

LEASING; BENEFITS, PUBLIC PERCEPTION, REGULATION AND FAIRNESS FOR CONSUMERS

BAYU WICAKSONO ¹, BUDI SANTOSO ² and SITI MALIKHATUN B ³

¹ Doctor of Law Program, Faculty of Law, Diponegoro University, Jl. Prof. Soedarto, SH., Tembalang, Semarang.
Email: bayuwicaksono@students.undip.ac.id

^{2,3} Lecturer in Law, Faculty of Law, Diponegoro University, Jl. Prof. Soedarto, SH., Tembalang, Semarang.

Abstract

Leasing; benefits, public perception, regulation and fairness for consumers. The purpose of this study is to analyze: 1) How is leasing beneficial *for the user community and how is the public understanding* of leasing?; 2) How does the government provide regulations that are able to balance the interests of the parties in *leasing* transactions?; 3) How to mean fairness for consumers in *leasing* transactions for *lessors* and *lessees*? The research method used is empirical juridical with a statutory approach, concept approach, and case studies. The results showed that: a) *Leasing* is defined as financing activities in the form of providing capital goods, both by lease with option rights (Finance Lease) and lease without option rights (Operating Lease), *to be used by Lessee for a certain period of time based on periodic payments (installments)*. b) The rights and obligations contained in the *leasing* agreement are contained in Article 1338 paragraph (1) of the Indonesian Civil Code regarding agreements that apply as law to the parties. The agreement has binding and coercive force and provides legal certainty for the parties who make it. So that the parties must obey the agreement the same as obeying the law or in other words the parties must carry out the rights and obligations contained in the agreement properly. c). If in an agreement, the position of the parties is unbalanced, then the weak party is usually not in a state that is completely free to determine what is desired in the agreement. Therefore, it is our duty to protect the weak to have a strong position.

Keywords: Leasing, Lease, Use, Law, Justice, Consumer.

INTRODUCTION

Background

In Indonesia, the need for funds can be obtained through two institutions, namely Bank Financial Institutions and Non-Bank Institutions. Article 1 paragraph (2) of Law Number 10 of 1998 concerning Amendments to Law Number 7 of 1992 concerning Banking states: "Bank is a business entity that collects funds from the public in the form of deposits and distributes them to the public in the form of credit and or other forms in order to improve the standard of living of the people".

However, in reality the financial institution called this bank is not effective enough to overcome various fund needs in the community, given the limited range of credit distribution that is very tight. The limited source of funds owned is increasingly evident from the number of banks that collapsed and liquidated.

Responding to the various weaknesses found in bank financial institutions in channeling fund needs, non-bank financial institutions emerged. It is a more flexible and moderate funder than a bank. According to Article 1 point 4 of the Presidential Decree of the Republic of Indonesia Number 61 of 1988 concerning Financing Institutions, Non-Bank Financial Institutions are

"Business Entities that carry out activities in the financial sector that directly or indirectly raise funds by issuing securities and channeling them into the community to finance the investment of companies".¹

Currently, *the application of leasing is not in accordance with what has been determined in the decree of the Minister of Finance of the Republic of Indonesia number 1169 / KMK.01 / 1991 concerning leasing activities, one of which is the provisions contained in article 9 paragraph 1, namely: "Every lease transaction must be bound by a lease agreement"*. This means that in every use of leasing services there must be a provision that every use of leasing services must be accompanied by a lease agreement, but in practice the agreement is sometimes not found.

This non-conformity of the leasing agreement can harm the lessee's tenant consumers, so legal protection is needed for consumers, namely law enforcement that requires arrangements in the form of legal consequences for violators. This is reflected in the Consumer Protection Law Number 8 of 1999 concerning Consumer Protection (UUPK), which is a law in Indonesia with the interest of providing protection to consumers. Based on the background above, this study will analyze fairness for consumers in *leasing*. Therefore, this study is entitled "*Leasing; Benefits, Public Perception, Regulation and Fairness for Consumers*".

Problem Statement

1. How does *leasing* benefit the user community and how does the public understand leasing?
2. How does the government provide regulations that are able to balance the interests of the parties in *leasing transactions*?
3. How to mean fairness for consumers in *leasing* transactions for *lessors* and *lessees*?

Theoretical Framework

1. The Theory of The Great Happiness For The Great Number

a) Utility Theory - Jeremy Bentham

The greatest happiness, which means the greatest happiness of the greatest number of people, is a principle in the teachings of Jeremy Bentham. The basic principles of Bentham's teachings can be explained as follows. The purpose of law is that it can guarantee happiness to individuals, and then to many people. This principle must be applied in a quantitative manner, since the quality of pleasure is always the same. To realize the happiness of individuals and society, legislation must achieve four objectives: **a. to provide subsistence** (to provide a living); **b. to Provide abundance** (to provide abundant food); **c. to provide security**; and **d. to attain equity**.² Bentham's basic principles are those of the theory of Utilitarianism proposed by Jeremy Bentham, John Stuart Mill and Rudolf von Jhering, which was a reaction to the conception of natural law in the 18th and 19th centuries.³ Utilitarianism or utilitis is a school that puts expediency as the main goal of law. This expediency is defined as happiness. Whether or not a law is bad or just depends on whether it gives happiness to man or not. Therefore, the duty of the law is to lead the age to the *ultimate good*.⁴

b) *Welfare State Theory*

The concept of a formal legal state with its concept as a night watchman, namely a material law state or called a welfare *state*, this system requires the state to be responsible for the welfare of citizens with intensive state administration intervention and responsibility for the economic sector and all development that leads to the achievement of maximum public welfare, by authorizing the state to participate interfere in all affairs and activities of society keeping in mind the principle of legality (*freies ermessen*).⁵

2. Development Theory

Sondag P. Siagian described development as "an effort or series of planned growth and change efforts carried out consciously by a nation, state and government towards modernity in the context of nation building".⁶ In addition to Siagian, the same thing was also conveyed by Tjokrominoto who concluded some of the meanings of development as "the image of development in a diachronic perspective (development according to growth stages and time periods whose basis is not clear).⁷

3. Theory of Justice

The term justice (*iustitia*) comes from the word "just" which means: impartial, impartial, siding with the right, deserved, not arbitrary.⁸ Justice is essentially treating a person or other party in accordance with his rights and obligations. What is the right of everyone is to be recognized and treated in accordance with his equal dignity and dignity, which is equal in rights and obligations, regardless of ethnicity, degree, descent, property, education or religion.⁹

Justice is an idea that has always been debated. Its position in society and the state is very important because basically justice is not only about the person of an individual but also relates to others, to society, and even to the state. How one can act fairly towards oneself and others depends on one's individual behavior. Similarly, how a country can provide justice to its citizens also depends on the welfare guarantees, benefits, and happiness provided to its citizens. Therefore, justice discourse always develops with the times, so that justice itself always changes and is not static. Starting from classical, medieval, modern philosophical thought until now has different concepts related to justice.¹⁰

RESEARCH METHODOLOGY

This research belongs to the type of normative juridical research. The normative juridical research method is literature law research carried out by examining literature materials or secondary data. This research was conducted in order to obtain materials in the form of: theories, concepts, legal principles and legal regulations related to the subject matter.¹¹ The data analysis techniques used in this study through a qualitative analysis approach, namely by observing the data obtained and connecting each of the data obtained with the provisions and legal principles related to the problem under study with inductive logic.¹²

RESEARCH RESULTS

A. Benefits, Perceptions and Public Understanding of *Leasing*

1. Leasing at the level as a financial institution

Financial institutions in Indonesia are generally divided into 2 forms, namely Bank Financial Institutions and Non-Bank Financial Institutions. The difference between the two is that in raising funds, it is expressly stated that banks can collect funds either directly or indirectly from the public while non-bank financial institutions can only collect funds indirectly from the public.¹³ Financial Institution Bank is a bank as a financial institution whose main activity is to accept current deposits, savings and time deposits. Then banks are also known as to borrow money (credit) for people who need it. Law of the Republic of Indonesia number 10 of 1998 dated November 10, 1998 concerning banking, which is meant by Bank is "a business entity that collects funds from the public in the form of deposits and distributes them to the public in the form of credit or other forms in order to improve the standard of living of many people". Meanwhile, the definition of Non-Bank¹⁴ Financial Institutions can be seen in Article 1 paragraph (4) of the Presidential Decree of the Republic of Indonesia Number 61 of 1980 concerning Financing Institutions. Non-Bank financial institutions are Business Entities that carry out activities in the financial sector that directly or indirectly raise funds by issuing securities and channeling them into the community to finance the investment of companies.¹⁵

The purpose of the issuance of the decree is that in order to support economic growth, it is considered necessary to expand the means of providing funds needed by the community so that its role as a source of development funds will increase.¹⁶

Leasing is defined as financing activities in the form of providing capital goods, either by lease with option rights (Finance Lease) or *lease without option rights* (Operating Lease), to be used by Lessees for a certain period of time based on periodic payments (installments),¹⁷ the definition is in accordance with Article 1 paragraph (5) Presidential Decree No. 9 of 2009 concerning Financing Institutions.

The legal basis of *Leasing* is Presidential Regulation No. 9 of 2009 concerning Financing Institutions and Decree of the Minister of Finance No. 1169/KMK.01/1991 concerning Leasing Activities. This Ministerial Decree entered into force on November 27, 1991 and has retroactive effect from January 19, 1991. With the enactment of this Decree of the Minister of Finance, Decree of the Minister of Finance Number 48/KMK.013/1991 concerning Leasing Activities, is declared invalid.¹⁸

The leasing function is actually at the same level as a bank, namely as a source of medium-term financing (from one to five years). However, currently there is no specific law governing leasing in Indonesia, but in practice *leasing* has developed rapidly, and to anticipate the needs of legal aspects, in 1971 a Joint Decree of the Minister of Finance, Minister of Industry, and Minister of Trade and Cooperatives Number: Kep122/MK/IV/1/1974; No. 32/M/SK/2/1974; and No.30/Kpb/I/1974, dated February 7, 1974.¹⁹

In every Leasing transaction always involves 3 (three) main parties, namely:

1) Lessor

The *Lessor* is a *Leasing company* that has ownership rights over capital goods. Leasing companies provide funds to those in need. In the business of procurement of capital goods, usually the *Leasing company* deals directly with the seller (*Supplier*), and has paid off the capital goods. The lessor aims to recover costs that have been incurred to finance the provision of capital goods by making a profit, or obtaining profits from the provision of capital goods and the provision of maintenance services and the operation of capital goods.

2) Lessee Party

The *Lessee* is a company or user of capital goods that can have option rights at the end of the *Leasing contract*. *The lessee* that requires capital goods is directly related to the *Lessor*, who has financed the capital goods and has the status of the owner of the capital goods. The capital goods financed by the *Lessor* are then handed over to and to be used by the *Lessee* in running its business. At the conclusion of the *Leasing contract*, the *Lessee returns the capital goods to the Lessor, unless there is an option right to purchase the capital goods at a price based on residual value*.

3) Supplier

The *Supplier* is the seller of capital goods that are the object of *Leasing*. The price of the capital goods is paid in cash by *the Lessor* to the *Supplier* for the benefit of the *Lessee*. The *Supplier* can be a capital goods producer company or an ordinary seller. There is also a type of *Leasing* that does not involve *Suppliers*, but bilateral relations between the *Lessor* and the *Lessee*, for example in the form of *Sale* and *Leaseback*.²⁰

2. Leasing at the Level as a Business Entity Providing Capital Goods

According to the Kepmenkeu RI No. 1169 / KMK.01 / 1991 concerning Leasing Activities, Article 1 letter (a), *leasing* is defined as a financing activity in the form of providing capital goods both by lease with option rights (finance lease) and *lease without option rights* (operating lease) *to be used by the lessee for a period based on periodic payments*.

Leasing according to *the Equipment Leasing Association* is an agreement between the *lessor* and *the lessee to lease a certain type of capital goods chosen by the lessee*. The ownership rights over the capital goods are with the *lessor*, while the *lessee* only uses the capital goods based on predetermined rent payments within a certain period of time.²¹

Based on some of the above understandings, there are several elements regarding *leasing*, namely:

- a) The existence of a finance company (*lessor*);
- b) The existence of prospective lessee tenants;
- c) Provision of capital goods;
- d) Time period limitations;
- e) Periodic payments;
- f) Option rights for the *lessee*; and
- g) There is residual value (*residue*).²²

Leasing has two legal bases, both principal and administrative.²³

1) The basic legal basis of leasing.

Article 1338 of the Indonesian Civil Code is the basic legal basis, because this article stipulates engagement. Every engagement made by the parties shall act as law for the parties making it. This article is a reflection of the principle of "freedom of contract". This principle means that the parties are free to make a contract and regulate the content of the contract themselves, as long as it meets the provisions of the conditions for the validity of the agreement (Article 1320 KUHPdt), is not prohibited by law, in accordance with applicable custom, carried out in good faith.

2) The Legal Basis is Administrative.

The legal basis for *administrative leasing* has several regulations, including:

- a. Presidential Decree of the Republic of Indonesia No.61 of 1988 concerning Financing Institutions;
- b. Decree of three Ministers consisting of Minister of Finance, Minister of Industry, Minister of Trade No.Kep22/MK/IV/2/1974, No.32/M/SK/2/1974 concerning Leasing Business Licensing;
- c. Decree of the Minister of Finance of the Republic of Indonesia No.1251/KMK.013/1988 concerning Provisions and Procedures for the Implementation of Financing Institutions;
- d. Decree of the Minister of Finance of the Republic of Indonesia No.634/KMK.013/1990 concerning Procurement of Facilitated Capital Goods through *Leasing* Companies;
- e. Decree of the Minister of Finance of the Republic of Indonesia No.1169/KMK.01/1991 concerning *Leasing* Activities.

3. Meaning of Capital Goods *Leasing* and Its Development in Indonesia

There are various ways that can be taken by companies to fulfill capital goods, one of which is through *leasing*. According to Beckman and Joosen (1980), leasing is actually an economic symptom, because it arises motivated by various economic considerations that must be decided by a business entity that requires capital goods / production equipment. If the capital goods needed are very expensive, the business entity is faced with two kinds of choices, namely: ²⁴

- a. Buy the capital goods concerned yourself, so that the business entity can use the goods while obtaining property rights to them.
- b. Use capital goods owned by other parties without obtaining property rights to these goods.

Here it seems that *leasing* is indeed quite interesting to be considered by the company as an alternative in financing the company. Besides loans from banks, because *leasing* provides quite a lot of advantages compared to other financing institutions. ²⁵

Leasing as an alternative financing has several advantages compared to other sources of financing, including: ²⁶

- a) Saving capital, with the financing system from *leasing*, *the lessee can get funds to buy capital up to 100% of the price of the goods so that the lessee can utilize existing capital for other purposes.*
- b) *Flexibility*, is a key characteristic for the advantages *of leasing* over credit from banks. Whether it's flexible in terms of contract structure, the amount of rental payments, payment terms, and residual value.
- c) Simple Documentation, *Leasing* usually uses standard documentation. This makes *the lessee* simpler in conducting *leasing transactions*.
- d) Large-scale project financing, the reluctance to assume the risk of investment in financing which is often a problem among the provision of funds, can usually be overcome through *leasing* companies as long as there is a full acceptable guarantee and ease of control of the goods financed in case of negligence.
- e) How to obtain capital goods is simplified, reduces the risk of inflation and is protected from the risk of obsolescence or technological advances.

4. Dynamics of Problems and Default Resolution

Leasing transaction is a transaction that involves a large amount of capital and the possibility of breaking promises by the parties, especially in developing countries such as Indonesia, so to ensure the smooth and orderly payment of rent (*rentals*) and prevent losses for the lessor, this guarantee institution is used to obtain a sense of security. ²⁷

In the leasing agreement, in practice many problems occur. Default here means that in the course of the lease agreement, one party or both parties do not do what is promised, or do something but not as promised, or do what is agreed but too late, or do something that according to the agreement is not allowed to do. In this case, it is emphasized on the default made by the

lessee so that the guarantee institution is needed in the provision of *leased* goods.²⁸ In the leasing agreement, it is usually included how to resolve disputes in the event of a dispute between *the lessee* and *the lessor*. In this case there are several ways that can be used to resolve disputes arising from both parties, namely by peaceful means, through district courts or arbitration.

5. Public Perception and Understanding of *Leasing*

The concept *of leasing used here is any company financing activity in the form of providing or leasing capital goods for use by other companies within a certain period of time with criteria as company financing, lease payments are made periodically, the provision of capital goods, accompanied by voting rights or option rights and the agreed residual value.*²⁹

There are several parties involved in providing *leasing* facilities. Each party has its rights and obligations, and each party in carrying out its activities always cooperates and interrelates with each other through agreements made together. In return, the buyer must make payments to the *leasing* in installments within a certain period of time.³¹

B. The Role of the Government in Providing Regulations that are able to Balance the Interests of the Parties in *Leasing Transactions*

The role of law in the economic development of a nation is something that cannot be ignored. So it is very clear, if the legal conditions of a nation are effective, then economic development will be easy to implement. However, on the contrary, if the law is not able to play an effective role, it will certainly have a negative impact on economic development.³¹

The emergence of *leasing* institutions is an attractive alternative for entrepreneurs. Through *leasing*, entrepreneurs can obtain funds to finance the purchase of capital goods with a payback period of between three years to five years or more.³² This is very different if we apply for credit to a bank that requires large requirements and guarantees. For those whose capital is less or medium, by making a *leasing* agreement will be able to help the company in running the wheels of its activities. After *the leasing* period is over, the company can purchase the capital goods concerned. Companies that require a certain amount of capital goods in a production process suddenly, but do not have sufficient cash, can enter into *leasing* agreements to overcome them. By *leasing* will save more costs in terms of spending funds compared to buying in cash.³³

Juridically, *leasing* is a form of anonymous engagement (*innominate*) that arises due to developments in the economic and legal fields. If you look for provisions in the Civil Code and KUHD, you will not find articles that regulate or state a form of engagement called *leasing*. But because our law of engagement adheres to an open system, that anyone can enter into an engagement that has its source in any agreement whether regulated by law or not. Thus, the presence of *leasing* in Indonesia is accepted with open arms. This provision is then called the principle of freedom of contract.³⁴

Contracts or *lease agreements* made are generally in the form of standards made by the *lessor*, while the *lessee* only approves them. The agreement made is binding on the parties who make it. Based on the Decree of the Minister of Finance No1169 / KMK.01 / 1991 Article 9, the contents of the lease agreement, at least contain several things, including:

- a) Type of lease transaction;
- b) Name and address of each party;
- c) Name, type, type and location of use of capital goods;
- d) Lease period;
- e) Options for the *lessee* in the case of leasing transactions;
- f) The responsibility of the parties for the capital goods that are the object of lease;
- g) Acquisition price, financing value, lease payment, principal installment, leasing service fee, residual value, security deposit and insurance provisions for leased capital goods; and
- h) Provisions regarding the termination of expedited lease transactions and the determination of losses to be borne by the *lessee* in the event that capital goods with option rights are lost, damaged or malfunctioning for any reason.³⁵

The rights and obligations contained in the *leasing* agreement are contained in Article 1338 paragraph (1) of the KUHPdt regarding agreements that apply as law for the parties. This means that the agreement has binding and coercive force and provides legal certainty for the parties who make it. So that the parties must obey the agreement the same as obeying the law or in other words the parties must carry out the rights and obligations contained in the agreement properly.

C. Interpreting Fairness for Consumers in *Leasing* Transactions for *Lessors* and *Lessees*

The relationship between the Lessor and the Lessee is a reciprocal relationship, involving the implementation of obligations and the transfer of a right or demand for obligations from the enjoyment of using financing facilities, for that between the Lessor and the Lessee a financial lease agreement / leasing contract or a financing agreement. For the Lessor, the benefits to be achieved in the financial lease agreement with the Buyer / Lessee, solely rely on the creation of legal certainty to an agreement, about a series of payments by the Lessee for the use of the assets that are the object of the lease, including the Lessee's recognition of the control of the object by the Lessee whose ownership is still held by the Lessor, thus giving birth to a legal right for the Lessor, in the event of default by the Lessee to sell or confiscate lease object.³⁶

Imbalances in standard agreement clauses made by lessors with stronger positions are often ignored because the lessor emphasizes its rights and emphasizes the lessee's obligations. In such a case, it appears that the element of justice, especially distributive justice which requires a balance between the interests of each person so that each person gets what is his right or allotment according to his merits or abilities as Aristotle argued, as a legal purpose was not considered in the preparation of clauses and the implementation of the standard agreement.³⁷

Taking into account the problems arising from the application of the principle of freedom of contract in standard contracts that are not accompanied by a balance between business actors and consumers, resulting in exploitation of strong parties (business actors) against weak parties (consumers), the state is obliged to limit the application of the principle of freedom of contract.³⁸

Although the agreement between one party and the other party is private or civil, it means that it is only binding on both parties. Therefore the other party has no right to interfere in the treaty, nor does the State (in the form of law). The state can only intervene in civil relations if one of the parties to the civil relationship is in a weak position. The state has a duty to protect the weak party in order to have a strong position, for example the agreement must fulfill the conditions for the validity of the agreement, the material of the agreement must not conflict with laws and regulations, public order and decency, and the agreement must not arise due to coercion, error, or fraud.³⁹

If in an agreement, the position of the parties is unbalanced, then the weak party is usually not in a state that is completely free to determine what is desired in the agreement. In such cases, the party who has a stronger position usually uses the opportunity to determine certain clauses in the standard contract, so that the content of the agreement only accommodates the interests of the party with a stronger position.⁴⁰ So it can be ascertained that the agreement contains clauses that are favorable to him or relieve or remove certain burdens or obligations that should be his burden, commonly known as "*exoneration clauses*".⁴¹

Weak parties (usually in this case consumers) are only allowed to read the conditions proposed by parties with strong positions, and if he agrees to these terms then consumers are welcome to sign them (*take it*), but otherwise if consumers do not agree to the terms proposed by business actors, then the transaction cannot continue (*leave it*). That is why this standard agreement has come to be known as "*take it or leave it contract*."⁴²

Leasing, especially Financial Lease, which is basically to help and as a way out for those who are less able to obtain capital goods, as a form of justice with virtue character turns out to be a form of denial of justice itself because the clauses contained in the standard agreement further guarantee the rights of one party, namely the lessor as a party who makes the agreement and its economic position is stronger in realizing freedom of contract according to one's own unlimited understanding, without proper regard to other principles of treaty law. Therefore, in practice and development, justice is corrected and juxtaposed with "*equity*". *Equity* does not intend to change or reduce justice, but is limited to providing corrections and / or complements in certain individual circumstances, conditions and certain cases.⁴³

CONCLUSION

The results showed that;

- a. Leasing is defined as financing activities in the form of providing capital goods, either by lease with option rights (*Finance Lease*) or *lease without option rights* (*Operating Lease*), *to be used by Lessee for a certain period of time based on periodic payments (installments).*
- b. The rights and obligations contained in the *leasing* agreement are contained in Article 1338 paragraph (1) of the KUHPd regarding agreements that apply as law for the parties. The agreement has binding and coercive force and provides legal certainty for the parties who make it. So that the parties must obey the agreement the same as obeying the law or in other words the parties must carry out the rights and obligations contained in the agreement properly.
- c. If in an agreement, the position of the parties is unbalanced, then the weak party is usually not in a state that is completely free to determine what is desired in the agreement. Therefore, the state has a duty to protect the weak in order to have a strong position.

Footnotes

- 1) Munir Fuady *Law on Financing in Theory and Practice*, Bandung: Citra Aditya Bakti, 2002, p. 200
- 2) Big. "Utilitarianism and the Purpose of the Development of Multimedia Law in Indonesia". Binus University. <https://business-law.binus.ac.id/2016/06/30/utilitarianisme-dan-tujuan-perkembangan-hukum-multimedia-di-indonesia/> accessed in January 2023.
- 3) Big. *Loc. cit.*
- 4) Muhammad Syukri et.al, *Law in a Philosophical Approach*. Jakarta: Kencana, 2016, pp 160-161.
- 5) Hadiyono, "Indonesia in Answering the Concept of a Welfare State and Its Challenges" *Journal of Political Law and Power*. Vol.1 No.1. 2020, p 22
- 6) Agus Suryono, *Prime Dimensions of Development Theory*. Malang: UB Press, 2010, p 46.
- 7) *Ibid.*
- 8) Ministry of Education and Culture, *Big Dictionary Indonesian*. Jakarta: Balai Pustaka, 2001, p. 517.
- 9) I Gde Suranaya Pandit, "The Concept of Justice in Bioethical Perception of Public Administration", *Public Inspiration: Journal of Public Administration*. No year, p 14
- 10) Zakki Adhitya & Achmad, "Tracking Justice in Polygamy Regulation: A Study of Aristotle's Philosophy of Justice. Thomas Aquinas and John Rawls". *Law: Law Journal*. Vol.2 No.2. 2019, pp 413-414
- 11) Soerjono Soekanto and Sri Mahmudji, *Normative Legal Research, A Brief Review*. Jakarta: Raja Grafindo Persada, 2003, p. 13.
- 12) Abdulkadir Muhammad, *Law and Legal Research*. Bandung: PT. Image. Aditya Bakti, 2004, p. 127.
- 13) *Ibid.*
- 14) Muh Anshori, "Bank Financial Institutions: Concepts. Its Function and Development in Indonesia", *Madani Shari'ah*. Vol. 1 No.1. 2019, pp 93-43
- 15) Munir Fuady, *Law on Financing in Theory and Practice*. Bandung: Citra Aditya Bakti, 2002, p. 200.

- 16) Retnowulan Sutantio, *Consumer Financing Agreement*. Jakarta: In the Judicial Library of the Judicial Technical Development Project of the Supreme Court of the Republic of Indonesia, 1994, p. 1.
- 17) OJK. "Leasing. <https://sikapiuangmu.ojk.go.id/FrontEnd/CMS/Article/82> accessed on Monday 9 January 2023
- 18) Idham, "Legal Analysis of Financing Institutions". *Justicia Science*. Vol.1 No.2. 2016, p 54
- 19) *Ibid*, p 52
- 20) Djoko Prakoso, *Leasing and Problems*. Semarang: Dahara Prize, 1996, p 15.
- 21) Aprilianti, "Lease Agreement between Lessee and Lessor". *Fiat Justisia Journal of Legal Science*. Vol. 5 No.3. 2011. p. 317.
- 22) *Ibid*
- 23) *Ibid*
- 24) Siti Ismijati Jenie, "The Position of Leasing Agreements in Indonesian Engagement Law, and the Prospects for Regulating Legal Aspects in the Future". *Dissertation*. Gadjah Mada University Yogyakarta, 1998, p. 14.
- 25) Willy Hermawan, "Comparative Analysis of Capital Goods Financing Between Leasing and Banking Loans and Their Relation to Tax Costs at Pt. Duta Abadi Primantara", *Journal of Bina Akuntansi* Vol.6 No.2. July 2019, p. 24.
- 26) Sumadi, "Measuring Leasing Transactions in Review of Sharia Economic Law". *Scientific Journal of Islamic Economics*. Vol 4 No 2. 2018, pp 130-131
- 27) Marco I. Ratumbanua, p. 155
- 28) Marco I. Ratumbanua. *loc.cit.*
- 29) Sigit Triandaru and Totok Budisantoso, *Banks and Other Financial Institutions*. Jakarta: Salemba Empat, 2006, p. 190.
- 30) Munir Faudi, *Legal History*. Jakarta: Graha Ilmu, 2012, p 3
- 31) Zulfi Diane Zaini, "Legal Perspective as a Foundation for Economic Development in Indonesia (A Philosophical Approach)", *Journal of Law*. Vol XXVIII. No. 2. 2012, p 931
- 32) Meiky Sumual; Dhullo Afandi. "Analysis Of Accounting Treatment Leasing And Reporting In. Astra Sedaya Finance In Saturn)". *Journal of Scientific Periodicals of Efficiency*. Volume 16 No 4. Year 2016. p 636
- 33) *Ibid*
- 34) Muhammad Izuddin Zakki, "Leasing Transactions in Indonesia in the Perspective of Islamic Law", *Epistemé Journal*. Vol. 8, No. 1. 2013, p. 87
- 35) Aprilianti, "Lease Agreement between Lessee and Lessor", *Fiat Justisia Journal of Legal Sciences*. Vol. 5 No.3. 201, p 318
- 36) Rianda Dirkareshza, et.al., "Legal Optimization Against Lessees Who Default in Leasing Agreements", *Law Enforcement Scientific Journal* 8 (2) December 2021: 160-173, p 163
- 37) Suprawito, "Legal Protection of Lessees in Standard Leasing Agreements", *Student Journal of Faculty of Law, Universitas Brawijaya*, p. 8.
- 38) Dodi Harianto, "The Principle of Freedom of Contract: The Problem of Its Application in Standard Contracts between Consumers and Business Actors", *Journal of Law Ocean Justice* Volume 11, Number 2, July-December 2016, p. 152.

- 39) Gemala Dewi, *Legal Aspects of Sharia Banking and Insurance*, (Jakarta, Kencana, 2004), p. 186
- 40) Ahmadi Miru & Sutarman Yodo, *Consumer Protection Law*, Jakarta, Raja Grafindo Persada, 2004, p114.
- 41) *Loc.cit.*, p. 151
- 42) Shidarta, *Indonesian Consumer Protection Law*, Jakarta, Grasindo, 2000, p 120
- 43) Agus Yudha Hernoko, *Law of Proportionality Principle Agreement in Commercial Contracts*, Kencana, Jakarta, 2011, p. 66

Bibliography

- 1) Abdulkadir, Muhammad. 2004. *Law and Legal Research*. Bandung: PT. Image. Aditya Filial piety.
- 2) Adlhiyati, Zakki & Achmad. 2019. Tracking Justice in Polygamy Regulation: A Study of Aristotle's Philosophy of Justice. Thomas Aquinas and John Rawls. *Law: Law Journal*, 2 (2).
- 3) Anshori, Muh. 2019. Bank Finance Lemabaga: Concept. Its function and development in Indosenia". *Madani Shari'ah*, 1 (1).
- 4) Aprilianti. Lease agreement between the lessee and the lessor. *Fiat Justisia Journal of Legal Sciences*. Vol. 5 (3).
- 5) Big. Utilitarianism and the Purpose of the Development of Multimedia Law in Indonesia. Binus University. <https://business-law.binus.ac.id/2016/06/30/utilitarianisme-dan-tujuan-perkembangan-hukum-multimedia-di-indonesia/> accessed in January 2023.
- 6) Ministry of Education and Culture. 2001. *Great Dictionary Indonesian*. Jakarta: Balai Pustaka.
- 7) Goddess, Gemala. 2004. *Legal Aspects in Sharia Banking and Insurance*. Jakarta, Kencana.
- 8) Dirkareshza, Rianda, et.al. 2021. Legal Optimization of Lessees in Default in Leasing Agreements", *Law Enforcement Scientific Journal* 8 (2).
- 9) Faudi, Munir. 2012. *Legal History*. Jakarta: Graha Ilmu.
- 10) Fuady, Munir. 2002. *The Law on Financing in Theory and Practice*. Bandung: Citra Aditya Bakti.
- 11) Hadiyono. 2020. Indonesia in Answering the Concept of a Welfare State and Its Challenges. *Journal of Political Law and Power*, 1 (1).
- 12) Harianto, Dodi. 2016. The Principle of Freedom of Contract: Problems in Its Application in Standard Contracts between Consumers and Business Actors. *Ocean Law Journal of Justice*, 11 (2).
- 13) Hermawan, Willy. 2019. Comparative Analysis of Capital Goods Financing Between Leasing and Banking Loans and Their Relation to Tax Costs at Pt. Duta Abadi Primantara. *Journal of Bina Akuntansi* 6 (2).
- 14) Idham. 2016. Legal Analysis of Financing Institutions. *Justicia Science*, 1 (2).
- 15) Jenie, Siti Ismijati. 1998. The Position of the Leasing Agreement in Indonesian Engagement Law, and the Prospects for Regulating Its Legal Aspects in the Future. *Dissertation*. Gadjah Mada University Yogyakarta
- 16) Marco I, Ratumbanua. 2017. Settlement of Leasing Agreement Disputes in the Event of Default (Default). *Lex Privatum* 5 (1)
- 17) Miru Ahmadi, & Sutarman Yodo. 2004. *Consumer Protection Law*. Jakarta, King Grafindo Persada.
- 18) OJK. Leasing. <https://sikapiuangmu.ojk.go.id/FrontEnd/CMS/Article/82> accessed on Monday 9 January 2023

- 19) Pandit, I Gde Suranaya. The concept of justice in the bioethical perception of public administration. *Public Inspiration: Journal of Public Administration*
- 20) Prakoso, Djoko. 1996. *Leasing and Problems*. Semarang: Dahara Prize.
- 21) Shidarta. 2000. *Indonesian Consumer Protection Law*. Jakarta, Grasindo.
- 22) Soekanto, Soerjono, & Sri Mahmudji. 2003. *Normative Legal Research, A Brief Review*. Jakarta: King Grafindo Persada.
- 23) Sumadi. 2018. Measuring Leasing Transactions in Review of Sharia Economic Law. *Scientific Journal of Islamic Economics*, 4 (2)
- 24) Sumual, Meiky, & Dhullo Afandi. 2016. *Analysis Of Accounting Treatment Leasing And Reporting In Astra Sedaya Finance In Saturn*. *Journal of Scientific Periodical Efficiency*, 16 (4).
- 25) Suprawito. Legal protection of the lessee in the standard leasing agreement. *Student Journal of Faculty of Law, Universitas Brawijaya*
- 26) Suryono, Agus. 2010. *Prime Dimensions of Development Theory*. Malang: UB Press.
- 27) Sutantio, Retnowulan. 1994. *Consumer Financing Agreements*. Jakarta: In the Judicial Library of the Judicial Technical Development Project of the Supreme Court of the Republic of Indonesia.
- 28) Shukri, Muhammad, et.al. 2016. *Law in a Philosophical Approach*. Jakarta: Kencana.
- 29) Triandaru, Sigit, & Totok Budisantoso. 2006. *Banks and Other Financial Institutions*. Jakarta: Salemba Empat.
- 30) Yudha Hernoko, Agus. 2011. *Treaty Law: The Principle of Proportionality in Commercial Contracts*. Jakarta: Kencana.
- 31) Zaini, Zulfi Diane. 2012. Legal Perspectives as a Foundation. *Law Journal*, 18 (2)
- 32) Zakki, Muhammad Izuddin. 2013. Leasing Transactions in Indonesia in the Perspective of Islamic Law". *Epistemé Journal*, 8 (1).