

Work Group Summary

10.2 SESI – Finco/Karmana

At the WSC meeting in Rungan Sari, 'SESI was empowered to establish an investment and financial services company.' On investigation it became apparent that a financial company as originally envisaged was not feasible but that a management company could provide the expertise connecting potential investors with potential enterprises.

Karmana, an existing company registered in Indonesia with the Dept. of Trade can fulfil the role. It has an authorised capital of \$1m, up to 80% of which can be from foreign sources. Initial shareholders are Ruslan and Rahayu Morris, Hameed da Silva and Mursalin New.

\$50,000 working capital from Ruslan; further shares can be issued for \$200,000.

Increments of \$10,000+ preferred but \$1,000 ok.

Ruslan	MD
Mursalin	Director
Rahayu	Commisaris (new supervisory board to be appointed)
Operational Mgr	Lukman Usman (salaried for 20 hrs/wk)
Jefferson Dau	Legal Advisor (Dayak friend of Murray Clapham) (contract)
Hamid Kennedy	Professional Evaluation Advisor (does this for bank)
Finance, Admin and IT Manager	– staff in Ruslan's office who can be 'loaned' as required

Function: to provide services to large enterprises such as feasibility evaluations, link potential investors with potential projects ie will not provide, or channel, funds, for which a 1-5% fee will be charged.

Current expenses are running at \$1000-1500/mth.

To be decided:-

- 20% of the shares to be held by a Subud body, most likely MSF as this is registered in USA and is therefore subject to 10% tax, whereas if by a body registered in Indonesia it would be 20%.
- MOU with MSF re distribution of dividends – ? to be worked out at World Congress 2014.
- Additional advisors
- Appointment of a Supervisory Board
- Whether Karmana will take a % in any of the companies it helps start?
- Whether it will be mandated that the companies set up using Karman's services will all be required to give 20% to Subud or will this be on a sliding scale depending on size?

Palm Oil Company

There was a brief review of a possible palm oil company that Ruslan is interested in developing.

- *Company has been incorporated (need a company to apply for a licence to develop a plantation)*
- *Karmana paid for the incorporation & expenses (\$15,000)*
- *Shareholders – need a minimum of 2 - nominal shareholders - Ruslan and his secretary (1 share)*
- *Mursalin New, who has experience in the oil palm industry, to join the company*
- *No land yet. 30 year licence, renewable twice*