

Legal Protection For Creditors In Credit Agreements With Guaranteed Dependent Rights From The Perspective of Law No. 4 of 2023

Septian Uky Kriscahya*¹, Suwardi ²

1 Septian Uky Kriscahya, Universitas Narotama Surabaya, Indonesia

E-mail: sukriscahya@gmail.com

2 Suwardi, Universitas Narotama Surabaya, Indonesia

E-mail: suwardi@narotama.ac.id

* Corresponding Author : Septian Uky Kriscahya

Abstract: Creditors are parties who have receivables based on agreements or legal provisions that can be collected through legal channels. In the practice of lending, collateral is very important to provide legal certainty and a sense of security for both parties, both creditors and debtors. This study discusses two main problem formulations, namely the position of the guarantee of dependents against creditors when the debtor defaults, and the form of legal protection for creditors if the right of dependency cannot be executed. The method used is normative juridical research that examines the applicable positive legal provisions. The results of the study show that if the debtor defaults, the creditor has the right to execute the collateral object through sale to cover his receivables. However, under certain conditions the right of dependency cannot be executed, so a legal mechanism is needed that provides protection to creditors. This protection is regulated in Law Number 4 of 1996 concerning Dependent Rights, especially in the articles that regulate the definition of dependent rights, the execution process, and the principle of *droit de suite* which guarantees the rights of creditors to the collateral object even if they change hands. Thus, the legal system of dependent rights is an important instrument in ensuring certainty and legal protection for creditors.

Keywords: Legal protection, Creditors, Credit.

1. Introduction

Providing loan guarantees is very important to provide convenience for both parties, the lender (creditor) and the borrower (debtor). Creditors typically need debt collateral before a loan is approved. If the process of selling debt guarantees or requesting creditors' claims does not meet the appropriate legal provisions, this can be detrimental to the debtor if it is not involved in making a deed *of cessie* if the credit is bad and there is a transfer of receivables and the right of dependency on tangible collateral has a higher value than the debt given by the bank or creditor. The settlement of non-performing loans can be done through the transfer of receivables by cession. The transfer of receivables by cessie must be in accordance with applicable regulations and must involve, be known and approved by the debtor in accordance with the credit agreement. The process of transferring receivables involves a deed of delivery or a notice of how to release the object of dependency rights and bills on behalf

Received: April, 17 2025

Revised : May, 02 2025

Accepted: May, 17 2025

Published: May, 20 2025

Curr. Ver.: May, 20 2025



Copyright: © 2025 by the authors.

Submitted for possible open

access publication under the

terms and conditions of the

Creative Commons Attribution

(CC BY SA) license

(<https://creativecommons.org/licenses/by-sa/4.0/>)

of a third party who is the recipient of the debtor's cessie must acknowledge that there are legal consequences. Submitting requests is made by sending a physical delivery or a letter with termination. The study includes a loan analysis aimed at ascertaining the feasibility of the loan terms as the debtor bank examines the nature of the debtor.

Credit analysis aims to ascertain the feasibility of credit requirements, including an evaluation of the customer's character, their capital, their ability to implement the company, the proposed guarantee, the economic situation, and the restrictions affecting the client's company. Credit analysis is based on the prudential principle of banking business and refers to the applicable banking laws. The basic principles of credit analysis include character, capital, capacity, security, economic situation and constraints.¹

1. The letter finds the type and behavior of the customer by knowing that the character of the customer is paid by the debtor under the contract between the parties.
2. Assessing the assets (company assets) of the Debtor Owner - Papital (Capital) - The existence of creditors' assets guarantees the creditor's ability to trust. The capital valuation itself is important as an accessory to the principal agreement.
3. Assessing the capacity of the ability to pay, this can be seen from the company's profitability in generating profits;
4. Requesting collateral to be held as collateral for creditors given to the debtor, where the collateral can be in the form of assets owned by the debtor that will be stored in the document box;
5. Seeing the national macroeconomic conditions that have the potential to affect the collectibility of customers and the smooth running of the business of prospective debtors; and
6. Constraints. This principle involves an assessment of the limitations and obstacles that may hinder the conduct of the business at any given time. The creditor will ask for collateral from the debtor as a means to reduce the risk of default. This assessment covers legal and economic aspects to determine the eligibility of collateral as collateral for debt.²

Financial institutions such as banks have their own problems, such as various kinds of credit problems Law No. 10 of 1998 (Banking Law) describing the concept of credit, namely advance payments or invoices with the same spending power as funds based on contracts between banks and other parties. The provision of credit to the public in general coincides with the provision of collateral to banks to provide a guarantee of return.³

¹ Law No. 10 of 1998 concerning Amendments to Law No. 1992 concerning Banking (LN No. 182 of 1998, TLN No. 3790), Articles 3 and 4

²Sofyan Marwansyah, "Analysis of the Application of the '5C' Principle to the Accuracy of Credit Analysis at PT. " *Moneter-Journal of Accounting and Finance* 1, no. 2 (2014): 173–180," <https://doi.org/10.31294/moneter.v1i2.949>

³ Indonesia, Law No. 10 of 1998 concerning Amendments to Law No. 7 of 1992 concerning Banking (LN No. 182 of 1998, TLN No. 3790) Article 1 paragraph (11), Article 8, and Article 29 paragraph (3)

2. Preliminaries or Related Work or Literature Review

2.1 Definition of Legal Protection

The existence of law in society is a means to create peace and social order, so that in the relationship between members of society and each other, their interests can be maintained. The fact that law only protects human interests in the form of norms and methods.⁴ Law as a collection of rules or methods contains content that is general and normative, general because it applies to everyone, and normative because it determines what can and cannot be done, as well as determines how to carry out compliance with the rules. The existence of a role in the law in society is to ensure that members of society. Disputes that occur in society must be resolved in accordance with the law so that it can prevent the actions of judges. The main purpose of Law as the Protection of Human Interests is to create an orderly order in society, so that it is realized by a balanced life. According to Sudikno Mertokusumo, the law is intended to achieve order in society, as expected by human interests. According to Subecti in Sudikno Mertokusumo's book, the purpose of the law will help the national goal, which is to provide prosperity and happiness for its people.⁵ Basically, there is a relationship between the subject of the law and the object of the law is legally protected and the obligation increases. The rights and obligations arising from the legal relationship must be protected by law, so that members of the community feel safe in carrying out their interests. This shows that legal protection can be interpreted as a guarantee or certainty that a person will get what has become his rights and obligations, so that the person concerned feels safe.⁶

2.2 Definition of Creditor

According to Law No. 37 of 2004, in connection with bankruptcy and pending debt obligations, the definition of creditor is a person who has receivables due to an agreement or Law that can be billed before the court. Creditors are banks or other financial institutions and are claimed under contract or law. The term creditor often gives rise to multiple interpretations. In particular, in the era of Law No. 4 of 1998, there are three creditors known in the Civil Code, as follows:

a. Concurrent Creditors

Concurrent creditors are regulated by the origin of 1132 of the Civil Code. Concurrent creditors are creditors with Passau pie rights and pro rata. In other words, creditors collectively obtain repayment (without any precedence) which is calculated based on the amount of each receivable compared to their receivables as a whole of the debtor's assets. Thus, the creditors simultaneously have an equal position in the payment of debts from the debtor's ownership without prioritization.

⁴ Sudikno Mertokusumo, *Getting to Know the Law of an Introduction*, Liberty, Yogyakarta, 2010, p. 39

⁵ Ibid, pp. 57-61

⁶ Riduan Tobink and Bill Nikholaus, *Dictionary of Banking Terms*, Atalya Rileni Sudeco, Jakarta, 2003, p. 118

b. Preferred creditor (preferred), i.e., creditors, whose type of claim is legally repaid. Preferred creditors are privileged creditors, i.e., the right to be wronged by law, to a higher degree than those with, and only the type of claim. This can be found in sections 1139 and 1149 of the Criminal Code to find out which claims are privileged. In accordance with Article 1139, privileged receivables for certain objects include:

- 1) Case charges are only caused by traffic jams. This fee is the income from selling the property before all other bills and is even ahead of mortgages and mortgages;
- 2) Rent from immovable objects, repair costs that are the tenant's obligations, and everything related to the obligation to fulfill the lease agreement;
- 3) Unpaid purchase of objects for moving object assets.
- 4) Cost saving articles.
- 5) The cost of working on the article that still has to be paid by the craftsman.
- 6) handed over by the accommodation entrepreneur as a guest.
- 7) Transportation wages and additional costs.
- 8) Construction, if the receivables are not more than 3 years, and the title to the parcel in question is still with the debtor.

2.3 Creditors' Rights and Obligations

The rights and obligations of creditors require the debtor to provide a loan in the form of money or capital for a business of the debtor or other uses that will be used from the loan of the money. In this case, the creditor's right has an obligation to help everyone take out a loan. In contrast, the creditor has the right to hold the debtor's goods or valuable objects as collateral that the creditor will pay the obligation. In the event that the lending institution is a pawn, the valuable object as collateral is such as gold. In the case of a fiduciary guarantee which is a special agreement entered into between the debtor and the creditor to agree on the following matters.⁷

- a. Material collateral, that is, the existence of a certain object that is used as collateral.
- b. Guarantees that are individual or personal, namely certain people who can pay or make the debtor successful in the event of a violation. It is a relationship of trust based on sincerity. The Relationship of Trust is not only based on the will of the parties, but is based on binding research in law. Document collateral is institutionalized in the form of mortgages, dependents, fiduciaries, mortgages, and receipt system laws.

2.4 Definition of Dependent Rights

Dependents are products that are used as collateral for the payment of debtor obligations. The definition of Dependent Rights based on Article 1 number 1 of Law Number 4 of 1996 concerning Dependent Rights on Land and Objects Related to Land is: "Dependent Rights over land and objects related to land, hereinafter referred to as Dependent Rights is the right of guarantee imposed on land rights as referred to in Law Number 5 of 1960 concerning Basic Regulations on Agrarian Principles, following or not following other objects that are a unit with the land, for

⁷ Andreas Albertus, *Fiduciary Law*, Serentral Publisher, Malang, 2010, p. 31

the repayment of certain debts, which give a priority position to certain creditors to a strong one that can be charged on the right to the land, namely the right of dependency in lieu of the mortgage institution and the creditverband. For more than 30 years since the enactment of the Basic Agrarian Law, the institution of the Right of Dependency above has not been able to function as it should, because there is no law that regulates it completely as required by Article 51. During this period, it is based on the transitional provisions contained in Article 57 of the Basic Agrarian Law, the Indonesian Civil Code and the provisions of the creditverband in the Staatsblad 1908-542 as amended by the Staatsblad 1937-190, as far as matters are not yet regulated in the Basic Agrarian Law.⁸

2.5 Collateral Transferred) against Creditors (AYDA)

1. Definition of AYDA

AYDA stands for Taken Over Collateral, which is an asset taken by a bank from a debtor who fails to fulfill its obligations. Banks can obtain AYDA through the auction process or directly without auction.⁹ Banks can obtain AYDA by way of auction, voluntary delivery by the collateral owner, or through a power of attorney to sell collateral outside the auction given by the collateral owner. The object used in the AYDA mechanism is a guarantee in the form of land that is bound by the Dependent Rights, in accordance with the provisions of Law Number 4 of 1996 concerning Dependent Rights over Land and Objects Related to Land (Law on Dependent Rights). The Right of Dependency gives creditors the right to execute collateral based on the Deed of Grant of Right of Dependency (APHT), which contains the sentence "Based on the One Godhead." The APHT has executory power equivalent to a court decision that has acquired permanent legal force. The process of executing the Right of Dependency can be carried out either through sale under the hand or auction to the general public, including to the creditors themselves.¹⁰ However, the grant of the Right of Dependency is prohibited to include a promise that authorizes the holder of the Right of Dependency to become the owner of the collateral if the debtor is negligent or fails to fulfill his obligations. This is regulated in Article 12 of the Law on Dependent Rights, which reads: "A promise that gives authority to the holder of the Right of Dependency to have the object of the Right of Dependency if the debtor violates the promise, is null and void."

2. Creditor settlement factors through AYDA

In practice, Collateral Taken Over (AYDA) by banks is one of the alternatives to resolve bad loans. When the debtor is unable to pay and the credit becomes stuck, it means that the debtor can no longer fulfill his obligations in accordance

⁸ Yudha Pandu, Op.Cit, p. 65

⁹ Hikmah, "Implementation of Non-Litigation Non-Litigation Bad Credit Settlement", Jurnal Cahaya Keadilan, Vol 3, No 01, Universitas Putera Batam, 2017.

¹⁰ Hidayat, Nurman, "The Responsibility of the Bearer in Credit Agreements", Legal Journal, Tadako University, 2014.

with the credit agreement made with the bank (creditor). Some of the factors that cause bad credit settlement through AYDA include¹¹ :

- a. The takeover of debtor assets (AYDA) in the form of land and buildings must be carried out if the credit is already included in the category of bad loans.
- b. The debtor does not have the ability to pay.
- c. The debtor loses his job.
- d. Debtors are uncooperative and often break promises in payments.
- e. There is no good faith from the debtor in making payments.
- f. The debtor is only recorded as a borrower, while the credit user is unknown.

3. AYDA Process

Taken Over Collateral (AYDA) is one of the alternatives to settle non-performing loans and reduce the number of Non-Performing Loans (NPLs) or bad loans. The process of purchasing collateral by banks to settle bad loans with the AYDA mechanism can be done in two ways, namely:

a. Through the Compromise Path

The settlement of bad loans through the path of compromise or non-litigation is carried out with a persuasive approach based on an agreement with the holder of the right of dependency. Usually, the bank will visit debtors whose credit is bad and ask about the debtor's good intentions to fulfill his obligations by assessing the debtor's business condition. If the debtor has not earned income from his business and is unable to meet his obligations, the bank will offer to sell the collateralized assets with the help of the bank for voluntary sales. The purchase of collateral through the AYDA mechanism with voluntary delivery is carried out using the institution of the Binding Sale and Purchase Agreement (PPJB), a Power of Attorney to Sell from the debtor as the owner of the collateral to the creditor, then pay the purchase price of the collateral determined by the Independent Appraiser (Appraisal). This process is continued with the making of a Deed of Sale and Purchase (AJB) in front of the Land Deed Making Officer (PPAT) to other parties or the final buyer.¹²

b. Through the Non-Compromise Path

The settlement of bad loans through non-compromise or litigation is carried out by auction mechanism, as stipulated in Article 6 of Law Number 4 of 1996. The right is based on the promise given by the grantor, which states that if the debtor violates the promise, the holder of the right of dependency has the right to sell the object of the right of dependency through a public auction without the need for approval and then take the

¹¹ Abdul Hakim, "Alternative Settlement of Bad Loans in Banking Institutions", Scientific Journal, Vol 05, No 01, University of Labuhanbatu, 2017.

¹² Grece Ayu Prebandari, Agus Nurdin, Mujiono Hafidz Prasetyo, "Settlement of Bad Loans Guaranteed by Dependents with Ayda (Collateral Taken Over) by Bank through Auction", Legal Journal, Edition No. 1 Vol 14, Diponegoro University 2021.

repayment of receivables from the proceeds of the sale first from other creditors.¹³ The purchase of collateral by the bank through auction is carried out by including a deed of declaration made by a notary (*Deed De Command*). The deed states that the purchase of collateral is intended for other parties who will be appointed within one year from the implementation of the auction, with reference to Article 79 of the Regulation of the Minister of Finance of the Republic of Indonesia (PMK) No. 213/PMK.06/2020 concerning Guidelines for the Implementation of the Auction which reads:

1. Financial services institutions as creditors can buy their collateral in the auction implementation, as long as it is regulated and does not conflict with laws and regulations.
2. If the financial service institution will purchase collateral as intended in paragraph (1), the financial services institution must submit a statement letter to the Auction Officer in the form of a notary deed. The statement letter contains that the purchase is made for another party who will be appointed later within a period of 1 (one) year from the date of the auction.¹⁴
3. If the period as intended in paragraph (2) has been exceeded, the financial services institution will be designated as the buyer.

If the creditor does not designate the name of another party as the auction buyer within a period of 1 (one) year as referred to in Article 79 number (2), PMK No. 213/PMK.06/2020 concerning Auction Implementation Guidelines, the auction official will immediately appoint the creditor as the auction buyer in the minutes deed regardless of whether the creditor is a bank financial institution or a non-bank financial institution.

3. Proposed Method

The type of research conducted in this study is adjusted to the problems studied in it. Thus, the research carried out is juridical analysis research or also called legal analysis, which is research conducted by analyzing the applicable legal principles (Legal Research).¹⁵ The approach in this study uses the normative juridical approach method and case study, which is to examine the applicable legal principles obtained from secondary data in the form of primary legal materials, secondary legal materials, and tertiary legal materials. as well as written materials related to research and focused on a specific case in terms of this research is focused on Legal Protection of Creditors in Credit Agreements with Guarantee of Dependent Rights from the perspective of Law No. 4 Year 2023 to be carefully observed and analyzed, intended to study intensively about the background of the situation's problems.¹⁶

¹³ Nur Muhammad Dilapangga, "Collateral Taken Away: A Mechanism in Settlement of Non-Performing Loans", Legal Journal, Edition No2 Vol 5, University of Indonesia, 2020.

¹⁴ Riska Fibrianti "Legal Position of the Object of Guarantee of Acquired Property Rights Certificates", Edition No. 1 Vol 3, Islamic University of Bandung, 2020.

¹⁵ S. H. I. Jonaedi Efendi, S. H. Johnny Ibrahim, and M. M. Se, *Legal Research Methods: Normative and Empirical* (Prenada Media, 2018), p. 15.

¹⁶ S. H. Djulaeka and S. H. Devi Rahayu, *Textbook: Legal Research Methods* (Scopindo Media Pustaka, 2020), p.30

4. Results of the Discussion

4.1 Position of guarantee of dependents against creditors in the event of default debtor

The lien serves as a safeguard for the lending institution, which acts as the beneficiary of the mortgage and fails to meet the pre-agreed payment obligations. This provision limits the ability of the guide to initiate legal proceedings against the mortgaged goods. If the debtor does not fulfill his responsibilities, then there is a possibility that the debtor will be deprived of his dependents. The position of the guarantee of the right of dependency against the creditor when the debtor defaults is that the creditor can sell the collateral object to cover his receivables. In the context of lending, creditors often suffer financial losses when the debtor fails to meet their payment obligations. Therefore, to ensure the enactment of the rights of dependents regulated in the debt and receivables agreement, it is necessary to establish a legal mechanism that provides guarantees and legal protection to all parties, especially creditors, if the debtor defaults or does not comply. assignment. The author's motivation departs from the desire to investigate how legal protection as stipulated in Law Number 4 of 1996 concerning Dependent Rights over Land and Objects Related to Land, is given to creditors who are guarantors for defaulting debtors. agreement, namely through the use of the Dependent Rights. The main focus of the research relates to the legal protection afforded to creditors in their capacity as the owner of the collateral rights. This study will specifically concentrate on the regulatory framework that provides protection to creditors as holders of collateral rights, which is outlined in Law Number 4 of 1996 which regulates Dependent Rights over Land and Objects Related to Land.¹⁷

The Guarantee Institution for the Rights of Dependents as stipulated in Law Number 4 of 1996 concerning Dependent Rights on Land and Objects Tied to Land, functions as a legal entity that guarantees the interests of borrowers and creditors, guaranteeing access to legal protection provided by the state. The main purpose of the promulgation of the Law on the Rights of Dependents is to provide legal protection to creditors if the debtor commits negligent acts that violate the law.¹⁸ Based on the provisions of the banking law regarding credit agreements, it can be concluded that the essence of the credit agreement lies in the contractual agreement between the lender and the borrower, which includes the act of borrowing and borrowing. This loan and borrow agreement contains a comprehensive understanding that the object in question is a consumable item. Based on the explanation above, it is clear that the creditor has the authority to take strict action against the debtor in the event of default, as explained in the provisions stipulated in Article 11 paragraph 31 and 11 paragraph 32 of the Civil Code. The provisions mentioned above stipulate that the debtor's obligations must be fulfilled

¹⁷ Risa, Y. (2017). Legal protection for creditors for debtors' default on credit agreements with guaranteed rights of dependents. *Journal of Normative*, 5(2).

¹⁸ Supriadi. (2010). *Agrarian Law*. Graphic Rays.

with all his assets, both tangible and intangible, as well as those that have been owned and obtained in the future.¹⁹ The legal protection provided to creditors is also regulated in Law Number 4 of 1996 concerning Dependent Rights over land and similar objects. This law aims to ensure that the interests of debtors and creditors are properly protected by the government. The main purpose behind the implementation of this particular mortgage law is to provide legal protection to creditors if the debtor breaks the law by default.²⁰

4.2 Forms of Legal Protection for Creditors When the Debtor Defaults

The definition of credit according to Law Number 7 of 1992 is the provision of money or bills that can be equated with it, based on an agreement or loan-borrowing agreement between a bank and other parties that obliges the borrower to pay off his debt after a certain period of time by providing interest. According to the provisions of this Article, a loan-borrow agreement is an internal credit agreement that must be made in writing. The legal protections afforded to creditors under the Mortgage Act are covered in the loan arrangement itself. The purpose of this loan agreement is to establish and describe the rights and obligations of both parties involved. To ensure the repayment of obligations owed to creditors, the credit agreement stipulates that immovable goods, namely land rights, are used as collateral. The implementation of the guarantee procedure for the rights of dependents is very important. The use of this land right as collateral is often seen because of its tendency to appreciate its value over time. The form of legal protection provided to creditors through Law Number 4 of 1996 concerning Dependent Rights on Land and Objects Related to Land which has been in effect since April 9, 1996. The articles in the Law on Dependent Rights that provide legal protection to creditors are:

1. Article 1 paragraph 1: Providing a definition of dependent rights

"The Right of Dependency over the land and the objects related to the Land, hereinafter referred to as the Right of Dependency is the right to the land as referred to in Law Number 5 of 1960 concerning the Basic Regulations of Agrarian Principles, along with or not along with other objects that are one unit with the land, for the repayment of certain debts, which gives a preferential position to certain creditors over other creditors".

The provisions of this article mean that if the debtor does not pay, the creditor as the recipient of the mortgage has the right to publicly auction the pledged objects for the repayment of the receivables within the framework of the provisions of the law. the right of dependent, which is his right before other creditors, if the priority does not reduce the priority of state receivables in accordance with the applicable laws and regulations.²¹

¹⁹ Subekti, R., & Tjikrosudibio, R. (2008). Civil Code. Jakarta: PT. The product is Paramita.

²⁰ Anwar, M. (2014). Legal protection for creditors in credit agreements with guaranteed dependents according to Law No. 4 of 1996. *Journal of Law Window*, 1(1).

²¹ Naja, H. R. D. (2005). *Law of Credit and Bank Guarantee, The Bankers HandBook*. Jakarta: PT. Image of Aditya Bakti.

2. Article 6, Article 14 paragraphs (1), (2) and (3), as well as Article 20 paragraphs (2) and (3) concerning the Execution of Dependent Rights. One of the important features of the right of dependency is its establishment as a powerful institution that guarantees the protection of land rights in a straightforward and reliable manner. According to the General Explanation of Article 9 of Law Number 4 of 1996, although the general provisions of its implementation are regulated in the relevant civil procedure law, it is considered important to include Law Number 4 of 1996 which regulates special provisions regarding the exercise of dependent rights. This law regulates the authority of the parate executive institution as outlined in Article 224 of the Civil Code and Article 256 of the Criminal Code.
3. Article 11 paragraph (2) concerning agreements contained in the Deed of Granting Dependent Rights. Not all of the agreements described in this article provide strict legal protection to creditors. On the other hand, only certain agreements provide protection to creditors if the debtor defaults. The rules outlined in Article 11 paragraph (2) of the Law include various elements, one of which is related to the inclusion of an agreement in the Deed of Dependent Rights (APHT).
4. Article 7: The Principle of Droit de Suite (The right of dependency always follows the object pledged in the hands of whoever the object is). The provisions in this Article read: "The right of the Dependent to follow the object in the hands of whoever the object is". This principle is one of the characteristics of the Right of Dependency, meaning that the mortgage always follows an object that is pledged in the hands of the person who holds the object. According to the explanation of Article 7 of the Law on Dependents, it is explained that this type of guarantee is one of the special guarantees for the benefit of the guarantor, that even though the right of dependency has been transferred to another person, the creditor can still continue to exercise his right to exercise his rights if the debtor defaults.²²

5. Conclusions

The discussion that the author has conducted with the title "Legal Protection of Creditors in Credit Agreements with Guarantee of Dependent Rights from the Perspective of Law No. 4 of 2023" the author can conclude as follows: If the debtor does not fulfill his responsibilities, then there is a possibility that the debtor will be revoked of his dependent's rights. The position of the guarantee of the right of dependency against the creditor when the debtor defaults is that the creditor can sell the collateral object to cover his receivables. In the context of lending, creditors often suffer financial losses when the debtor fails to meet their payment obligations. Therefore, to ensure the enactment of the rights of dependents regulated in the debt and receivables agreement, it is necessary to establish a legal mechanism that provides

²² Sitompul, R. W., & et al. (2022). Legal protection for creditors in credit agreements with guarantee of dependents. *Journal of Rectum*, 4(1).

guarantees and legal protection to all parties, especially creditors, if the debtor defaults or does not comply. assignment. According to the provisions of this Article, a loan-borrow agreement is an internal credit agreement that must be made in writing. The legal protections afforded to creditors under the Mortgage Act are covered in the loan arrangement itself. The form of legal protection provided to creditors through Law Number 4 of 1996 concerning Dependent Rights on Land and Objects Related to Land which has been in effect since April 9, 1996, namely Article 1 paragraph 1: Provides a definition of the right of dependency in Article 6, Article 14 paragraph (1), (2) and (3), as well as Article 20 paragraph (2) and (3) concerning the Execution of Dependent Rights Article 11 paragraph (2) concerning the agreement contained in the Deed of Grant of Dependent Rights, Article 7: The Principle of Droit de Suite (The right of dependency always follows the object pledged in the hands of whoever the object is).

References

- [1] Abdul Hakim, "Alternative Settlement of Bad Loans in Banking Institutions", Scientific Journal, Vol 05, No 01, University of Labuhanbatu, 2017.
- [2] Andreas Albertus, (2010), Fiduciary Law, Harmonised Publisher, Malang, p. 31
- [3] Anwar, M. (2014). Legal protection for creditors in credit agreements with guaranteed dependents according to Law No. 4 of 1996. Journal of Law Window, 1(1).
- [4] Djulaeka and Devi Rahayu, *Textbooks*, p.17.
- [5] Grece Ayu Prebandari, Agus Nurdin, Mujiono Hafidz Prasetyo, "Settlement of Bad Loans Guaranteed by Dependents with Ayda (Collateral Taken Over by Banks) through Auction", Legal Journal, Edition No. 1 Vol 14, Diponegoro University 2021.
- [6] Hikmah, "Implementation of Non-Litigation Bad Loan Settlement", Jurnal Cahaya Keadilan, Vol 3, No 01, Universitas Putera Batam, 2017.
- [7] Hidayat, Nurman, "Responsibility of the Bearer in Credit Agreements", Journal of Law, Tadako University, 2014.
- [8] Ibid, pp. 57-61
- [9] Naja, H. R. D. (2005). *Law of Credit and Bank Guarantee, The Bankers HandBook*. Jakarta: PT. Image of Aditya Bakti.
- [10] Nur Muhammad Dilapangga, "Collateral Taken Over: A Mechanism in Settlement of Bad Loans", Legal Journal, Edition No2 Vol 5, University of Indonesia, 2020
- [11] Riduan Tobink and Bill Nikholaus, Dictionary of Banking Terms, Atalya Rileni Sudeco, Jakarta, 2003, p. 118
- [12] Risa, Y. (2017). Legal protection for creditors for debtors' default on credit agreements with guaranteed rights of dependents. Journal of Normative, 5(2).
- [13] S. H. Djulaeka and S. H. Devi Rahayu, *Textbooks: Legal Research Methods* (Scopindo Media Pustaka, 2020), p.30
- [14] S. H. Djulaeka and S. H. Devi Rahayu, *Textbook: Legal Research Methods* (Scopindo Media Pustaka, 2020), p. 60
- [15] S. H. I. Jonaedi Efendi, S. H. Johnny Ibrahim, and M. M. Se, *Legal Research Methods: Normative and Empirical* (Prenada Media, 2018), p. 15.
- [16] Sitompul, R. W., & et al. (2022). Legal protection for creditors in credit agreements with guarantee of dependents. *Journal of Rectum*, 4(1).
- [17] Sofyan Marwansyah, "Analysis of the Application of the '5C' Principle to the Accuracy of Credit Analysis at PT. First Indo American Leasing," *Monetary-Journal of Accounting and Finance* 1, no. 2 (2014): 173–180, <https://doi.org/10.31294/moneter.v1i2.949>
- [18] Subekti, R., & Tjikrosudibio, R. (2008). Civil Code. Jakarta: PT. The product is Paramita.

- [19] Sudikno Mertokusumo, (2010), Knowing the Law of an Introduction, Liberty, Yogyakarta, p. 39
- [20] Supriadi. (2010). Agrarian Law. Graphic Rays.
- [21] Yudha Pandu. (2021). Op.Cit, p. 65
- [22] Law No. 10 of 1998 concerning Amendments to Law No. 7 of 1992 concerning Banking (LN No. 182 of 1998, TLN No. 3790) Article 1 paragraph q A (11), Article 8, and Article 29 paragraph (3)
- [23] Law No. 10 of 1998 concerning Amendments to Law No. 7 of 1992 concerning Banking (Law No. 182 of 1998, TLN No. 3790), Articles 3 and 4