan dan Pemeriksaan Intern - DPPI)**
- b. Division of Internal Control and Audit as a function that manages the coordination of anti-*Fraud* strategy implementation, reports and responsible directly to the President Director. In addition, it also can



make communication and reporting directly to the Board of Commissioners.

c. Organizational Structure of Anti-Fraud Strategy Implementation includes:



d. Duties and responsibilities of DPPI is to serve the coordinative function of anti-Fraud strategy implementation :

- 1) Conduct interrogation of *Fraud* criminal modus operandi.
- 2) Investigate the use and the remaining balance of the *Fraud* proceeds
- 3) Interrogate clients whose funds are misused.
- 4) Investigate the perpetrators' asset to replace the misused funds (*fraud*).
- 5) Collect cash funds belonging to the perpetrator to replace those abused funds.
- 6) Coordinate with the other units in the *ad-hoc* organizational structure.



- 7) Report the results of interrogation and investigation into events of *Fraud* and submit it to the President Director and Board of Commissioners;
- 8) Monitor the follow-up of *Fraud* events handling and report it to the President Director and Board of and Commissioners;
- 9) Make report of anti-*Fraud* strategy implementation and report of *Fraud* events expected to have significant negative impact on the Bank and submit it to Bank Indonesia in accordance with the specified deadline;

e. DPPI conducts duties and responsibilities as Internal Audit includes:

- 1) Conduct audit to ensure the violation to policies and procedures.
- 2) Ensure the true funds of each client are actually abused by the perpetrator.
- 3) Ensure total customer funds that are abused.
- 4) Report the results of audit to the cases of fraud.
- 5) Propose to the Board of Directors, customers who are actually abused by the perpetrators to make payment.



3. Control and Monitoring

Control and monitoring of *Fraud* is one important aspect of the Bank's internal control system to support the effective implementation of anti-*Fraud* strategy. In conducting the control and monitoring, Bank Bumi Arta sets out the measures that are focused improving the effective implementation of anti-*Fraud* strategy. Such measures include as follows:

- a. Define *Fraud* control policies and procedures;
- b. Control through management review (*top level review*) and operational review (*functional review*) by DPPI on the implementation of anti-*Fraud* strategy;
- c. Perform control in human resources by improving the effectiveness of tasks implementation and *Fraud* control, such as rotation and transfer policy, compulsory leave, and social activity or *gathering*;
- d. Establish the separation of functions in the implementation of the Bank operations at all levels of organization, such as the implementation of *four eyes principle* in lending activities with the aim that each party involved in the operations does not have the opportunity to commit and conceal *Fraud* in implementing their duties;



- e. Exercise information system control that supports the process, storage, and security of electronic data to prevent the potential for *Fraud* incident;
- f. Conduct physical assets control and documentation.

C. ANTI-FRAUD STRATEGY

Anti-Fraud Strategy uses 4 pillars of Fraud Control System as follow:

1. Prevention

Consists of:

a. *Anti Fraud Awareness*

Anti-Fraud Awareness is an effort to grow awareness about the importance of *Fraud* prevention by all parties concerned.

Efforts of growing *anti-Fraud awareness* are undertaken by the following measures:

- 1) Prepare zero tolerance policy to *Fraud* and socialization of *Anti Fraud Statement* to all employees of Bank Bumi Arta regularly.
- 2) Create *employee awareness* program, among others by organizing seminars or discussions related to *anti-Fraud*, training and publications on the understanding of *Fraud* modus operandi.



transparency of the results of investigation, and follow-up on *Fraud* conducted on an ongoing basis.

- 3) Create *customer awareness* program, among others by preparing anti-*Fraud* brochure, provide a written explanation or through other means to raise awareness and alertness of customers/depositors against the possibility of *Fraud* incident.

b. Vulnerability Identification

- 1) It is a process of Risk Management to identify, analyze, and assess the potential risk of *Fraud*.
- 2) Vulnerability identification is addressed to identify the risk of *Fraud* incident attaching to any activity that may have potential adverse affect to Bank Bumi Arta.
- 3) Results of identification are documented and communicated to the Board of Directors and always updated, especially to the activities considered high risk for *Fraud* incident.

c. Know Your Employee

Bank should have *know your employee* policy, which is one an effort to control the risk of *Fraud* from human resources aspect, at least includes:



- 1) Implement systems and procedures for effective, objective and transparent recruitment of employee. Initial selection of employee also involves Branch Office management as *end users* of employee, so as to obtain a full portrait of the character and track record of potential employee (*pre-employee screening*) is complete.
- 2) Conduct employee selection for operational and service division by prioritizing prospective employee from local origin of each office for easier to recognize the socio-cultural background and environment thereof. Management should pay attention to the academic background as another factor supporting the success of operational and service implementing employee.
- 3) Carry out promotion, rotation and transfer of employee, including placement at a position that has a high risk of *Fraud* should be based on the application of *Knowing Your Employee* principle conducted in a transparent manner to match the competency needed for the target position. For *frontliner* position, for example, management should select friendly, communicative, accurate, agile employees with good appearance and have other characteristics required for the position.



necessitate all employees to take Annual Leave rights at least for five consecutive business days.

- 4) Conduct employee orientation properly by management, among others, includes introduction and monitoring of character, behavior, working environment and lifestyle.
- 5) Implement an open management system allowing communication between management and employee can be well-established, so that employee can be more open to the problems encountered, both in the form of excess work load and personal finance problems and others. This can be done in the form of regular *Briefings* by respective Division Leader/Head so as to encourage the effective work of employee and find out solution to the problems/constraints the employees encounter in their job.
- 6) Management should support the *whistleblowing* system implementation in order to run properly so it can be an effective environmental control, as well as to provide encouragement and awareness to employee to report the case of *Fraud*.



- 7) Management provides reward and punishment to employee related to the quality of service should be based on the principle of *knowing your employee* so as the most optimal and effective approach can be selected in accordance with the needs and expectations of employee.

- 8) Create the Reasonable and Equitable Salary Structure by regarding the provision of Wage/Salary corresponding to minimum requirements, rank conformity and income.

2. Detection

Detection pillar contains devices addressed to identify and locate events of *Fraud*, which includes the following:

a. *Whistleblowing* Policy and Mechanism

This policy is intended to increase the effective implementation of control system with emphasis on the disclosure of the complaint. This policy is also formulated to provide encouragement and awareness to employees and officers of Bank Bumi Arta to report the events of *Fraud*.



- 1) Bank Bumi Arta is committed to provide support and protection to every *Fraud* complainant who in good faith and ensure the confidentiality of *Fraud* complainant's identity and *Fraud* report submitted under relevant legislation and applicable *best practices* in the implementation of complainant protection system.

- 2) Complainant can complain when getting pressure response or threat or other retaliation suffered. Any complaint should be delivered to Division of Internal Control and Audit. If the problem fails to resolve internally, the complainant is secured the right to bring it to an independent body outside the company, such as mediator, witness and victim protection agency at the expense of the Bank.

- 3) Bank provides protection to complainants against adverse treatment such as the following:
 - Unfair dismissal.
 - Demotion.
 - Harassment or discrimination in all forms thereof.
 - Adverse notes in *personal files record*.



4) In addition to the foregoing protection, for a good faith complainant, the Bank will also provide legal protection, in line with the provision set forth in Article 43 of Law No. 15 of 2002 in conjunction with Law No. 25 of 2003 concerning Money Laundering and Article No. 13 of Law No.13 of 2006 concerning Witness and Victim Protection, and Article 5 of the Government Regulation No. 57 of 2003 concerning Protection Procedures Special for Complainant and Witness in Money Laundering Criminal Offense, namely:

- Protection from criminal and/or civil lawsuit.
- Protection of personal security, and/or complainant from physical and/or mental threat.
- Protection against Complainant property
- Secrecy and disguise of the Complainant identity; and/or
- Providing information without face to face with the reported party, at any level of case examination in terms of violation brought into the court dispute.

5) In case of the complainant feels necessary, he/she can also ask for help on Witness and Victim Protection Agency (Lembaga Perlindungan



Saksi dan Korban - LPSK), in accordance with Law No. 13 of 2006.

- 6) The Bank will provide sanction for violation reporting, which is inconsistent with the purposes and objectives of this policy; e.g. defamation or false reporting.
- 7) The Bank establishes the coordination function of anti-*Fraud* strategy implementation, which is incorporated into Division of Internal Control and Audit as a person in charge on each *Fraud* reporting.
- 8) In reporting system of alleged violation, Division of Internal Supervision and Inspection holds duties to:
 - Receive report of alleged violation.
 - Assess and select report of alleged violation to be further processed by the Investigator.
 - Maintain confidentiality of the complainant's identity.
 - Handle complaint or grievance of complainant under pressure or threat of the reported party.
 - Communicate with the complainant.



- Submit a report to the Board of Directors and Board of Commissioners on each report of alleged violation received.
- Document each report of alleged violation received.

b. *Surprise Audit*

Implementation of *surprise audit* is addressed to raise alertness of employees in performing their duties. *Surprise audit* is carried out mainly on high-risk business unit or vulnerable to *Fraud* incident. Implementation of *surprise audit* is conducted by Division of Internal Supervision and Inspection.

c. *Surveillance System*

Surveillance system is a measure of audit or examination done without the knowledge or realized by the audit or examined party in order to monitor and audit the effectiveness of anti-*Fraud* policy. *Surveillance system* can be undertaken by an independent party and/or internal party of the Bank, e.g.: Monitoring via CCTV

3. Investigation, Reporting and Sanction



Pillars of investigation, reporting, and sanction contain devices aimed at extracting information, reporting system including imposition of sanction on *Fraud* incident, covers the following:

a. Investigation

- 1) *Investigative Audit* is an Audit conducted in case of embezzlement, irregularity and/or abuse of power in a business unit causing loss. This investigation is carried out if an indication of a criminal or civil offense found, and to gather evidence relating to events reasonably suspected as an act of *Fraud*.
- 2) Investigation is a series of activities to recognize, identify and verify in detail the existing information and facts to uncover the actual event in the interest of evidence to support legal proceeding for alleged irregularity that may have adverse affect to Bank Bumi Arta.
- 3) Investigation is an important part in the control system of *Fraud* providing a message to all related stakeholders that any indication of detected fraud acts will always be processed according to the applicable standards of



investigation and the perpetrators will be processed according to applicable regulations.

- 4) All reports of violations received will be verified, with the aim wherever possible to gather adequate early evidence, so as any conclusion can be drawn whether the violation report is true or even otherwise found inadequate evidence to be continued at investigation stage.
- 5) The process of investigation into a report should be made while still holding the presumption of innocence and objectivity, and the information obtained will be kept confidential thereof.
- 6) Results of investigation process are made of investigation report furnished by some supporting evidences as physical and non-physical evidence.
- 7) Results of investigation report is not in the form of opinions or views but final conclusion regarding the results of investigation that will be used as a basis for decision-making action.



- 8) Investigation is undertaken by internal investigation team or when necessary by independent Investigator (external).
- 9) The Bank should select an integrated Auditor/investigator to keep objectivity of the results of investigation.
- 10) The investigative process should be free from bias and conducted without depending on anyone who reports or who is reported party.
- 11) Reported party should be provided with full opportunity to clarify evidences found, including defense when necessary.
- 12) The mechanism of investigation done in order to follow up the results of detection on Bank Bumi Arta is carried out by the following steps:
 - Check, collect and assess the adequacy and relevance of evidence in which the court may accept.
 - Discover and protect relevant documents for investigation.
 - Discover the asset from proceeds of treasure and to seek recovery of losses incurred.
 - Ensure that perpetrators cannot escape from their actions.



- Find out who are the perpetrators and collect evidence regarding intention thereof.
- Identify witnesses involved or aware of *Fraud* events and ensure that they provide evidence supporting indictment against the perpetrators.

13) Audit techniques in conducting investigations:

- *Physical Examination*
- *Confirmation*
- Check *Documentation*, both *Tracing* and *Vouching*
- *Analytical Review*
- Inquiries of auditees' information orally or in writing
- Recount (re-performance)
- Observation

b. Reporting

In order to assist the implementation of anti-*Fraud* policy, the reporting mechanism is determined as follows:

- 1) Each incidence of *Fraud* in principle should be reported as soon as possible to the Board of Directors and the Board of Commissioners or within no later than the next business day after the incident of *Fraud*.



2) Report of *Fraud* incident investigation should be presented to the Board of Directors and the Board of Commissioners within no later than five (5) business days after the *Fraud* incident investigation is completed.

c. Imposition of Sanction

To follow up the results of investigation and to cause the deterrent effect for *Fraud* perpetrators, then the perpetrators of *Fraud* who are obviously proven to perpetrate *Fraud* action based under the results of investigation will subject to sanctions in accordance with the Company's Regulations of Bank Bumi Arta, in Article 6 point 4.c.4 with Termination of Employment (PHK) and if such *Fraud* action resulting in loss for the Bank and/or the Bank's customers both financial and non-financial (such as goodwill), the Bank will report the *Fraud* perpetrators to law enforcement authorities and to process in accordance with the applicable provision of Law. Imposition of sanction is decided by the Board of Directors and implemented by Bank Officers related to HR.

4. Monitoring, Evaluation and Follow-up



Pillars of monitoring, evaluation, and follow-up contain devices addressed to monitor and evaluate the incidence of *Fraud* and necessary follow-up required under the results of evaluation, include:

a. Monitoring

In order to implement the *Fraud* control system, the monitoring should be carried out for events of *Fraud* on the follow-up of settlement. Monitoring is done by the coordination function of anti-*Fraud* strategy implementation and to report the results of follow-up monitoring on events of *Fraud* to the Board of Directors and Board of Commissioners.

b. Evaluation

To support the implementation of evaluation, Bank Bumi Arta will maintain *Fraud* incident data (Fraud profiling). Such incident data is used as an evaluation tool. Based on *Fraud* incident data and the results of the evaluation can be identified to the weaknesses and causes of the *Fraud* incident and to determine necessary corrective measures, including strengthening internal control system. A comprehensive assessment of *Fraud* control system will be done by management on a regular basis.



c. Follow-up

Based on an evaluation of the incidence of *Fraud* to correct weaknesses and to strengthen the internal control system in order to prevent a recurrence of *Fraud* attributable to similar weaknesses, the follow-up hereunder can be done:

- 1) Improve existing systems and procedures;
- 2) Conduct reorganization on branch offices, divisions and other units related to events of *Fraud*;
- 3) Organize *training* and socialization of systems and procedures relating to internal control and implementation of anti-*Fraud* strategy;
- 4) Conduct *surprise audit* and *Surveillance system*.

d. Reporting and Sanction of Bank Indonesia

1. Report of anti-*Fraud* strategy implementation should be submitted each semester for the position of the end of June and December, within no later than ten (10) business days after the end of the reporting month (as attached).
2. Each *Fraud* expected to have any significant negative impact on the Bank and/or customers, including the potential to become a public



concern, within no later than three (3) business days after the bank is aware of the *Fraud*. The report shall contain at least the name of the offender, type of irregularity/Fraud, scene, brief information regarding the modus operandi and indication of loss.

3. Such report is delivered to Bank Indonesia with the following address: The Directorate of Related Bank Supervision, Jl. MH Thamrin No. 2, Jakarta 10350.

4. **Sanction**

a. Administrative Sanction

In the form of written warning and/or Freezing business operations

b. A financial penalty

1) Delay in submitting report is subject to penalty of obligation to pay for Rp.1,000,000,- (one million rupiah) per day of delay.

2) Such report has not been submitted after one month from the deadline submission of report is subject to a financial penalty of Rp. 50,000,000,- (fifty million rupiah) and given a written warning by Bank Indonesia.



- 3) The Bank that submits the report after one month from the deadline of the report submission shall subject to a financial penalty of Rp. 50,000,000,- (fifty million rupiah).
- 4) The submitted report is considered incomplete significantly or in accordance with the format as governed by Bank Indonesia Regulation shall subject to a financial penalty of Rp. 50,000,000,- (fifty million rupiah) after the Bank is granted two (2) times of the warning letter by Bank Indonesia with a grace period of seven (7) business days for each warning and the bank does not improve the report within seven (7) business days after the last written warning.

This Circular Letter is valid from June 9, 2012.

This Policy is strongly expected to be disseminated to the relevant divisions for implementation as best as possible.

Happy Working!

Wikan Aryono S
President Director

Hendrik Atmaja
Director



PT BANK BUMI ARTA

REPORT OF ANTI-FRAUD STRATEGY IMPLEMENTATION

FIRST/SECOND SEMESTER - YEAR

I. The Development of Anti-Fraud Strategy Implementation ^{a)}

II. Inventory of Fraud Events and Follow-up

Events of Fraud						Follow-up		
Type of <i>Fraud</i> ^{b)}	Date of <i>Fraud</i> incident.	Division/ Section of <i>Fraud</i> incident.	Parties that are involved c.	Position	Loss ^{d)} (in million rupiah)	Measure of Bank ^{e)}	Weaknesses/ cause of <i>Fraud</i> incident ^{f)}	Follow-up/ improvement ^{g)}
1).	2).	3).	4).	5).	6).	7).	8).	9).

.....,

(.....)



Remarks:

- a) Explain briefly the results of evaluation and follow-up measures of anti-*Fraud* strategy implementation in the reporting period.
- b) Type *Fraud*, among others includes, cheating, fake, embezzlement of assets, exposure of information, crime of bank, or others.
- c) Parties involved include all parties indicated of their involvement/participated in the *Fraud*. If the party involved in more than one (1) person, should be described the role of each party.
- d) Loss should be filled with the occurred or the estimated loss.
- e) The Bank measure is the Bank response on *Fraud* incident both action taken to the perpetrators, injured party or other actions. Actions to *Fraud* perpetrators among others include personnel administrative sanction and/or indemnity obligation. Action to the injured party, among others includes indemnity and/or goodwill recovery. Other action for example a report to the competent authorities and/or legal efforts undertaken.
- f) Weakness/cause of *Fraud* incident is an identification of weakness on Bank resulting in *Fraud*, can be the weaknesses of policies, systems and procedures, or human resources, or other causes that are not derived from the Bank.
- g) Follow-up/improvement is an effort that has been or will be performed relating to weakness leading to *Fraud*.

I, **FATCHUROZAK**, a Sworn and Authorized Translator
by the virtue of Jakarta Capital Territory Governor's Decree **No. 1690/2007**, practicing in Jakarta,
do solemnly and sincerely declare that the foregoing document is a true and faithful translation
from Indonesian into English of the original version.

Jakarta, December 26, 2015

