Legal Protection of Creditors in Implementing Bankruptcy Redemption

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Abstract. Bankruptcy is a general confiscation of all the assets of a bankrupt debtor where the curator acts in its management and settlement and is under the supervision of a supervisory judge as stipulated in Law no. 37 of 2004. Namely creditors who are not included in separatist creditors and preferred creditors. The elucidation of Article 2 paragraph (1) confirms that loan bosses are simultaneous leasers, dissident lenders and particular banks. In particular, in regard to dissenter loan bosses and favored leasers, they can apply for a statement of chapter 11 without losing the security privileges to the resources they have on the debt holder's resources and their entitlement to come first. Chapter 11 resources will ultimately be dispersed as per the part of the size of the lender's requests. This chapter 11 rule implies that the indebted person's property is mutually ensured for all lenders which is partitioned by the standard of equilibrium or "Pari Pasu Prorata Parte". One of the objectives of this research is to prevent debtors from taking actions that are detrimental to creditors, with the normative juridical writing method so that bankruptcy law can be reformed in the future to settle debts between debtors and creditors. fast, effective, efficient, and fair, but this law also creates many problems in its implementation.

Keywords: Protection; Law; Bankruptcy; Debtor

1. Introduction

In line with the pace of national and social life in various fields and sectors, legal life appears to be full of colors and hues in the dynamics of national development. The improvement of public regulation isn't just coordinated towards the acknowledgment of a general set of laws that ensures the working of regulation for of social change yet additionally through public improvement a public overall set of laws can be made for the acknowledgment of the government assistance of society, in addition to other things turning into a legitimate premise that can forestall and determine clashes that emerge. What happens in the development process to overcome this conflict is by bringing back bankrupt institutions and laws in Indonesia.

Different issues that happen in the public eye and the existence of a state like in Indonesia, ought to be related with the presence of regulation. Since Indonesia is a state in light of regulation (rechtstaat) and not a state dependent exclusively upon power (machtstaat). At the point when there is a case including social, social, monetary, instructive, strict, and political aspects, the presence of the law will unavoidably be addressed in the future and, surprisingly, sued by people in general, particularly when the law is judged or assessed as having neglected to complete its holy mission. [1]

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Conceptually, since its inception until today, bankruptcy institutions are expected to function as alternative institutions to settle debtors' obligations to creditors proportionally.[2] Explored according to a regularizing point of view, the motivation behind insolvency and delay of obligation installment commitments is fundamental to keep away from capture of the debt holder's resources, so leasers hold material guarantee privileges by offering the debt holder's merchandise regardless of the interests of the borrower or different banks and to keep away from misrepresentation committed by one of the lenders or the debt holder himself. [3]

Chapter 11 is the execution of the creditorium equality rule and the pari passu customize parte standard. The creditorium equality standard suggests that every one of the debt holder's resources, both portable and resources as of now claimed by the debt holder and merchandise that will be possessed by the borrower later on, will act as insurance for the repayment of commitments to banks. In the mean time, the guideline of pari passu allocate parte implies that the account holder's resources will be partitioned relatively between banks, except if there are lenders who, as per regulation, should outweigh everything else in taking care of bills.

The improvement of liquidation regulation is reflected in the arrangements concerning the repayment of obligations through chapter 11 regulation as specified in Regulation Number 37 of 2004 concerning Insolvency and Suspension of Commitments for Installment of Obligation (hereinafter alluded to as the Liquidation Regulation). Before the order of the Liquidation Regulation, at first in Indonesia the Faillissemenst-verordening, Staatsblad 1905: 217 jo. Staadsblad 1906: 348, (Contemplations on the Chapter 11 Regulation) which was thusly changed by Unofficial law rather than Regulation (PERPU) No. 1 of 1998 concerning Corrections to the Law on Chapter 11 jo. Regulation No. 4 of 1998. The progressions with respect to the chapter 11 arrangements until the institution of the Liquidation Regulation are to meet the turns of events and legitimate requirements of the local area and are supposed to make lawful conviction.

Liquidation overall means general seizure, where when the indebted person is pronounced bankrupt by the Business Court, every one of the borrower's resources (the two people and legitimate elements) are moved to the caretaker. [4] Consequently, when discussing bankruptcy issues, discussions regarding the curator cannot be separated, especially regarding the duties, responsibilities, and authorities of the Curator. The curator is a neutral party who is required to be professional, independent, and have high moral integrity. This is very much needed by the Curator to be able to carry out management and management duties responsibly.

The good faith of the debtor and creditor is crucial to the success of the Suspension of Debt Payment Obligations in the context of debt restructuring to creditors so that the Reconstruction Plan can be implemented to pay off debtors' debts. However, the creditor's decision will greatly influence the process of determining whether or not the application for Suspension of Debt Payment Obligations is approved.[5]

The guardian is given generally huge powers by the Liquidation Regulation in doing the errand of overseeing and settling bankrupt boedels following the account holder is proclaimed bankrupt by the Business Court.[4] To ensure legitimate sureness in regards to the chapter 11 statement choice by the Business Court, the guardian's obligations for every one of the resources of the bankrupt debt holder (boedel bankrupt) should be carried out quickly regardless of whether the bankrupt debt holder makes an interest for cassation or audit to the High Court against the choice. In Indonesian common regulation hypothesis, it is otherwise called a prompt choice (uitvoerbaar bij voorad). The chapter 11 cycle has 2 (two) stages or 2 (two) periods, specifically: the conservatorship stage and the bankruptcy or agent stage.[6], Broadly speaking the duties of the Curator are as follows: [4]

1. Perform bankruptcy management

Management of bankrupt assets is a series of duties and responsibilities of the Curator in carrying out administrative activities, including conducting an inventory of debtors' assets, verifying debts to creditors, and holding creditor meetings. The Caretaker's undertaking of overseeing bankrupt obligations begins from the date of the liquidation choice beginning at 00.00 nearby time. (Article 24 passage (2) of the Liquidation Regulation)

2. Carry out bankrupt settlements
   Settlement of bankrupt boedel is a series of duties and responsibilities of the Curator in carrying out the liquidation or sale of the debtor's assets (bankrupt boedel). Proceeds from the sale of bankrupt boedel are distributed to creditors and paid according to the position and order of each creditor. Bankruptcy settlement is a complex issue so the curator in carrying out his duties will be faced with various legal problems. Issues that are very serious and often cause debate in the bankruptcy process, including those concerning the distribution of bankrupt bills by the curator to preferential creditors and separatist creditors. Due to the relatively equal position as privileged creditors between preferential creditors and separatist creditors, the curator in distributing boedel will experience difficulties in determining priorities for all parties who have a legal interest in the bankruptcy process. Not limited to preferential creditors and separatist creditors, including concurrent creditors and bankrupt debtors who also have a legal interest in the bankruptcy process.

Under these conditions, the problem to be resolved by the curator will become complicated, if the bankrupt bill to be distributed is not sufficient to pay all creditors' bills. In carrying out the distribution of bankruptcy boedel to creditors with privileges/priority for payment of their bills, the curator must determine the priority for payment of creditors' bills based on the level of creditors. According to Man S. Sastrawidjaja, creditors in bankruptcy law are based on their level are as follows:

a. Separatist leasers are lenders who can practice their freedoms as though no liquidation had happened. In bankruptcy law, in its implementation, the position of creditors as separatist creditors is when one or more creditors have material guarantees (creditors holding mortgages, fiduciary guarantees, mortgages, and mortgages) to guarantee the fulfillment of their receivables. The privilege of the position of a separatist creditor is granted by law based on an agreement, namely a guarantee binding agreement.
b. preferential lenders or loan bosses with extraordinary freedoms are leasers as directed in Article 1139 and Article 1149 of the Common Code (Clarification of Article 60 passage (2), Chapter 11 Regulation). Favored banks are loan bosses who have unique privileges since they are conceded by regulation.
c. Concurrent lenders or contending loan bosses are banks who don't have honors with the goal that their positions are equivalent.

Problems will arise regarding the position of each creditor in bankruptcy law, especially when a bankrupt debtor has more than one creditor with privileges/priority (preferential and separatist creditors). Strict legal rules are needed regarding the priority for sharing the proceeds from the sale of bankrupt boedel for creditors with special/preceding privileges in bankruptcy law (bankruptcy law or insolvency law). These arrangements are necessary for the sake of order and certainty.[7] By looking at existing studies on bankruptcy law, there are differences in the study of the issues to be discussed in this study. The discussion of the problem focuses on updating the bankruptcy law system in resolving debtors' debts so that it can be used as a means for protecting the legal interests of creditors that can be guaranteed in the Bankruptcy Law.

In view of the depiction of the exploration foundation over, the analyst is keen on investigating issues that frequently happen in chapter 11 regulation in the repayment of borrowers' obligations to leasers, so the creators raise the title: "Legal Protection of Creditors in the Implementation of Bankruptcy Settlements"

1.1 Problem Formulation

The following is a formulation of the problems in this study based on the preceding background explanation:

1. What is the legal protection for creditors in the implementation of the Bankruptcy Settlement?
2. Why is bankruptcy law reform necessary in creating a sense of justice and legal certainty?

1.2 Objectives Of The Study

1. To provide creditors with legal protection during the settlement of the assets of the bankrupt debtor (boedel bankrupt), which is intended to fulfill a sense of justice and legal certainty for creditors.
2. To provide legal certainty and fairness in choosing between the rights of various collectors to debtor assets that are insufficient to pay creditor debts,

2. Methodology

The research method is legal examination. Legal research is research that is applied or specifically applied to legal science.[8] where empirical legal research methods and normative legal research methods meet. An approach that is carried out based on the primary legal material by examining theories, concepts, legal principles, and statutory regulations related to this research is referred to as a normative legal research method (normative juridical).[9]

Research Results And Discussion

3.1 Legal Protection for Creditors in the Implementation of Bankruptcy Settlements

The inability of a debtor to pay his or her owed debts results in bankruptcy. This inability must be accompanied by a specific action to submit a request for a bankruptcy statement to the court, either on the debtor's own initiative or at the request of a third party outside of the debtor. The intent of the application is to satisfy the principle of publicity caused by a debtor's inability to pay. According to Article 1 point 1 of the Bankruptcy Law, the term "bankruptcy" refers to the general confiscation of the Bankrupt Debtor's assets, whose management and settlement are overseen by the Curator and the Supervisory Judge, as outlined in this Law.

An important part of the bankruptcy application process in court is the stipulation of a court decision regarding the debtor's bankruptcy statement. This decision has several consequences or consequences, including relating to the position of creditors about the distribution of creditors' rights to the assets of the bankrupt debtor (boedel bankrupt) fairly. It is for this situation that apparently the issue of settling the administration and settlement of bankrupt resources is the main pressing concern in the conversation in this paper.

Completion of the management and settlement of bankrupt debtors is a series of activities for the treatment of the actual and potential assets of the bankrupt debtor. In another formulation, it can be said that the settlement of the management and settlement of the bankrupt debtor's assets (boedel bankrupt) is related to property that legally becomes bankrupt assets. Management and/or settlement of bankrupt assets is defined as managing and resolving bankrupt assets, including debts of bankrupt debtors which must be converted into receivables and must be paid to creditors. Based on this understanding, several concepts are important to describe the settlement of management and the settlement of bankrupt boedels. First of all, it concerns the parties who have the most interest in a position facing each other, as legal subjects in bankruptcy, namely debtors and creditors. The construction of Indonesian bankruptcy law (UU No. 37 of 2004), confirms that according to Article 1 point 2 of Law no. 37 of 2004, a debtor is a person who has debt due to an agreement or law whose repayment can be billed before the court. The definition of a creditor according to Article 1 number 3 is a person who has receivables due to agreements or laws that can be collected before a court. Thus, based on this formulation it can be said that the debtor is a party that has debts to creditors and creditors are parties that have bills or receivables from debtors.

Reasonably, there is a divergence in understanding the significance of debt holders and lenders, or at least, the implications of debt holders and banks in the expansive and restricted sense are as per the following. From a restricted perspective, a debt holder is a party that has obligations emerging exclusively from an obligation understanding. In view of the meaning of obligation in the tight sense, what is implied by a lender is a party that has a bill or right to guarantee as installment of a measure of cash that this right emerges exclusively from an obligation understanding. From a wide perspective, a debt holder is a party that should pay an amount of cash emerging under any condition, whether because of a credit arrangement and different arrangements or emerging from regulation.

This disparity has a wider meaning when examined based on Law Number 37 of 2004 which indicates different arrangements for different types of debtors. However, the nuances of distinguishing the types of debtors that exist have not shown a clear identification.

Therefore, the researcher is of the view that Indonesia's positive bankruptcy law, in Law Number 37 of 2004, needs to increase its normative strength by containing more detailed and firm rules regarding the different rules for the following debtors. Classifications that can be offered are legal subjects (corporations/companies or individuals):

a. With a scale of large companies, small companies, and medium companies.
b. The nature of cooperative and non-cooperative companies.
c. Provision of debtor companies whose shares have been listed on the stock exchange and those that have not been registered.
d. Types of financial institutions, Companies that are both banks and financing institutions.
e. Individuals, Individuals, and legal entities.
f. Individuals who are not entrepreneurs (housewives, retirees, doctors, lawyers, notaries, civil servants, and others).
g. Individuals who have debts above a certain amount and below a certain amount.

Such a classification is very important in assessing and determining debtors who can be declared bankrupt. A contrario the assumption is that not All debtors can be declared bankrupt. It can be said that bankruptcy law regulates the debtor as the main subject, concerning the debtor who has paid his debts to his creditors. Bankruptcy law distinguishes between bankruptcy rules for individual debtors and non-individual/legal entity debtors. Does the Bankruptcy Law regulate individual and non-individual bankruptcy differently? When examined, the Chapter 11

Regulation doesn't recognize insolvency account holders who are lawful substances and people. The substance and extent of the Liquidation Regulation are not explicitly determined in the law.

However, when reading some of the provisions in it, it can be concluded from the words of the articles that there is a tendency towards differentiation, for example, Article 2 passage (5) of the Liquidation Regulation which expresses that as far as debt holders are Insurance Agency, Reinsurance Organizations, Assets Benefits, or State-Possessed Ventures working in the field of public premium, a chapter 11 announcement application must be presented by the Pastor of Money. This provision indicates that there is a dominant nature in non-individual legal entity debtors. What's more, the arrangements of Article 4 section (1) of the Chapter 11 Regulation specify that on the off chance that an application for a statement of insolvency is documented by an indebted person who is as yet limited by a lawful marriage, the application must be submitted with the assent of the spouse or wife. This indicates the existence of individual debtors, private legal entities, or individuals. Whether or not there is a distinction between the types of debtors, the essence of bankruptcy law arrangements must be to normalize that all debtors have the responsibility to pay their debts to creditors.

Completion of legal management and settlement of bankrupt assets is an activity that treats bankrupt boedel as its object. It is said that the treatment of resources is lawfully substantial, implying that the situation with resources as still up in the air and applies since a court choice in regards to the borrower's chapter 11 proclamation. The court choice with respect to the chapter 11 statement is the section point for the settlement of the administration and settlement of bankrupt resources. Every commercial court decision regarding a declaration of bankruptcy contains a ruling which is the point of changing the status of the debtor's assets which were originally owned or corporate property rights, to become the assets of the bankrupt debtor (boedel bankrupt). Completion of management and settlement of assets (boedel bankrupt) is a legal consequence of a court decision regarding bankruptcy.

Legitimately, as per insolvency regulation, bankrupt boedel incorporates the borrower's all's resources at the time the chapter 11 proclamation choice was articulated as well as all that was gotten during the liquidation. In the mean time, in one more plan as per general common regulation, boedel bankrupt or the resources of a bankrupt borrower, in particular every one of the resources of the debt holder, both mobile and relentless, will later become wards (security) for every one of debt holders' obligations.

Accordingly, the borrower's resources are not just restricted to resources in that frame of mind of fixed resources, like land, yet in addition mobile resources, like gems, cars, machinery, and buildings. Including if it includes goods that are in the control of another person, to which the debtor has rights, such as the debtor's goods rented by another party or controlled by another person.

3.2 Bankruptcy Law Update is Necessary in Creating a Sense of Justice and Legal Certainty

Courses of action for the repayment of the board and repayment of the bankrupt borrower's resources (boedel bankrupt) by the caretaker against lenders by moderate regulation. The event of chapter 11 cases bringing about the disregard of shopper privileges is one of the marks of not accomplishing lawful sureness. Legitimate conviction will happen if the legitimate goals, particularly buyer insurance regulation and liquidation regulation, are accomplished.

Legitimate sureness, as expressed by van Apeldoorn, there are two significant things in regards to legitimate conviction, in particular: (1) legitimate conviction implies that it tends to be resolved what regulation applies to substantial issues, and (2) lawful conviction implies legitimate security. Legitimate conviction isn't just in that frame of mind of articles in the law

yet additionally consistency in the adjudicator's choice between the choices of one appointed authority and the choices of different appointed authorities for comparable cases that have been chosen.

The elements contained in legal certainty include the harmony of provisions in the law as well as the clear and thorough formulation so that the public knows what can be done and what cannot be done, guarantees of individual interests in the form of guarantees of security and guarantees of protection for the parties, protection justifiable to arbitrary action, what law applies to concrete problems and legal protection.

So the writer can dissect here in the recharging of the Liquidation Regulation and Suspension of Commitments for Installment of Obligation, it is important to restore, particularly for Article 2 section (1) Regulation Number 37 of 2004 Regulation on Chapter 11 and Suspension of Commitments for Installment of Obligation which characterizes chapter 11 as: "Debtor who has two or more creditors and does not pay off at least one debt that has matured and is payable, is declared bankrupt by a court decision either at his request or at the request of one or more of his creditors".

And in Article 8 paragraph 4 "The application for a declaration of bankruptcy must be granted if there are facts or circumstances that are simply proof that the requirements for being declared bankrupt as referred to in Article 2 paragraph (1) have been fulfilled".

So it tends to be seen from the two articles that the writer of the examination doesn't give legitimate assurance to leasers on the grounds that for this situation, the circumstances are exceptionally simple for chapter 11. The application for a statement of chapter 11 should be conceded by the Business Court assuming a few realities or conditions are just demonstrated that the two liquidation prerequisites in Article 2 section (1) of the Chapter 11 Regulation have been satisfied.

With respect to or conditions that are essentially demonstrated, Hadi expressed that there are contrasts in the calculated limits of this basic evidence. The clarification of Article 8 passage (4) of the Chapter 11 Regulation just notices the way that at least two banks and the way that cash is past due and not paid. In the mean time, the distinction in how much obligation guaranteed by the liquidation candidate and the bankrupt respondent didn't block the burden of a chapter 11 proclamation.

Here the creator sees that it is important to work on the game plans in the repayment of the administration and repayment of the bankrupt account holder's resources (boedel bankrupt), which cover different angles. Substances that should be tended to and created incorporate recognizing, recording, and directing the resources of bankrupt account holders (boedel bankrupt).

As well as for this situation it is likewise expected that the Board of Judges of the Business Court in looking at the case for a liquidation explanation presented by Leasers as specified in Article 8 section (1) an of the Chapter 11 Regulation is obliged to gather the Borrower, it is suggested that when the Debtor is present at the trial the Panel of Judges inquires about assets The debt holder/demands a rundown of the indebted person's resources in light of the fact that up until this point the chapter 11 application put together by the lender does exclude information on the resources possessed by the debt holder. Research in the field shows that the stacking of resources possessed by the Borrower in the chapter 11 announcement choice is extremely useful to the Custodian in overseeing and managing liquidation resources, and that implies that it can assist chapter 11 settlement. Since so far when preliminaries in business courts have not been completed on this matter by judges, that causes "wicked" debt holders to take asylum in the liquidation regulation and delay of obligation installment commitments, so

as far as lawful security for lenders they don't get equity and freedoms. Leasers' freedoms here are dismissed.

Dealing with the resources of the bankrupt indebted person (boefel bankrupt) and particularly in regards to the dispersion (need) of the resources of the bankrupt debt holder (boedel bankrupt) is portrayed by a few components. In the event that liquidation regulation is viewed as an administrative framework, for this situation there is more than one component or part that is interrelated. Chapter 11 regulation in Indonesia has not yet exhibited the presence of a bound together general set of laws that is unblemished and exhaustive which can ensure great administration of liquidation. According to the legitimate development of chapter 11 regulation, including matters administering the dispersion of bankrupt boedels, it actually differs, comprising of components of general common regulation (KUH Perdata), insolvency regulations, and delay of obligation installment commitments (Regulation Number 37 of 2004), different legal guidelines under the law, at times even in light of components of strategy. The sanctioning of a few legitimate arrangements as certain liquidation regulation, particularly those overseeing the dispersion of bankrupt boedels to lenders brought about the keeper encountering troubles in overseeing and settling the bankrupt resources.

In addition, there are weaknesses in the form of normative disharmony between several articles which are internally in the same legal document. The consequences of the review show that in the Liquidation and Suspension of Commitments for Installment of Obligation Regulation Number 37 of 2004 a few arrangements are less agreeable which can possibly cause legitimate vulnerability or various understandings, as follows:

(1) Article 68 goes against Article 1 letter (7) related to Article 11 section (1) of the Chapter 11 Regulation;
(2) Article 56 section (1) of the Chapter 11 Regulation;
(3) Article 76 of the Chapter 11 Demonstration;
(4) Elucidation of Article 127 section (1) of the Chapter 11 Regulation

Such a situation, in the practice of implementing or implementing bankruptcy law in general, and in particular in terms of the distribution of bankrupt boedels, particularly in determining priorities for creditors who are equal and equally privileged, basically creates difficulties for stakeholders. Indonesian bankruptcy law is difficult to implement, because it is ineffective, inadequate, and does not show legal certainty. Regarding these legal issues, it is difficult to determine priorities in the distribution of bankrupt boedels.

Exploring the construction of the main bankruptcy law, it was found that several elements led to ambiguous conditions and uncertainty in the handling of bankruptcy cases. In the provisions of Article 1131 of the Civil Code, the existence of a "potential" material element that will only exist in the future, contains normative weaknesses because it shows uncertainty in its application. Especially when it is related to responsibility for all engagements because, in the engagement itself, the das sollen is something concrete and certain.

The provisions of Articles 1132 and 1134 of the Civil Code both contain principles of material law which are quite good. In addition, there is a principle of balance in terms of settling guarantees of material rights, in the sense that material properties, both real and potential, can essentially be used as collateral for payment of existing debts by paying them in a balanced way according to the size of each party's receivables. The provisions of Article 1134 of the Civil Code contain principles inherent in material privileges, namely that every object has a debt payment function by considering the nature of the receivables and distributed sequentially according to the level. This is what is meant by the proportional principle for parties who have credit rights. However, the existence of an exception clause greatly disrupts the firmness of the

norms in it. These provisions become ambiguous because they have double standards, so the value of legal certainty is low.

As far as the characterization or classification of loan bosses, Article 1135 of the Common Code states: "Among favored account holders, the levels are managed by the different qualities of their honors." In view of this article, there are 3 (three) leaser gatherings, in particular rebel lenders, favored banks, and simultaneous leasers. Subsequently, the conveyance of the returns from the offer of insolvency resources is done in light of need, where loan bosses with a higher position get a prior dissemination than different lenders with a lower position, and leasers with a similar level get installment on a favorable to rata premise (pari passu prorata parte).

The above description shows that the objective conditions for reforming bankruptcy law are necessary for general bankruptcy arrangements, particularly about the distribution of bankrupt boedels marked by various legal systems, including elements of general civil law (KUHPerdata), Bankruptcy Law, Guarantee Law, Mortgage Act.

A declaration of bankruptcy by a judge is a general confiscation (algemene beslag) of all the assets of a debtor. The goal is to be able to pay all creditors' bills in a fair, equitable, and balanced manner. Payment of creditor bills is carried out based on the principle of lumpur passu pro rata parte, because the position of creditors is the same, but in the implementation process it is regulated based on the ranking or priority of receivables that must be paid in advance which is regulated in the Law related to guarantees for loans granted. creditor against a debtor. Such creditors from the outset agreed to settle their bills first and separately (separately) with the right to execute the collateralized assets. Such are creditors who are secured by mortgages, pledges, fiduciaries, and other mortgages. In the following grouping, in view of legal guidelines, are bills on state freedoms, sell off workplaces, and public bodies framed by the Public authority, then, at that point, work compensation. The clarification of the article states, "What is implied by earlier installment is that the specialist/worker's wages should be paid before different obligations.

The position of workers/laborers in the company is one of the very vital and fundamental elements that drive the business process. Another element that enables a business to move is capital, which is also an essential element. Each of these elements is bound by an agreement, which because of its contents makes these elements not have the same status in terms of certainty, guarantee, and future measures if a risk arises that is beyond the will of all parties. Recognition still must take into account different positions and risks in different economic life which cannot always be taken into account. In this way, in making legitimate approaches, the privileges of laborers/workers should not be minimized in chapter 11, but rather should not obstruct the interests of banks (separatists) which have been controlled in the arrangements of the assurance regulation as vows, home loans, trustees, or other security freedoms.

In the part of lawful subject, home loan, home loan, and guardian arrangements as well as other reliance arrangements, are arrangements made by legitimate subjects, specifically business visionaries and financial backers, in which socio-monetarily the gatherings can be built something very similar. Likewise, financial backers, who might be business people as well. On the other hand, work arrangements are arrangements placed into by various lawful subjects, in particular bosses and laborers/workers. Business visionaries and laborers/workers, socio-monetarily, are not equivalent, yet one party, as a business person, is unquestionably more grounded and higher up, when contrasted with laborers/workers, since laborers/workers are socio-financially obviously more vulnerable and lower than managers, despite the fact that among bosses and laborers/workers need one another. Organizations won't create without laborers/workers and laborers/workers can't work without managers. Since laborers/workers are

socio-monetarily more vulnerable and lower than managers and laborers/workers' freedoms have been ensured by the 1945 Constitution, the law should give certifications of security to the satisfaction of these specialists/workers' privileges.

In the part of chance, for business people, risk is essential for what is sensible in dealing with their business, aside from benefits or potentially misfortunes. In this manner, risk is something that turns into the extent of his thought while carrying on with work, not the extent of thought of laborers/workers. In the interim, for laborers/workers, compensation are a method for meeting the necessities of life for them as well as their families, so it would be inappropriate if the wages of workers/laborers were ranked lower with arguments related to risks that were not within the scope of consideration. It is not fair to be responsible for something that he did not participate in the business. What's more, to live and shield life, in light of Article 28A of the 1945 Constitution is a sacred right and in view of Article 28I section (1) is a right that can't be diminished for any reason, which is the reason in light of passage (4) and section (5) of the article, the express, the public authority should safeguard, advance, maintain, and satisfy it parents in law and guidelines that are by the standards of a vote based law and order.

By and by, leasers holding material privileges (separatists) can practice their execution freedoms as though nothing there is no insolvency (vide Article 55 passage (1) of the Chapter 11 Regulation), yet the option to execute is suspended for 90 days from the date the liquidation announcement is articulated (vide Article 56 section (1) of the Chapter 11 Regulation) except if the suspension is recently lifted. Furthermore, in light of Article 59 (2) of the Chapter 11 Regulation, assuming the offer of guarantee is done by the caretaker it doesn't decrease the privileges of the bank holding the material freedoms to the returns from the offer of the security. In this manner, the returns from the offer of security are conveyed ahead of time to the holders of material privileges (nonconformist loan bosses) as per their temperament what isolates them from different leasers.

Nonetheless, as a general rule, there are much of the time issues, where the indebted person has obligations to more than one leaser, or one of the numerous loan bosses, can petition for financial protection. This has ramifications for leasers, including loan bosses holding contract privileges. Article 2 of Regulation no. 37 of 2004 concerning Insolvency and Suspension of Commitments for Installment of Obligation expresses that; Assuming the account holder has no less than two lenders and just a single obligation to the loan boss is expected, the court can verify that the debt holder is bankrupt. Besides, in the event that the chapter 11 choice has been delivered, promptly the debt holder's all's resources that existed at the hour of still up in the air and the debt holder's resources that will exist become bankrupt resources with the exception of the debt holder's resources which not set in stone, are excluded as liquidation resources. Thus, all assets belonging to the debtor other than those excluded from becoming bankrupt assets (boedel).

In the next section below, the researcher will describe the discussion of the existence of bankruptcy law reform in Indonesia, especially in the context of managing and resolving bankrupt boedels, which is more prospective. The substance in this section is theoretically-conceptually related to Progressive Law theory which tends to be used as applied theory.

The dynamic regulation started by the attorney Prof. Dr. Satjipto Rahardjo [12] is a sensational thought addressed to policing, particularly the Adjudicator so they are not shackled by legitimate positivism which has up until this point given unfairness to yustisiaben (equity searchers) in implementing the law since policing a progression of cycles to depict values, thoughts, standards that are very dynamic which are the objectives of the law. Legitimate objectives or lawful goals start virtues, like equity and truth. These qualities should have the

option to be acknowledged in genuine reality. The presence of regulation is perceived assuming the virtues contained in the law can be carried out or not.

Learning from history, will we still assume that changes in the future will not occur again, will the world stop changing and developing and stop at a certain period which is considered as a period that has reached its peak? Moderate regulation has to take a hard pass however checks out at the world and regulation with a streaming perspective, as "panta rei" (everything streams) from the scholar Heraklitos. In the first place, the worldview in moderate regulation is that "regulation is for people". This hold, optics, or essential conviction doesn't view the law as something focal in judging, however people are at the focal point of the pivot of the law. The law spins around people as its middle. Regulations exist for people, not people for regulations. Assuming we clutch the conviction that people are for the law, then, at that point, people will constantly be endeavored, perhaps constrained, to have the option to go into the plans that have been made by regulation. Both moderate regulations will not keep up with the norm in judging. Keeping up with the norm has a similar impact as when individuals contend that the law is the measuring stick for all, and individuals are for the law.

Policing a way to accomplish legitimate objectives, then all energy ought to be prepared so the law can attempt to acknowledge virtues in regulation. The disappointment of the law to understand the worth of the law is a danger to the risk of liquidation of the current regulation. Regulations that have unfortunate execution of virtues will be far off and disengaged from society. The progress of policing decide and turn into an indicator of legitimate authenticity in the midst of its social reality.

3. Conclusion

1. Renewal of liquidation regulation in settling account holders' obligations as per the chapter 11 regulation here it tends to be reasoned that legitimate sureness in deciding the need of conveyance of insolvency boedel to favored lenders and rebel leasers, which in the event that the accessible bankrupt boedels are not adequate to take care of the obligations of favored loan bosses and loan bosses dissenter, the priority in the distribution of bankrupt boedels must comply with statutory regulations to obtain legal certainty that is relevant to parties who are also privileged creditors to bankrupt companies. There are a few changes in chapter 11 regulation here that are viewed as in the repayment of borrowers' obligations to leasers through liquidation despite the fact that it has been controlled through the chapter 11 regulation yet by and by, there are still snags, including the absence of assets for the executives and repayment of bankrupt resources, how to conquer them is the Custodian making a credit from the Lender or the Debt holder's family, the Bankrupt debt holder isn't helpful, the method for beating this is to facilitate straightforwardly or by letter with organizations/establishments connected with the Bankrupt Debt holder's resources and make a decisive move, for instance, requesting that the Appointed authority capture the Bankrupt Debt holder, Bankrupt debt holder sell/conceal their resources prior to being pronounced bankrupt, the method for managing it is to record a claim and report it to the Police. Settlement of Debtors' debts to Creditors through bankruptcy will end quickly and effectively depending on the good faith of the parties.
2. Renewal of chapter 11 regulation is fundamental in making a feeling of equity and legitimate sureness in Indonesia in the repayment of bankrupt borrowers' resources (boedel bankrupt) as would be considered normal to satisfy a feeling of equity and lawful

conviction for leasers, for this situation, the restoration of liquidation regulation by and large, and especially with respect to the dissemination of (need) resources of the bankrupt debt holder (boedel bankrupt) are described by a few components. In the event that liquidation regulation is viewed as an administrative framework, there is more than one component or part that is interrelated. Liquidation regulation in Indonesia has not yet exhibited the presence of a bound together overall set of laws that is flawless and extensive and can ensure the great administration of chapter 11. According to the legitimate development of insolvency regulation, including matters overseeing the division of bankrupt boedels, it actually shifts, comprising of components of general common regulation (KUH Perdata), liquidation regulation, and delay of obligation installment commitments (UU No. 37 of 2004), different legal guidelines under regulation, some of the time even in view of components of strategy. The order of a few legitimate arrangements as sure chapter 11 regulation, particularly those overseeing the conveyance of bankrupt boedels to loan bosses brought about the guardian encountering hardships in overseeing and settling the bankrupt resources.

4. Suggestion

Bankruptcy law reform is needed in the future because there are still many ambiguous articles so the implementation is not as expected, and it is hoped that the bankruptcy law can provide a sense of justice and legal certainty for debtors and creditors in particular in the future.

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