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CONSTRUCTION OF BANKRUPTCY LAW IN THE SETTLEMENT OF DEBTS AND RECEIVABLES CASES BETWEEN DEBTORS AND CREDITORS

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ABSTRACT

The purpose of this research is to analyze: 1) How is Bankruptcy Law in Indonesia? 2) What are the consequences of the Debtor Filing for Bankruptcy? 3) How are the Creditors' Efforts to avoid Bankruptcy filed by the Debtor?. The research method used is normative juridical with a legislative approach, a conceptual approach, and a case study.

The results of the study show that: 1) The legal basis of bankruptcy itself has its guidelines in Law Number 37 of 2004 concerning Bankruptcy and Postponement of Debt Payment Obligations (then and so on abbreviated as UUKPKPU). In the UUKPKPU, the definition of bankruptcy is intended in the bankruptcy process, namely a general confiscation of all assets owned by the bankrupt debtor where in the implementation of the execution of this general confiscation is carried out and accountable to the curator with a record of responsibility to the Supervisory Judge. 2) The legal consequence for the debtor after being declared bankrupt is that he can no longer take care of his assets that are bankrupt, then he will take care of the assets. 3) Legal remedies carried out by creditors by filing cassation and review are efforts to prevent the debtor from becoming bankrupt.

Keywords: Construction, Law, Bankruptcy, Settlement, Cases, Debts, Debtors, Creditors

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INTRODUCTION

Background

Bankruptcy is a scourge for debtors and creditors in the business world, business actors must really take everything into account so as not to become actors in this bankruptcy problem. However, it cannot be avoided or eliminated in the business world, meaning that it will be something that will happen if the business is not carefully taken into account. In the event of bankruptcy in a company, there will be a confiscation of assets from creditors to debtors while debtors usually have loans not only to one of the creditors. In Law No. 37 of 2004 on Bankruptcy and Suspension of Debt Payment Obligations (hereinafter abbreviated as the KPPPU Law), it regulates the interests of both parties, both creditors and debtors, so that one of them is not harmed in connection with the occurrence of bankruptcy in a business.

In Article 1 number (1) of Law Number 37 of 2004 concerning Bankruptcy and Suspension of Debt Payment Obligations (UUK and PKPU) states that "*Bankruptcy is a general confiscation of all assets of a bankrupt debtor whose management and settlement are carried out by the curator under the supervision of the supervisory judge as stipulated in this law*".[1]

Bankruptcy is a further implementation of the provisions in Articles 1131 and 1132 of the Civil Code (KUHPer). Article 1131 of the Criminal Code contains the principle of creditorium parity, namely: "*all movable and immovable goods belonging to the debtor, both existing and future, shall be collateral for the debtor's individual* engagements". Meanwhile, Article 1132 of the Criminal Code contains the principle of pari passu prorate parte, namely: "*the goods shall be a common guarantee for all creditors for the proceeds of the sale of the goods to be divided according to the ratio of their respective receivables unless there are legitimate reasons for precedence among the creditors*".[2]

Bankruptcy is basically a civil case, more precisely a debt-receivables case. The settlement can be done in various ways, either filing a lawsuit with the District Court, filing a bankruptcy application to the Commercial Court or settled out of court (*Alternative Dispute Resolution*), depending on the choice of the Creditor who feels that his rights have been violated. Bankruptcy cases have some specificities compared to ordinary civil cases. This can

[1] Muhamad Sadi Is, 2016, Corporate Law in Indonesia, Prenamedia Group, Jakarta, p. 247
[2] M. Hadi Shubhan, 2009, Bankruptcy Law: Principles, Norms, and Practice in the Judiciary, Cet. II, Kencana, Jakarta, p. 1

be seen from the requirements for submission, the court that has the authority to examine and decide it, and the period of settlement of the case which is different from civil cases in general.[3]

In the event that the decision on the application for a declaration of bankruptcy has acquired permanent legal force or after the declaration of bankruptcy has been decided by the court, then the court must appoint a supervisory judge and curator, this is reaffirmed in article 5 of law number 37 of 2004 which states that; In the bankruptcy declaration decision, a curator and a supervisory judge appointed by the court must be appointed, but in the event that the debtor, creditor, or authorized party submits an application for a bankruptcy declaration as referred to in Article 2 paragraph (2), paragraph (3), paragraph (4), and paragraph (5), does not submit a proposal for the appointment of another curator to the court, then the Heritage Office is appointed as the curator.[4]

There are several factors that need to be regulated regarding bankruptcy and postponement of debt payment obligations, namely to avoid the existence of:

1. A seizure of the debtor's property if at the same time there are several creditors who collect their receivables from the debtor.
2. Creditors who hold property security rights who claim their rights by selling the debtor's property without regard to the interests of the debtor or creditors.
3. Frauds committed by one of the creditors or debtors themselves.[5]

In order to prevent various losses during the management and/or settlement of bankruptcy assets, the curator in carrying out his duties and responsibilities must coordinate with various parties, be careful and have accurate abilities in order to secure and increase the value of the bankruptcy estate, so as to achieve the interests of creditors. As well as a sense of fairness, effectiveness, and efficiency, as well as listening to the opinions of the parties (but not bound by the opinions in question). In order to create justice and it is hoped that

[3] Rachmat Suharno, Creditor Holder of Property Security Rights in Bankruptcy Cases Based on Law No. 37 of 2004 concerning Bankruptcy and Postponement of Debt Payment Obligations, Paramarta Discourse: Journal of Law 16 (1) 2017, 68.
[4] Idris Abas & Luki, Juridical Analysis of the Role of Curators in Bankruptcy to Protect the Rights of Creditors Based on Law Number 37 of 2004 concerning Bankruptcy and Delay of Debt Payment Obligations, Focus: Journal of Law, Volume 2 No.2 2022, 149.
[5] Rahayu Hartini, Bankruptcy Dispute Resolution in Indonesia: The Dualism of Authority of Commercial Courts and Arbitration Institutions, Kencana, Jakarta, 2009, p. 69

satisfactory debt payments can be fulfilled for creditors and avoid the possibility of arbitrary debt collection against bankrupt debtors.[6]

Problem Formulation

1. What is the Bankruptcy Law in Indonesia?
2. What are the consequences of debtors filing for bankruptcy?
3. How do Creditors' Efforts to avoid Bankruptcy filed by the Debtor?

Theoretical Framework

1. Theory of Legislative Hierarchy.

   The Hierarchy of Legislation according to Hans Kelsen in the "General Theory of Law and State" translation of the general theory of law[7] and the state described by Jimly Assihiddiqie[8] under the title Hans Kelsen's Theory of Law includes that Legal analysis, which reveals the dynamic character of the system of norms and the function of basic norms, also reveals a further peculiarity of law.

2. Treaty Theory

   The agreement is known as *overeenkomst* in Dutch law; it translates back into Indonesian with a variety of terms. The Civil Code (KUH Percivil) translated by Subekti and R. Tjitrosudibio uses the term "consent", as well as Achmad Ichsan in his book "Civil Law IB" and R. Setiawan, in his book "Principles of the Law of Engagement". Meanwhile, some other scholars such as Utrecht in his book "Introduction to Indonesian Law" use the term "Agreement" to translate *Overeenkomst*. This difference is more due to the difference in perception and emphasis on meaning between the two.

   The general definition of a covenant is an event where one person promises to another or where two people promise each other to do something. From that event, a relationship arises between the two people which is called an engagement. In its form, a covenant is a series of words that contain promises or abilities that are spoken or written.

[6] Idris Abas & Luki, Juridical Analysis of the Role of Curators in Bankruptcy to Protect the Rights of Creditors Based on Law Number 37 of 2004 concerning Bankruptcy and Delay of Debt Payment Obligations, Focus: Journal of Law, Volume 2 No.2 2022, 150.
[7] Hans Kelsen, *General Theory of Law and State Translated by Rasul Muttakin* (Bandung: Nusamedia, 2010), p. 179.
[8] Jimly Asshiddiqie, *Hans Kelsen's Theory of Law* (Jakarta: Constitution Press, 2009).

Meanwhile, the definition of an engagement is a legal relationship between two people or two parties, based on which one party has the right to demand something from the other party, and the other party is obliged to fulfill the demand.[9]Gives a general idea that basically all agreements can be made and executed by everyone. Only agreements that contain achievements or obligations to one of the parties that violate the law, decency and public order are prohibited.

Research Methodology

The type of research carried out is applied *law research*, which is legal research on the implementation or implementation of normative legal provisions (codification, laws, or contracts) in an *in-action* manner on every specific legal event that occurs in society. The implementation in an *in-action manner* is an empirical fact and is useful to achieve the goals that have been determined by the parties to the contract, which is expected to take place perfectly if the formulation of normative legal provisions is clear, firm and complete.[10] Applied normative law research uses applied *legal case studies*, for example, examining the implementation of bank credit agreements.[11]

In accordance with Soerjono Soekanto's opinion, [12] normative legal research is research that includes research on legal principles, research on legal systematics, research on legal synchronization, legal history research, and comparative legal research, in order to answer the problem or legal issue to be studied. Normative legal research examines legal rules or regulations as a system building related to a legal event. This research was conducted with the intention of providing legal arguments as a basis for determining whether an event is right or wrong according to the law.[13]

The problem approach used in this study is an applied normative approach, which is an approach that is carried out by first formulating the problem and the purpose of the research. This study uses secondary data from books. In addition to using data from books,

[9] Subekti, *Hukum Perikatan*, Jakarta: Intermasa Publishers, 2005, p. 1.
[10] Abdulkadir Muhammad, *Law and Legal Research*, Bandung: PT. Citra Aditya Bhakti, 2004, p. 134.
[11] *Ibid*, p. 40.
[12] Soerjono Soekanto. *Introduction to Legal Research*. Jakarta: University of Indonesia Press. 1983. p.51.
[13] Mukti Fajar and Yulianto Achmad, *Dualism of Normative and Empirical Legal Research*, Print IV, Yogyakarta, Pustaka Siswa, 2017, p. 36.

this research collects data and information from the parties. The data collection taken in this study uses *library research*, which is data collection by searching, examining and reviewing secondary data.[14]In this study, a document study will be carried out as a data collection tool related to the problem proposed, namely a literature study/documentary *study*, which is sourced from laws and regulations, books, official documents, publications and research results.[15]

RESEARCH RESULTS

Bankruptcy Law in Indonesia

Black's Law Dictionary provides a definition for bankruptcy. So bankruptcy is defined as a situation in which there is an element of a debtor's inability to be able to pay off his debt within a predetermined time in accordance with the agreement on the condition that there must be a statement that the debtor is in a state of bankruptcy that can be submitted by the creditor, or a third party or independently by the debtor himself to the competent court. The term "bankruptcy" comes from French, *namely "Failite*", then if interpreted in Indonesian, it is a payment congestion. The next bankruptcy terminology comes from the word *"Failliet"* in Dutch and the last bankruptcy terminology comes from the theory of Angolan America/Anglo-Saxon Law which was adapted in the Americas (according to its history) where the concept of Angola American Law is known as the *Bankcrupty Act.*[16]

In the old bankruptcy regulations, namely Fv S. 1905 No. 217 jo. 1906 No. 348 what is meant by bankruptcy is, every debtor or (Debtor) who is in a state of default, either on his own report or at the request of someone or more debtors (Creditors) with a judge's decision is declared to be in a state of bankruptcy.[17] It is different from the provisions of Law No. 4 of 1998 concerning Bankruptcy, which states: Debtors who have two or more creditors and do not pay at least one debt that has become due and can be collected, is declared bankrupt by

[14] Soerjono Soekanto and Sri Mamudji, *Normative Law Research, A Brief Review*, *Jakarta : Raja Grafindo Persada*, 2011.
[15]Zainuddin Ali. Legal Research Methods. Graphic Rays. Jakarta. 2009. p. 105
[16] Wibisono Adhityo Yudho, Unlawful Acts as a Source of Debt in Law Number 37 of 2004 concerning Bankruptcy and Postponement of Debt Payment Obligations, Rechtidee, Vol. 12, No. 2, December 2017.
[17] Dedy Tri Hartono, Legal Protection of Creditors Based on the Bankruptcy Law, Journal of Legal Opinion Edition I, Volume 4, Year 2016, 3-4.

the decision of the competent court as referred to in paragraph 2, either at his own request, or at the request of one or more creditors.

The legal basis of bankruptcy itself has its guidelines in Law Number 37 of 2004 concerning Bankruptcy and Suspension of Debt Payment Obligations (then and so on abbreviated as UUKPKPU). In the UUKPKPU, the definition of bankruptcy is intended in the bankruptcy process, namely a general confiscation of all assets owned by the bankrupt debtor where in the implementation of the execution of this general confiscation is carried out and accountable to the curator with a record of responsibility to the Supervisory Judge. In addition to the UUKPKPU, there are other bankruptcy law bases such as:

1. Civil Code (e.g. in Articles 1134, 1139, 1149, etc.)
2. Criminal Code (e.g. in Articles 396 – 400, 520 and others)
3. Law Number 40 of 2007 concerning Limited Liability Companies
4. Law Number 4 of 1996 concerning Dependent Rights
5. Law Number 42 of 1996 concerning Fiduciary Guarantees.

In the basis of the law, Bankruptcy has several principles that need to be considered, including:

1. The Principle of Balance, the existence of a policy to avoid one party from abusing a situation or cheating the other.
2. The principle of Business Continuity requires that potential debtors continue to be able to carry out their business activities without stopping under the pressure of debts and receivables from creditors.
3. The principle of justice, heeding the legal purpose, which is to prioritize a sense of justice for the parties so that no one of the parties benefits more in this bankruptcy case.
4. The principle of integration is a principle shown to formal and material law where the two functions of the law will affect the implementation in the bankruptcy process, therefore good collaboration is needed.

Bankruptcy results in debtors who are declared bankrupt losing all civil rights are enforced by Article 24 (1) of the Bankruptcy Law and PKPU from the moment the bankruptcy declaration decision is pronounced. This also applies to the husband or wife of a bankrupt

debtor who is married in a property union.[18] A bankruptcy decision is immediate and constitutive, namely negating the situation and creating a new legal state.[19] With the bankruptcy of the debtor, many juridical consequences are imposed on him by law.

The provisions regarding demands and existing rights or obligations related to bankruptcy assets must comply with the procedure, namely mandatory through a curator appointed by the court as a form of execution decision, unless the judgment is shown to be continued, then there is no binding legal force and legal consequences against the bankruptcy object. Meanwhile, if the bankruptcy statement uses the perception of the creditor, the position of the creditors here is the same or known as *paritqas creditorium* so that they also have the same rights from the results of the bankruptcy execution decision in accordance with their agreement with the debtor regarding the amount of the return of their assets. There is a specificity in the Law related to the principle of similarity, namely for the type of classification of privileged creditors that need to be prioritized, while for concurrent creditors, the principle of similarity applies. However, separatist creditors cannot execute bankruptcy assets unless there is approval from the Curator or the court within 90 days after the bankruptcy judgment is determined against the debtor.[20]

Consequences of Debtors Filing for Bankruptcy

Based on Article 2 paragraph (1), (2), (3), (4), (5) of Law Number 37 of 2004 concerning Bankruptcy and Suspension of Debt Payment Obligations, it is stated that the parties who can apply for a bankruptcy declaration for a debtor are:

1. Debtor concerned
2. Creditors or creditors
3. Public Prosecutor's Office
4. Bank Indonesia if the debtor is a bank
5. Capital Market Supervisory Agency (BAPEPAM) if the debtor is a securities company, stock exchange, clearing and guarantee institution, depository and settlement institution.

[18] Gunawan Widjaja, Legal & Business Risks of Bankruptcy Companies, First Edition, Forum Sahabat Publisher, Jakarta, 2009, p. 46.
[19] Rahayu Hartini, Bankruptcy Law Revised Edition, UMM Press, Malang, 2007, p. 103
[20] Indah Shalsabilla & Rani Apriani, Legal Protection for Creditors Based on Bankruptcy Law, NUSANTARA: Journal of Social Sciences, NUSANTARA: Journal of Social Sciences, 11 (2) (2024): 553-558

6. The Minister of Finance if the debtor is an insurance company, reinsurance company, pension fund, or state-owned enterprise engaged in the public interest.

The provisions in Law Number 37 of 2004 added by the Minister of Finance as a party that can file for bankruptcy related to insurance activities and the authority of BAPEPAM in filing for bankruptcy also becomes broader because it is not only securities companies, but also other institutions involved in capital market activities.

Some of the parties above can file for bankruptcy, the most common parties filing for bankruptcy are debtors and creditors. The submission of a bankruptcy application made by the debtor is called a *voluntary petition*. *A voluntary petition* is an application for a declaration of bankruptcy filed by the debtor, which does not require how much debt he has. On the other hand, the submission of a bankruptcy application made by the creditor is called an *involuntary petition*. *Involuntary petition* is the submission of an application for a bankruptcy declaration made by a creditor if the debtor has a debt whose amount of debt value and form of debt have been determined in the agreement. [21]

The provision that the debtor is one of the parties who can file for bankruptcy against himself is a provision that is adopted in many countries. However, this provision provides an opportunity for rogue debtors to carry out engineering for their interests. Therefore, even though it is possible that the application for a declaration of bankruptcy against the debtor is granted by the court, either submitted by the debtor himself or by the creditor of the debtor's collusion or his accomplices, the debtor should not escape the criminal trap.[22]

Bankruptcy results in the debtor being declared bankrupt losing the civil right to control and manage the assets that have been put into the bankruptcy property "The freezing of this civil right is enforced by Article 22 of Law Number 37 of 2004 concerning the Law on PKPU from the moment the decree of bankruptcy is pronounced. As a consequence of the provisions of Article 22 of the UUK-PKPU, all engagements between debtors who are declared bankrupt and third parties made after the declaration of bankruptcy will not and cannot be paid from the bankruptcy assets, unless the agreement brings benefits to the bankruptcy assets.

[21] Siti Anisah, Creditors and Debtors in Indonesian Bankruptcy Law, Total Media.2008, p. 72
[22] Sutan Remy Syahdeini, Bankruptcy Law, PT. Pustaka Utama Grafiti, 2002 , p. 64

That, from the date the bankruptcy declaration decision is pronounced, the bankruptcy debtor for the sake of law no longer has the authority to control and manage his assets. However, it must also be noted that the bankruptcy debtor remains capable and authorized to carry out legal acts as long as the legal act is related either directly or indirectly to his assets. In the sense that the debtor only loses his rights in the field of property law such as a bankrupt debtor is still capable of getting married. Anyway, he is capable of doing other legal acts as long as he does not touch his property, because the property is already under public confiscation.[23]

If a debtor is officially declared bankrupt, it will juridically cause the following consequences:[24]

1. The debtor loses all his rights to control and manage his wealth his property (assets) both selling, pawning, and so on, as well as everything obtained during bankruptcy from the date the bankruptcy declaration is pronounced;
2. New debts are no longer secured by his wealth;
3. To protect the interests of creditors, as long as a judgment on the bankruptcy application has not been pronounced, the creditor may apply to the Court to:
    a. Placing a security seizure on part or all of the debtor's assets;
    b. Appoint a temporary curator to supervise the management of the debtor's business, receive payments to creditors, transfer or use of the debtor's assets (Article 10 of Law No.37 of 2004 concerning Bankruptcy);.

Thus, it is clear that the legal consequence for the debtor after being declared bankrupt is that he can no longer take care of his assets that are declared bankrupt, and then he will take care of the property. In practice, it often happens that one of the creditors files a bankruptcy application against a debtor whose impact can be detrimental to other creditors and for the way out, the aggrieved parties (other creditors) can take the legal route of cassation to the Supreme Court of the Republic of Indonesia in Jakarta as stipulated in Article 11 No.37 of 2004 concerning the Bankruptcy Law Jo.[25]

[23] Jono, Bankruptcy Law, Sinar Grafika, Jakarta, p. 107-108.
[24] Gunawan Widjaya, Responsibility of the Board of Directors for the Company's Bankruptcy, PT. Raja Grafindo Persada, Jakarta, 2004, p.90-91
[25] Herry Anto Simanjuntak, Legal Consequences Against Other Creditors If One of the Creditors Files a Bankruptcy Statement, Justiqa/Vol.02/No. 01/February 2020, 51.

Creditors' efforts to avoid bankruptcy filed by the Debtor

Each Creditor must have a material guarantee of debt repayment from the debtor, both general and special. If the Creditor does not ask for a specific guarantee when entering into a debt-receivables agreement with the Debtor, then based on Article 1131 of the Civil Code, the creditor automatically has a general guarantee of debt payment from the debtor's property. According to Man S. Sastrawidjaja, the provision is based on the principle of responsibility, which is necessary in an effort to provide a sense of responsibility to debtors so that they carry out their obligations and not harm their creditors. [26]

Suspension of Debt Payment Obligations (PKPU) is regulated in the Third Chapter, namely in Articles 222 to 294 of Law No. 37 of 2004 concerning Bankruptcy and Postponement of Debt Payment Obligations. The application for Postponement of Debt Payment Obligations is made with the intention of submitting a Peace Plan which includes an offer to pay part or all of the debt to creditors.

According to Article 222 paragraph (1) and paragraph (3) of the Bankruptcy Law and PKPU, it can be known that PKPU can be filed by creditors as well as by debtors. In other words, PKPU can be filed either by the debtor or by the creditor. The creditor's right to apply for PKPU according to the UUK-PKPU is in line with the provisions of Chapter 11 of the US Bankruptcy Code, not only the debtor is given the right to apply for reorganization, but also the right is given to the creditor. Based on Article 222 paragraph (2), it can be a benchmark for creditors in determining that the debtor "is expected to not be able to continue paying his debts that are due and can be collected" must be based on a financial audit by a public accountant. It is not based on subjective considerations from creditors alone. For lending banks, it is always agreed in the credit agreement that the debtor periodically submits to the creditor the debtor's financial statements that have been audited by a public accountant.[27]

These obligations are mainly imposed on debtors who obtain large credits, not on SME debtors. For debtors in the form of a limited liability company, the submission of financial statements audited by a public accountant is not a problem because according to the law on limited liability companies, the limited liability company must appoint a public accountant to

[26] Man S. Sastrawidjaja, *Bankruptcy Law and Suspension of Debt Payment Obligations*, PT. Alumni, 2006, p.75
[27] Legal protection for creditors due to bankruptcy filed by debtors is reviewed from the Bankruptcy Law, Urnal Rechtens, vol. 9, no. 1, June 2020, 72.

conduct an audit of its financial statements. For companies that have their shares listed on the stock exchange.[28]

Based on the provisions of Article 222 of the Law and PKPU, it can be interpreted that what is meant by the delay of debt payment obligations in general is to propose a peace plan that includes an offer to pay all or part of the debt to concurrent creditors, while the purpose is for concurrent creditors, while the purpose is to allow a debtor to continue his business despite payment difficulties and to avoid bankruptcy.

In bankruptcy, the legal remedy of appeal is not known, but for the decision on the application for a declaration of bankruptcy, the legal remedy that can be carried out is Cassation and Review (PK). Cutting the appeal legal remedy is constructed to cut this bankruptcy route. In the absence of an appeal legal remedy, the bankruptcy procedure route is faster than the ordinary civil procedure route. The construction of such a legal remedy is very good considering that this legal remedy institution is often only used by interested parties to buy time for the procedural process so that even if the party concerned already feels that he will lose, he will still carry out legal remedies where the fulfillment of the judge's decision can be extended in time.[29]

According to M. Hadi Shubhan, what is actually eliminated is not only the legal remedy of appeal, but also the extraordinary legal remedy in the form of review should also be abolished. After the Commercial Court has issued a decision on the application for a declaration of bankruptcy, the legal remedy that can be submitted against the decision is an appeal to the Supreme Court (Article 11 paragraph (1) of the Bankruptcy and PKPU Law). The Bankruptcy Law also specifies the reasons that can be used to apply for a review in a limited manner.

The process of applying for review of the bankruptcy declaration decision is almost the same as the cassation application process at the supreme court. The request for review is regulated in Articles 296 to 298 of the Bankruptcy Law Number 37 of 2004. Based on the

[28] 2 Sjahdeini, Sutan Remy. (2010). Bankruptcy Law (Understanding Law Number 37 of 2004 concerning Bankruptcy, Print IV, Jakarta: Pustaka Utama Grafiti.
[29] Wilda Prima Putri, Legal Protection of Banks as Holders of Material Guarantees Related to Debt Settlement by Debtors (Case Study of Decision No.50/Bankruptcy/2010/PN. Niaga.JKT.PST), ADIL: Legal Journal Vol. 9 No.2

bankruptcy case study submitted by the debtor itself, there are efforts from the creditor to fend off the actions of the bankrupt debtor through cassation efforts.

The Bankruptcy and PKPU Law regulates the provisions regarding the parties who can file this cassation. In Article 11 Paragraph (3) it is stated that in addition to being able to file an application for cassation by debtors and creditors who are parties to the first instance trial, it can also be submitted by other creditors who are not parties to the first-instance trial who are not satisfied with the decision on the application is a new breakthrough in procedural law because in any judicial procedural law in Indonesia it is not allowed that those who are not parties to the first instance can file an application for cassation Ini. Legal remedies carried out by creditors by filing an appeal and Review are an effort to prevent the debtor from becoming bankrupt.[30]

CONCLUSION

The results of the study show that;

a. The legal basis of bankruptcy itself has its guidelines in Law Number 37 of 2004 concerning Bankruptcy and Suspension of Debt Payment Obligations (then and so on abbreviated as UUKPKPU). In the UUKPKPU, the definition of bankruptcy is intended to include the bankruptcy process, namely a general confiscation of all assets owned by the bankruptcy debtor where in the implementation of this general confiscation is carried out and accounted for to the curator with a record of responsibility to the Supervisory Judge
b. The legal consequence for the debtor after being declared bankrupt is that he can no longer take care of his assets that are bankrupt, then he will take care of the assets.
c. Legal remedies carried out by creditors by filing an appeal and Review are an effort to prevent the debtor from becoming bankrupt.

[30] Sonny Triyono Saputra, Legal Protection for Creditors Due to Bankruptcy Filed by Debtors Reviewed from the Bankruptcy Law, Urnal Rechtens, Vol. 9, No. 1, June 2020, 73-74.

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