The Seybold Report
ISSN 1533-9211
DOI: 10.5281/zenodo.10369195

LEGAL CONSTRUCTION IN RESOLVING DEFAULTS ON LEASING TRANSACTIONS

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

[1] Doctoral Program in Law, Faculty of Law, Diponegoro University, Jl. Prof. Soedarto, SH., Tembalang, Semarang. Email: bayuwicaksono@students.undip.ac.id.
[2, 3] Lecturer in Doctoral Law Program, Faculty of Law, Diponegoro University, Jl. Prof. Soedarto, SH., Tembalang, Semarang.

Abstract

The purpose of this study is to analyze: 1) What is the regulation of *leasing law* in Indonesia? 2) What are the obstacles faced by the parties to the Leasing transaction? 3) How are Default Resolution Efforts in Leasing Transactions? The research method used is empirical juridical with a statutory approach, concept approach, and case studies. The results showed that: 1) 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. 2) One of the obstacles in leasing contracts is that the regulations on leasing provisions in Indonesia are still somewhat underestimated, that Indonesia still has not specifically regulated the law containing leasing. This is a wedge or obstacle that is still very worried by the lessor. 3) Thereare several ways that can be used to resolve default disputes arising from both parties, namely by musawarah, making collections, giving summons or reprimands, making claims through district courts or arbitration.

Keywords: Construction, Law, Settlement, Default, Transaction, Leasing.

INTRODUCTION

Background

In an effort to increase the development of the economic sector, many business actors, both individuals and legal entities, need funding in running their businesses. In order to assist business actors in terms of funding, banks, pawnshops and non-bank financial institutions are expected to accommodate and assist business actors in terms of capital in their business. Business actors cannot only rely on funds or capital owned by themselves, but must also get funds from a lending and borrowing mechanism or credit agreement from a financial institution. Credit is given on the basis of trust by providing credit facilities to the debtor itself with the aim and purpose so that the credit facility that has been given can be returned safely and profitably.[1]

A financing institution whose development is quite rapid today is leasing or often called leasing. Leasing is a financing activity in the form of providing and procuring capital goods either by lease with options or without options, to be used by the Lessee periodically in accordance with the terms of periodic payments in the agreed agreement. Leasing is one way that companies can do in acquiring the assets they need or ownership of an item without going through a prolonged process. The procurement of these goods has all been arranged by the leasing

The Seybold Report
ISSN 1533-9211
DOI: 10.5281/zenodo.10369195

company in accordance with what the company has provided. Leasing can also prevent business actors from high risks that are currently directly realized by business actors.[2]

Financing Institution (leasing) is a business entity that carries out financing activities in the form of providing funds or capital goods by not attracting funds directly from the public[3]. The definition of leasing according to the Decree of the Minister of Finance of the Republic of Indonesia No.1169 / KMK.01 / 1991 is 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) for periodically.[4] Financing Institutions (leasing) were established based on the regulatory and supervisory duties of OJK (Financial Services Authority) based on Law Number 21 of 2011 which functions to organize an integrated regulatory and supervisory system for all activities in the financial services sector.[5]

Leasing companies provide considerable capital in an effort to fulfill goods for the lessor, so there is often a default on the part of the lessor itself. There are often transfers made by Lessee because it is motivated by economic causes, the transfer process has legal consequences, where the legal consequences of the object concern the rights of third parties who receive the transfer of goods.[6]

The transfer of the goods is based on the debtor's inability to make credit payments, this is what causes the default committed by the lesseee or debtor. Default committed by the debtor can give losses to creditors where creditors should be entitled to receive achievements. What is meant by default is the non-fulfillment of obligations or responsibilities that have been agreed in the engagement, whether it is an engagement arising from an agreement or an engagement arising from law. Default can also be interpreted as the unperformance of achievements that should be carried out by the debtor. While achievement is an engagement that aims to give something, run something, receive something, do something or not do something, as described in article 1234 of the Civil Code. Achievement can also be interpreted as the content contained in an agreement which contains rights and obligations that must be fulfilled by both parties who have agreed to the agreement[7]

In practice, the use of Leasing services often occurs problems between the lessor and the lesse, resulting in the capital goods being taken back by the lessor without any claims through civil courts, while in accordance with article 1238 of the Civil Code, the lessor should provide a summons for the lesse's negligence and provide a statement letter that the lesse has been negligent/in default, unless the relevant Leasing agreement states otherwise. However, in practice the Leasing agreement can be waived provided that the agreement is stated provided that the default committed by the lesse is sufficiently proven by the lapse of the time of payment of lease installments or from the time of the actions prohibited in the Leasing agreement alone so that in this case if there is a default on the lesse no more negligent statements are needed.[8]

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. Default here means that in the course

The Seybold Report
ISSN 1533-9211
DOI: 10.5281/zenodo.10369195

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.[9]

PROBLEM STATEMENT

1. What are the legal regulations *of leasing* in Indonesia?
2. What are the obstacles faced by the parties to the Leasing transaction?
3. What are the Default Resolution Efforts in Leasing Transactions?

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*.[10]

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. [11]

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*.[12]

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 ermess aen*).[13]

The Seybold Report
ISSN 1533-9211
DOI: 10.5281/zenodo.10369195

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".[14] 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).[15]

3. Theory of Justice

The term justice (*iustitia*) comes from the word "just" which means: impartial, impartial, siding with the right, deserved, not arbitrary.[16] 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.[17]

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[18]

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.[19] 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.[20]

RESEARCH RESULTS

Legal Regulation *of Leasing* in Indonesia

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), [21] 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.*

The Seybold Report
ISSN 1533-9211
DOI: 10.5281/zenodo.10369195

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.[22]

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.According to the [23]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.*[24]

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.[25] 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.[26]

The Seybold Report
ISSN 1533-9211
DOI: 10.5281/zenodo.10369195

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.[27]

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.[28]

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*).[29]

Leasing has two legal bases, both principal and administrative.[30]

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 *aadministrative 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;

The Seybold Report
ISSN 1533-9211
DOI: 10.5281/zenodo.10369195

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.[31]

Obstacles Faced by the Parties to the Leasing Transaction

In leasing agreements, the difficulty that often occurs is that in Indonesia leasing agreements are currently not regulated separately either in law or in the Civil Code. Therefore, in order to enter into a leasing agreement, both parties contain the provisions in the Civil Code according to the agreement, they bind themselves to enter into an agreement regarding the agreement they made.[32]

One of the obstacles in leasing contracts is that regulations on leasing provisions in Indonesia are still somewhat underestimated, that Indonesia still has not specifically regulated the law containing leasing. This is a wedge or obstacle that is still very worried by the lessor. Why is that? Because the lessor must be capable, expert and skilled in their field. This is because the elements in the agreement contain risks.[33] So the company that acts as the lessor, should know and master carefully the market conditions of the goods being leased, and also be able to master the cost of repair and maintenance and be good at calculating various costs (costs), including insurance costs, tax affairs and if necessary fuel costs and so on. If the lessor who conducts financing in the form of providing capital goods, especially *operating leases*, succeeds in handling obstacles like this, then the possibility of obtaining profits will be greater as well. And in this case, the lessor also finds technical obstacles, namely the lessor requires experts who are in accordance with their respective fields and master specifically the problems related to the above constraints. For this technical obstacle, the lessor does not require a few relatively expensive funds, because from each field of engineering must be able to maintain the good name of the leasing company so that the general public, especially companies that need capital goods, do not worry about cooperating with the lessor.[34]

Default Resolution Efforts in Leasing Transactions

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.[35]

The problem of bad loans or defaults is a major problem in the business world, but the potential for losses caused previously by good anticipation by finance companies so as not to be disturbed by the stability and health of the company by conducting business activities. Default has a very close relationship with subpoena. Default is not fulfilling or neglecting to carry out

The Seybold Report
ISSN 1533-9211
DOI: 10.5281/zenodo.10369195

obligations as specified in the agreement made between the Creditor and the Debtor. Default or non-fulfillment of promises can occur either intentionally or unintentionally6 . As for in English, default is referred to as default, or non-fulfillment, or breach of contract. A new Debtor is said to be in default if it has been given a summons by the Creditor or bailiff. The summons has been filed at least three times by the Creditor or bailiff, so the Creditor has the right to take the matter to court.[36] A Debtor is said to be negligent, if he does not fulfill his obligations or is late in fulfilling them but not as agreed.[37]

In making an agreement there are several conditions that must be met in it, namely agreeing that both parties remember themselves with the agreement, the ability for themselves to make an agreement, the existence of certain things to be agreed, the existence of lawful causes that underlie the formation of an agreement, in accordance with what is explained in article 1320 of the Civil Code. Credit is the provision of money in the form of bills and will be paid in accordance with an agreement or loan agreement either with a bank or a company engaged in providing funds (leasing) and requiring the borrowing party to pay off the bill and along with the interest.[38] A credit agreement is an agreement that has been agreed upon by creditors and debtors, in which the rights and obligations of each party are discussed. Credit agreements serve to limit the rights and obligations of both parties, credit agreements also serve as a tool used to monitor both parties. To avoid default or non-compliance of the debtor of its obligations, the creditor must pay attention to the condition of the debtor, both the assets owned and the work of the debtor itself. Because basically the credirur gives credit to debirur based on trust and prudence.[39]

Given the risks that may be faced by creditors, in the implementation of various guarantees that are expected to minimize losses that will be incurred from defaults committed by debtors. Debt jarninan that can be submitted to leasing can be grouped into main collateral, principal guarantee and additional collateral. For creditors, legal certainty is very important in order to provide legal protection for lease or lease agreements. Article 9 letters (f) and (h) states that the determination of losses that must be borne by the lessee in this context is that the goods rented for business become lost, damaged and not functional for a certain reason. Provisions regarding sanctions have been arranged in article 1237 paragraph 2, 1243-1252, article 1266 of the Civil Code and article 181 HlR. In addition to the parties involved in the agreement, the leasing party can also determine the sanctions that they will impose on the agreed agreement data with the terms and limitations contained in the Civil Code.[40] Default provides legal consequences for the parties who do it and causes consequences for the injured party so that the injured party can sue the party who committed the default to provide compensation, and interest if any, so that no party is harmed. These matters are listed in Articles 1243 and 1244 of the Civil Code which state as follows:

Article 1243.

"Reimbursement of costs, losses and interest due to non-fulfillment of an engagement shall be compulsory, if the Debtor, despite being declared negligent, still fails to fulfill the engagement, or if something he must give or do can only be given or done within a time beyond the specified time."

The Seybold Report
ISSN 1533-9211
DOI: 10.5281/zenodo.10369195

Article 1244.

"The debtor shall be punished to reimburse costs, losses and interest if he cannot prove that the non-performance of the engagement or the improper timing of the execution of the engagement was due to something unforeseeable, which cannot be accounted for to him, even if there is no bad faith to him."

In an agreement, if there is a default in it, it can cause one of the parties to the agreement to be harmed. Due to the occurrence of a loss from one of the parties, the defaulting party must bear the consequences of its actions in the form of claims from the opposite party which can be in the form of contract cancellation and contract fulfillment.[41]

If the cancellation and fulfillment of the contract are described in more detail, it can be divided into four, namely contract cancellation only, contract cancellation accompanied by compensation, contract fulfillment only and contract fulfillment accompanied by compensation claims. Claims that can be filed by the lessor to the lessee are that the lessee is required to pay compensation suffered by the lessor, default from one party gives the other party the authority to cancel a contract or terminate it through a judge's decision, can be canceled the agreement in the form of fulfilling the basis for payment of compensation experienced by the lessor, paying the costs of the case being sued in court. The default itself has important consequences, so it must be ascertained in advance whether the lessee is indeed in default or just committed negligence and if it is denied by the lessee it must be proven in front of a judge. The lessee can also defend if he feels he has not committed default by attaching or including evidence before the judge. Evidence that can exempt the lessee from alleged default is the non-fulfillment of the contract due to adverse circumstances, not fulfilling the contract because the other party also defaulted and the non-fulfillment of the contract because the other party has waived his right to achievement.[42]

As with any agreement in general, if the lessee defaults, the lessor as the creditor is entitled to the fulfillment of performance and compensation in accordance with what is described in Article 1267 of the Civil Code. Claiming and seeking compensation can only be made in the event of late payment of credit and cancellation of unilateral agreements. Efforts made to avoid difficulties experienced by the leasing party in taking collateral objects are the inclusion of clauses which can facilitate the lessor in implementing its rights to the leasing object.

The obligations given to the lessor in default are to compensate for losses, objects that become the object of guarantee in the agreement when the responsibility is not fulfilled then the object becomes the responsibility of the lessee and a reciprocal engagement gives the lessor authority to terminate the agreement. The lessee defaults as mentioned above, then the lessor can send a summons to the lessee, the summons contains demands for fulfillment of payments from the lessor to the lessor. If after being given the summons, the lessee does not perform its obligations, then the next action that can be taken by the lessor is to withdraw the object guarantee and charge the lesse a withdrawal fee by expediting the termination of the agreement.[43] 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

The Seybold Report
ISSN 1533-9211
DOI: 10.5281/zenodo.10369195

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.[44] In the leasing agreement, it is usually included how to resolve disputes in the event of a dispute between *the lessee* and *the lessor*. [45] From the explanation above, in this case there are several ways that can be used to resolve default disputes arising from both parties, namely by musawarah, making collections, giving summons or reprimands, making claims through district courts or arbitration.

1. Deliberation

If there is a default in the consumer financing agreement, the first effort is to rescue credit by means of deliberation. Deliberation here is carried out between creditors and consumers as debtors to find the best solution so that the problem of consumer financing can be overcome and not harm the parties.

2. Billing

Collection is carried out by officers by visiting the office or home and collecting or asking debtors (consumers) to immediately pay off their credit. Billing carried out by the Leasing officer includes collection of arrears in installments or collection of arrears of fines or other late fees. The follow-up taken includes the sale of the vehicle for credit repayment or vehicle recall.

3. Giving a Summation or Reprimand

Criditor's summons or warnings to the debtor so that the debtor fulfills the provisions of the credit agreement, especially installment payments in accordance with the amount and due date of payment agreed at the beginning of the agreement.

4. Making a Lawsuit to the Debtor (Consumer)

If the summons or reprimand given does not get a response from the debtor who has defaulted, then the next action taken is to file a civil lawsuit against the debtor (defaulting consumer) to the District Court. Regarding which District Court is appointed to resolve the dispute in accordance with the content of the agreed agreement regarding legal settlement. Usually this legal lawsuit is filed because the creditor finds indications that the debtor has bad faith in the agreement that has been agreed.[46]

CONCLUSION

The results showed that;

a. 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.

The Seybold Report
ISSN 1533-9211
DOI: 10.5281/zenodo.10369195

b. One of the obstacles in leasing contracts is that regulations on leasing provisions in Indonesia are still somewhat underestimated, that Indonesia still has not specifically regulated the law containing leasing. This is a wedge or obstacle that is still very worried by the lessor.

c. There are several ways that can be used to resolve default disputes arising from both parties, namely by musawarah, making collections, giving summons or reprimands, making claims through district courts or arbitration.

Notes

1) Neng Arum Ermawati &; Margo Hadi Pura, "settlement of debtor defaults in consumer financing agreements against business actors (leasing)", *justitia: Journal of Law and Humanities* Vol. 9 No. 1 of 2022, p. 54.
2) Widiyono, T. (2009). Credit Collateral in Financial Engineering. Ghalia Indonesia. Bogor
3) Sunaryo, Law of Financing Institutions, (Jakarta: Sinar Grafika, 2008), p 1
4) Munir Fuady, Law on Financing in Theory and Practice, Citra Aditya Bakti, Bandung 2002, p 22
5) Tonny Murdiyanto &; RR. Lyia Aina Prihadiati, "Default Settlement by the Debtor in the Motor Vehicle Loan Financing Agreement at PT. Adira Finance", Authentic's: Journal of Notarial Law (Vol 4, No. 2, July 2022), p. 100.
6) Satriyo, J. (2005). Fiduciary Property Guarantee Law. PT Citra Aditya Bakti. Bandung.
7) Muhammad, A. K. (1993). Indonesian Civil Law. PT Citra Aditya Bakti. Bandung.
8) Hartina, K. T. (2022). Legal Effects of Bad Credit Agreements on Leasing Companies (Case Study of Cv. Rap Jaya in Lubuk Pakam). Proceedings of the National Seminar of PssH (Educational, Scientific, Social and Law), 1, p. 26.
9) Marco I. Ratumbanua, "Settlement Of Leasing Agreement Disputes In The Event Of Default, Lex Privatum Vol. V/No. 1/Jan-Feb/2017, p. 155.
10) 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.
11) Big. *Loc. cit.*
12) Muhammad Syukri et.al, *Law in a Philosophical Approach*. Jakarta: Kencana, 2016, pp 160-161.
13) 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
14) Agus Suryono, *Prime Dimensions of Development Theory*. Malang: UB Press, 2010, p 46.
15) *Ibid.*
16) Ministry of Education and Culture, *Big Dictionary Indonesian*. Jakarta: Balai Pustaka, 2001, p. 517.
17) I Gde Suranaya Pandit, "The Concept of Justice in Bioethical Perception of Public Administration", *Public Inspiration: Journal of Public Administration*. No year, p 14
18) Zakki Adlhiyati &; 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

The Seybold Report
ISSN 1533-9211
DOI: 10.5281/zenodo.10369195

19) Soerjono Soekanto and Sri Mahmudji, *Normative Legal Research, A Brief Review.* Jakarta: Raja Grafindo Persada, 2003, p. 13.

20) Abdulkadir Muhammad, *Law and Legal Research*. Bandung: PT. Image. Aditya Bakti, 2004, p. 127.

21) OJK. "Leasing. https://sikapiuangmu.ojk.go.id/FrontEnd/CMS/Article/82 accessed on Monday 9 January 2023

22) Idham, "Legal Analysis of Financing Institutions". *Justicia Science*. Vol.1 No.2. 2016, p 54

23) *Ibid*, p 52

24) Budi Rachmat, Multi Finance Handbook (Leasing, Factoring, Consumer Finance) Indonesian Perspective, (Jakarta: PT. Pradnya Paramita, Jakarta), 2004

25) Muhammad Izuddin Zakki, "Leasing Transactions in Indonesia in the Perspective of Islamic Law", *Epistemé Journal.* Vol. 8, No. 1. 2013, p. 87

26) Aprilianti, "Lease Agreement between *Lessee* and *Lessor*", *Fiat Justisia Journal of Legal Sciences*. Vol. 5 No.3. 201, p 318

27) R Daeng Naja, Credit Law and Bank Guarantee The Bankers Hand Book, Pt. Citra Aditya Abadi, Without Place Published, 2005,p.287

28) Aprilianti, "Lease Agreement between *Lessee* and *Lessor*". *Fiat Justisia Journal of Legal Science*. Vol. 5 No.3. 2011. p. 317.

29) *Ibid*

30) *Ibid*

31) Johannes Ibrahim Kosasih and Hassanain Haykal, Bank and Leasing, Bandung, Mandar Maju, 2020, p. 199.

32) I Made Adi Saputra, "Legal Protection of Tenants against Objects of Dependent Rights Encumbered With Leaseholds", Journal of Legal Construction Vol. 1, No. 2, October 2020, p 407.

33) Neng Arum Ermawati &; Margo Hadi Pura, "Settlement Of Debtor Defaults In Consumer Financing Agreements Against Business Actors (Leasing)", Justitia: Journal of Law and Humanities, Vol. 9 No. 1 Year 2022, p. 59.

34) Rudi Prasetiya, "Legal Remedies And Settlement Of Defaults And Overmacht In Leasing Agreements", Faculty of Law, University of 17 August 1945 Samarinda. Indonesian

35) Ahmadi Miru, 2007, Contract Law and Contract Drafting, Rajawali Pers, Jakarta

36) Salim HS, 2001, Introduction to Written Civil Law (BW), Sinar Grafika, Jakarta. p. 180

37) Subekti, 2007, Indonesian Civil Code, PT. Arga Printing, Jakarta

38) Handriyan, "Lesse's legal protection against the standard agreement made by the lessor of PT. Orix Indonesia", Law, Development & Justice Review 4 (2), p. 210.

39) La Ode Muhammad Muskur, "Default Settlement on the Implementation of Credit Financing by Leasing Companies (Study at PT. Mandiri Finance Baubau City Branch), JIMPS: Scientific Journal of History Education Students, 8(4), 2023, p. 4129.

40) Khotibul Umam, 2010, Law of Financing institutions, Jakarta, Pustaka Yustisia, p. 11.

41) Handri Raharjo, 2009, Treaty Law in Indonesia, Pustaka Yustisia, Jakarta, p. 38.

42) Susanti Adi Nugroho. 2015, Arbitration Dispute Resolution and Application of its Law, Prenadamedia Group, Jakarta, p 15.

The Seybold Report
ISSN 1533-9211
DOI: 10.5281/zenodo.10369195

43) Ni Luh Ayu Regita Cahyani, et.al, "Legal Protection For Leasing Companies Against Default Debtors", Journal of Legal Preferences Vol. 2, No. 2 – July 2021, p. 258.

44) Habibah &; Nurasia Natsir, "Normative Review of Leasing Transaction Process and Mechanism (Makassar Credit Plus Case Study)", Journal of Education and Social Sciences Volume.1, No.1 January 2023, p. 27.

45) Rianda Dirkareshza et al, Legal Optimization of Lessees in Default in Leasing Agreements, Law Enforcement Scientific Journal, December 8 (2), 2021, p. 165.

46) La Ode Muhammad Muskur, "Default Settlement on the Implementation of Credit Financing by Leasing Companies (Study at PT. Mandiri Finance Baubau City Branch)", JIMPS: Scientific Journal of History Education Students, 8(4), 2023. p. 4132.

Bibliography

1) Abdulkadir Muhammad, *Law and Legal Research*. Bandung: PT. Image. Aditya Bakti, 2004

2) Agus Suryono, *Prime Dimensions of Development Theory*. Malang: UB Press, 2010

3) Ahmadi Miru, 2007, Contract Law and Contract Drafting, Rajawali Pers, Jakarta

4) Aprilianti, "Lease Agreement between *Lessee* and *Lessor*", *Fiat Justisia Journal of Legal Sciences*. Vol. 5 No.3. 201

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) Budi Rachmat, Multi Finance Handbook (Leasing, Factoring, Consumer Finance) Indonesian Perspective, (Jakarta:PT. Pradnya Paramita, Jakarta), 2004

7) Ministry of Education and Culture, *Big Dictionary Indonesian*. Jakarta: Balai Pustaka, 2001

8) Habibah &; Nurasia Natsir, "Normative Review of Leasing Transaction Process and Mechanism (Makassar Credit Plus Case Study)", Journal of Education and Social Sciences Volume.1, No.1 January 2023

9) Hadiyono, "Indonesia in Answering the Concept of a Welfare State and Its Challenges" *Journal of Political Law and Power*. Vol.1 No.1. 2020

10) Handri Raharjo, 2009, Law of Treaties in Indonesia, Pustaka Yustisia, Jakarta

11) Handriyan, "Lesse's legal protection against the standard agreement made by the lessor of PT. Orix Indonesia", Law, Development & Justice Review 4 (2)

12) Hartina, K. T. (2022). Legal Effects of Bad Credit Agreements on Leasing Companies (Case Study of Cv. Rap Jaya in Lubuk Pakam). Proceedings of the National Seminar of PssH (Education, Science, Social and Law), 1

13) I Gde Suranaya Pandit, "The Concept of Justice in Bioethical Perception of Public Administration", *Public Inspiration: Journal of Public Administration*.

14) I Made Adi Saputra, "Legal Protection Of Tenants Against Objects Of Dependent Rights Encumbered With Leaseholds", Journal of Legal Construction Vol. 1, No. 2, October 2020, p 407.

15) Idham, "Legal Analysis of Financing Institutions". *Justicia Science*. Vol.1 No.2. 2016

16) Johannes Ibrahim Kosasih and Hassanain Haykal, Bank and Leasing, Bandung, Mandar Maju, 2020

17) Khotibul Umam, 2010, Law of Financing Institutions, Jakarta, Pustaka Yustisia

The Seybold Report
ISSN 1533-9211
DOI: 10.5281/zenodo.10369195

18) La Ode Muhammad Muskur, "Default Settlement on the Implementation of Credit Financing by Leasing Companies (Study at PT. Mandiri Finance Baubau City Branch), JIMPS: Scientific Journal of History Education Students, 8(4), 2023

19) Marco I. Ratumbanua, "Settlement Of Leasing Agreement Disputes In The Event Of Default, Lex Privatum Vol. V/No. 1/Jan-Feb/2017

20) Muhammad Izuddin Zakki, "Leasing Transactions in Indonesia in the Perspective of Islamic Law", *Epistemé Journal.* Vol. 8, No. 1. 2013

21) Muhammad Syukri et.al, *Law in a Philosophical Approach*. Jakarta: Kencana, 2016

22) Muhammad, A. K. (1993). Indonesian Civil Law. PT Citra Aditya Bakti. Bandung.

23) Munir Fuady, Law on Financing in Theory and Practice, Citra Aditya Bakti, Bandung 2002

24) Neng Arum Ermawati &; Margo Hadi Pura, "Settlement Of Debtor Defaults In Consumer Financing Agreements Against Business Actors (Leasing)", *Justitia : Journal of Law and Humanities*Vol. 9 No. 1 of 2022

25) Neng Arum Ermawati &; Margo Hadi Pura, "Settlement Of Debtor Defaults In Consumer Financing Agreements Against Business Actors (Leasing)", Justitia : Journal of Law and Humanities, Vol. 9 No. 1 of 2022

26) Ni Luh Ayu Regita Cahyani, et.Al, "Legal Protection For Leasing Companies Against Default Debtors", Journal of Legal Preferences Vol. 2, No. 2 – July 202

27) OJK. "Leasing. https://sikapiuangmu.ojk.go.id/FrontEnd/CMS/Article/82 accessed on Monday 9 January 2023

28) R Daeng Naja, Credit Law And Bank Guarantee The Bankers Hand Book, Pt. Citra Aditya Abadi, Without Place Published, 200

29) Rianda Dirkareshza et al, Legal Optimization of Lessees in Default in Leasing Agreements, Law Enforcement Scientific Journal, December 8 (2) 2021

30) Rudi Prasetiya, "Legal Remedies And Settlement Of Defaults And Overmacht In Leasing Agreements", Faculty of Law, University of 17 August 1945 Samarinda. Indonesian

31) Salim HS, 2001, Introduction to Written Civil Law (BW), Sinar Grafika, Jakarta.

32) Satriyo, J. (2005). Fiduciary Property Guarantee Law. PT Citra Aditya Bakti. Bandung.

33) Soerjono Soekanto and Sri Mahmudji*, Normative Legal Research, A Brief Review.* Jakarta: Raja Grafindo Persada, 2003

34) Subekti, 2007, Indonesian Civil Code, PT. Arga Printing, Jakarta

35) Sunaryo, Financing Institution Law, (Jakarta: Sinar Grafika, 2008)

36) Susanti Adi Nugroho. 2015, Arbitration Dispute Resolution and Application of its Law, Prenadamedia Group, Jakarta

37) Tonny Murdiyanto &; RR. Lyia Aina Prihadiati, "Default Settlement by the Debtor in the Motor Vehicle Loan Financing Agreement at PT. Adira Finance", Authentic's: Journal of Notarial Law (Vol 4, No. 2, July 2022)

38) Widiyono, T. (2009). Credit Collateral in Financial Engineering. Ghalia Indonesia. Bogor

39) Zakki Adlhiyati &; 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