

## LEGAL PROTECTION FOR CUSTOMERS AGAINST PENALTY EXEMPTION CLAUSES IN STANDARD AGREEMENTS DURING THE COVID-19 PANDEMIC IN INDONESIA

**Bahmid<sup>1</sup>, Ruzian Marqom<sup>2</sup>, Siti Hajar Siregar<sup>3</sup>,  
Zakiyah AnNisa' Basuni<sup>4</sup>, Fahrul Azmi Andalari<sup>5</sup>**

Associate Professor, Law Master Program, Faculty of Law, University Asahan<sup>1</sup>

Associate Professor, Faculty of Law, University Kebangsaan Malaysia<sup>2</sup>

Law Study Program, Master Program, Faculty of Law, University Asahan<sup>3</sup>

Faculty of Law, University Muhammadiyah Sumatera Utara<sup>4</sup>

Faculty of Da'wah and Ushuludin, University Islam Madinah<sup>5</sup>

Email: bahmid1979@gmail.com<sup>1</sup>, ruzian@ukm.edu.my<sup>2</sup>,

sitihajarsiregar888@gmail.com<sup>3</sup>, basunizakiyah@gmail.com<sup>4</sup>,

fahrultba@gmail.com<sup>5</sup>

---

### Abstrak

---

*This research is a theoretical study of the early repayment clause in standard banking credit agreements during the pandemic. The issue at hand is how standard agreements containing force majeure clauses are examined in light of theories of justice and the doctrine of abuse of circumstances during the COVID-19 pandemic. The research method used in this study is juridical-normative, with a legislative approach. In standard agreements, debtors are only given limited freedom to negotiate, which is associated with consumer protection. Creditors face potential gains and losses due to early repayments, while debtors are constantly at risk of suffering losses, thus undermining fairness. Therefore, the government must intervene to protect society by establishing regulations that can rectify imbalances in banking credit agreements.*

*Keywords: Protection, Agreement, Clause, Creditor, Debtor, Bank*

### Introduction

A bank is one of the financial institutions that has the authority to provide financial services in the form of credit facilities to customers in the form of financing facilities.<sup>1</sup> In obtaining credit facilities from banks, the bank as the creditor must obtain collateral from the debtor, whether it be land or a house, in order to ensure legal certainty for the loan facilities provided to the debtor.<sup>2</sup> The form of collateral provided by the debtor to the creditor includes land ownership certificates, such as Certificate of Ownership Rights, Right to Use, or Right to Build or other rights stipulated by the law. To ensure the legal certainty of the execution of the credit agreement, the creditor creates and registers the agreement with the authorized institution through a notary public.<sup>3</sup> The credit agreement made by the parties is referred to as the principal agreement, which contains standard clauses, and the

---

<sup>1</sup> Stefan Gehrig, Alex Mesoudi, and Shakti Lamba, "Banking on Cooperation: An Evolutionary Analysis of Microfinance Loan Repayment Behaviour," *Evolutionary Human Sciences* 3 (2021): 1–23, <https://doi.org/10.1017/ehs.2020.64>.

<sup>2</sup> Gehrig, Mesoudi, and Lamba. *ibid*

<sup>3</sup> José Luis Pena-Mir, "How Well Were Creditors' Rights Protected in Early Modern Spain? The Case of the Public Mortgage Registry in Malaga," *Revista de Historia Económica - Journal of Iberian and Latin American Economic History* 40, no. 1 (2022): 35–65, <https://doi.org/10.1017/S0212610920000099>.

principal agreement must also be accompanied by a collateral agreement as an accessory agreement.

In general, banks and financial institutions in Indonesia use standard agreement forms. The standard credit agreement is presented to prospective debtors with the option to accept or reject the entire contents of the agreement without the opportunity to negotiate its terms. Circular Letter of the Financial Services Authority (OJK) Number 13/SE-OJK.07/2014 prohibits standard clauses that have the potential for abuse, such as exculpatory clauses, which include penalties that are still included in banking credit agreements.

In practice, there are many reasons that drive people to make early repayments before the due date according to the contract, such as the debtor's death, divorce, relocation, or the sale of the debtor's collateral.<sup>4</sup> During the COVID-19 pandemic, debtors have initiated early repayments for various reasons.<sup>5678</sup> However, debtors object to the imposed penalties, but on the other hand, they must abide by the agreed-upon agreement.

If compared to the practices in developed countries as conveyed by Hans Bernd Schäfer in his article examining several standard agreements regarding early payment clauses, in the Commonwealth EU countries, he found that the content of the existing agreement clauses are highly detrimental to bank consumers and advantageous for European banks. They have established the Law on Protection for Bank Debtors to make full or partial early payments.<sup>9</sup> Meanwhile, in Indonesia, there is no specific regulation in one law governing early credit repayment. This means that it can be regulated through an agreement between the debtor and creditor. Based on this background, the research question is how is the legal protection for customers regarding the penalty exemption clause in standard agreements? To answer this question, normative research methodology is needed.

### **Penalties for Early Repayment and Legal Remedies for Debtors in Indonesia**

Debtor behavior towards early credit payment is carried out due to the debtor's ability to repay the loan or the previous planned allocation of funds that cannot be executed. If the credit is maintained, it will become a burden for the debtor with the continued accrual of loan interest every month. The debtor's effort to pay off the loan early is actually a good intention of the debtor to settle the credit they have taken, even though on the other hand, the debtor has bound themselves to a contract that obligates them to pay a certain penalty if they pay off the credit early before the due date.

---

<sup>4</sup> Hans Bernd Schäfer and Alexander J. Wulf, "Premature Repayment of Fixed Interest Mortgage Loans without Compensation, a Case of Misguided Consumer Protection in the EU," *European Journal of Law and Economics* 53, no. 2 (2022): 175–208, <https://doi.org/10.1007/s10657-021-09719-0>.

<sup>5</sup> Merlyn S. Thomas and Yaohua Feng, "Consumer Risk Perception and Trusted Sources of Food Safety Information during the COVID-19 Pandemic," *Food Control* 130, no. May (2021): 108279, <https://doi.org/10.1016/j.foodcont.2021.108279>.

<sup>6</sup> Elis Deriantino Naiborhu and Dhanita Ulfa, "The Lending Implication of a Funding for Lending Scheme Policy during COVID-19 Pandemic: The Case of Indonesia Banks," *Economic Analysis and Policy* 78 (2023): 1059–69, <https://doi.org/10.1016/j.eap.2023.04.025>.

<sup>7</sup> Sunny Ummul Firdaus, "The Urgency of Legal Regulations Existence in Case of COVID-19 Vaccination Refusal in Indonesia," *Journal of Forensic and Legal Medicine* 91, no. July (2022): 102401, <https://doi.org/10.1016/j.jflm.2022.102401>.

<sup>8</sup> Marc Cowling and Nicholas Wilson, "Does Inflation Trigger Early Repayment on Covid-19 UK Guaranteed Loans?," *Applied Economics Letters* 00, no. 00 (2023): 1–5, <https://doi.org/10.1080/13504851.2023.2205091>.

<sup>9</sup> Enrico Baffi and Francesco Parisi, "Early Repayment of Loans Under EU Law: The Lexitor Judgment," *Italian Law Journal* 7, no. 1 (2021): 227–51, <https://doi.org/10.2139/ssrn.3636650>.

The early repayment clause is bound in a standard agreement, determined and made by the bank, which actually benefits the bank unilaterally. The debtor is only given two options, to accept or reject the offered contract. This banking policy has actually deviated from the provisions of the Consumer Protection Law in Indonesia. Consumers are not given the freedom to freely negotiate the entire contents of the agreement, including the penalty clause stated in the contract.

The imposition of penalties for debtors who make early payments at banks in Indonesia varies according to each bank's policy, resulting in the absence of a universally applicable legal certainty as a guideline in the form of government-established legislation regulations as the minimum and maximum range of penalties that can be imposed on debtors who make early payments. The consideration of penalties imposed on debtors is usually done by calculating the losses borne by the bank, such as administrative costs, creditworthiness surveys, collateral objects, and calculating the potential losses incurred by the bank if the funds are not rolled over or remain idle. These criteria can be used as a benchmark for the government to establish fair regulations.

The standard agreement cannot be modified even if the debtor does not agree with the contents of the agreement, either partially or entirely,<sup>10</sup> including the early repayment clause in the banking credit agreement along with the predetermined penalty amount. The parties cannot freely negotiate the incurred costs and considered expenses. However, there is still an effort from the debtor to accept or reject signing the debtor contract,<sup>11</sup> but they cannot selectively approve parts of the agreement and must accept the agreement as a whole. If the debtor does not accept, the agreement will not proceed.<sup>12</sup>

The bank has its own standard contractual terms, which include various elements of the contract such as types of credit facilities, maturity dates, interest rate spreads, payment schedules, collateral, loan purposes,<sup>13</sup> and the rights and obligations of the parties, all of which are standardized. If standard contracts are considered a form of contractual freedom, this freedom cannot disregard the provisions of the law. The law does not specifically regulate individual cases or personal losses but is generally applicable.<sup>14</sup> Contractual standardization can help achieve consistency and reduce uncertainty.<sup>15</sup>

One clause in the banking credit agreement determines penalties for debtors who repay the secured debt before the maturity date, as a preventive measure against potential losses such as the interest earned during the credit period or the depreciation of currency due to inflation, and the costs incurred as a result of implementing the agreed credit agreement that

---

<sup>10</sup> Audina Noor Arifa and Burhanudin Harahap, "The Implementation of Standard Form Contract in Financing Agreement of Sharia Banking in Islamic Law Perspective," *International Journal of Multicultural and Multireligious Understanding* 5, no. 4 (2018): 420, <https://doi.org/10.18415/ijmmu.v5i4.420>.

<sup>11</sup> Baffi and Parisi, "Early Repayment of Loans Under EU Law: The Lexitor Judgment."

<sup>12</sup> Arifa and Harahap, "The Implementation of Standard Form Contract in Financing Agreement of Sharia Banking in Islamic Law Perspective."

<sup>13</sup> Anywhere Sikochi, "Corporate Legal Structure and Bank Loan Spread," *Journal of Corporate Finance* 64, no. May (2020): 101656, <https://doi.org/10.1016/j.jcorpfin.2020.101656>.

<sup>14</sup> Meenakshi Rajeev, B. P. Vani, and Veerashekhharappa, "Group Lending through an SHG Bank-Linkage Programme in India: Transaction Costs and Social Benefits," *Development in Practice* 30, no. 2 (2020): 168–81, <https://doi.org/10.1080/09614524.2018.1508418>.

<sup>15</sup> Jonathan Ercanbrack, "The Standardization of Islamic Financial Law: Lawmaking in Modern Financial Markets," *The American Journal of Comparative Law* 67, no. 4 (2019): 825–60, <https://doi.org/10.1093/ajcl/avz010>.

are attached to the debtor's debt.<sup>16</sup> This financing, for example, includes notary fees, stamp duty, mortgage registration, and Non-Tax State Revenue charged to the debtor.

Benchmark of lenders/banks, one of which is the ex ante risk of the loan, which is the predicted loss that occurs when the borrower fails to repay,<sup>17</sup> because default is assumed to result in greater costs, such as foreclosure costs, maintenance costs, including losses due to the decline in collateral value.<sup>18</sup> Therefore, it is unreasonable for early repayment before maturity to be subject to a penalty, thus providing a justification for borrowers to file lawsuits even to the court.

In practice in Indonesia, although agreements agreed upon by the parties are registered with the authorized institution as authentic deeds and have enforceable power such as a mortgage right, it is still open for parties to file lawsuits.<sup>19</sup> The Actio Pauliana principle opens up opportunities for aggrieved parties to challenge contracts. Thus, the constitution guarantees that each party can initiate a lawsuit through the court if the other party is believed to be in breach. To comply with the contract, the judge will examine and adjudicate the case if a contract violation occurs.<sup>20</sup> The litigating parties must be able to defend their legal arguments in presenting their claims or responses to convince the judge that the plaintiff has suffered losses. Argumentation can be understood as rational verbal or written communication activities with a logical basis aimed at persuading others to justify someone's perspective in presenting their arguments.<sup>21</sup> In damage claims, the court often decides to award damages based on the actual losses suffered by the plaintiff. This principle corresponds to the legal doctrine of compensation, which adjusts the damages sought by the plaintiff and the actual losses, if the actual losses are lower than the claim.<sup>22</sup>

### Penalty Clause in Standard Agreement

The data in Table 1 is the result of tracing on the website directory of the Supreme Court of the Republic of Indonesia and obtaining 340 cases that have been decided by courts at various levels, in order to demonstrate several examples of standard early repayment clauses that often become the subject of disputes for comparison purposes.

Table 1.  
Comparison of Standard Early Repayment Clauses among Several Financing Institutions/Banks in Indonesia.

No	Contract Name	Clause	Contract	Litigating	Decision Number
----	---------------	--------	----------	------------	-----------------

<sup>16</sup> Jeong-Bon Kim, Jie Zhou, "Cost Stickiness and Bank Loan Contracting," *Advances in Accounting* Volume 61 (2023), <https://doi.org/https://doi.org/10.1016/j.adiac.2023.100645>.

<sup>17</sup> Amanda Rae Heitz and Ganapathi Narayanamoorthy, *Creditor Rights and Bank Loan Losses*, *Journal of Financial and Quantitative Analysis*, vol. 56, 2021, <https://doi.org/10.1017/S0022109020000678>.

<sup>18</sup> Chris Mayer, Tomasz Piskorski, and Alexei Tchisty, "The Inefficiency of Refinancing: Why Prepayment Penalties Are Good for Risky Borrowers," *Journal of Financial Economics* 107, no. 3 (2013): 694–714, <https://doi.org/10.1016/j.jfineco.2012.10.003>.

<sup>19</sup> Salahuddin Gaffar et al., "The Concept of Procedural Law Regarding the Implementation of Collective Agreements with Legal Certainty in Termination of Employment in Indonesia," *Heliyon* 7, no. 4 (2021): e06690, <https://doi.org/10.1016/j.heliyon.2021.e06690>.

<sup>20</sup> Silvia Crafa et al., "Pacta Sunt Servanda: Legal Contracts in Stipula," *Science of Computer Programming* 225 (2023), <https://doi.org/10.1016/j.scico.2022.102911>.

<sup>21</sup> (Gaffar et al., 2021 )

<sup>22</sup> Zhiyong Liu and Ronen Avraham, "Ex Ante versus Ex Post Expectation Damages," *International Review of Law and Economics* 32, no. 4 (2012): 339–55, <https://doi.org/10.1016/j.irl.2012.07.004>.

			Clause	Parties	
1	Debt Acknowledgment	Article 2, paragraph 3.	If the borrower repays the loan before the loan term ends (early repayment), the provisions determined by the bank shall apply to such early repayment.	Eny Puji Lestari VS PT Bank Rakyat Indonesia (Persero) Tbk.	<u>No. 587 K/Pdt.Sus-BPSK/2016</u>
2	Credit Agreement	Article 4, paragraph 1.	The parties agree that if the debtor repays the loan before the due date, a penalty provision of 4% shall apply as a result of such early repayment.	PT. Bank Mandiri (Persero)	No. 2/Pdt.G.S/2020/PN.Ktg
3	Working Capital Loan Agreement	Paragraph 10	The parties agree that if the debtor repays the loan before the due date, a penalty of 3 months' interest will be imposed on the principal loan amount.	PT BPR Gema Ampekkoto Sejahtera VS 1. Juwita 2. Rezky Ansari	No. 1/Pdt.G.S/2021/PN Pyh
4		Article 2, paragraph (1), letter e, iv.	The debtor is obligated to pay all fines imposed according to	PT. Bank Mega VS Sunarti	No.:114/PDT.G/2013/PN.SKA.

			<p>the provisions in the agreement, and the bank has the right to change the amount of the fines from time to time at its own discretion, in accordance with the circumstances. Any such changes will be notified to the debtor.</p>		
--	--	--	--	--	--

Based on Table 1, several clauses are indicated as exoneration clauses that are suspected to trap debtors who make early repayments due to hidden penalties. Exoneration clause refers to a legal situation that imposes responsibility on one party and instantly releases the other party from liability.<sup>23</sup> Debt traps are situations where someone gets caught in a cycle that increases their debt.<sup>24</sup> However, the primary objective of an agreement is to create justice and freedom of will.<sup>25</sup>

### Legal Protection for Debtors

The ultimate aim of debtor protection as consumers is to establish a legal framework that ensures consumer rights to legal certainty and access to essential information.<sup>26</sup> It is crucial to enhance consumer protection to enable detailed access and information concerning financial

<sup>23</sup> Rudyanti Dorotea Tobing, "Abuse of Circumstances as a Reason for the Cancellation of Financing Agreements," *European Research Studies Journal* 21, no. 2 (2018): 189–99, <https://doi.org/DOI:10.35808/ersj/994>.

<sup>24</sup> Pengpeng Yue et al., "The Rise of Digital Finance: Financial Inclusion or Debt Trap?," *Finance Research Letters* 47, no. PA (2022): 102604, <https://doi.org/10.1016/j.frl.2021.102604>.

<sup>25</sup> Zhenhua He, Lifeng Chen, and Zahid Shafait, "How Psychological Contract Violation Impacts Turnover Intentions of Knowledge Workers? The Moderating Effect of Job Embeddedness," *Heliyon* 9, no. 3 (2023): e14409, <https://doi.org/10.1016/j.heliyon.2023.e14409>.

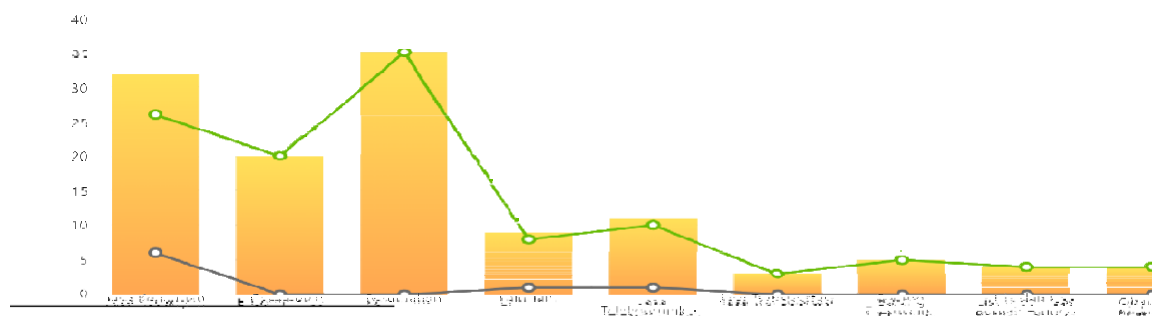
<sup>26</sup> Abdul Halim Barkatullah and Djumadi, "Does Self-Regulation Provide Legal Protection and Security to e-Commerce Consumers?," *Electronic Commerce Research and Applications* 30, no. May (2018): 94–101, <https://doi.org/10.1016/j.elerap.2018.05.008>.

services.<sup>27</sup> In Indonesia, consumer rights are safeguarded by the constitution, specifically governed by Law Number 8 of 1999, which pertains to consumer protection. Article 4 of this law defines the following consumer rights: Firstly, the right to enjoy comfort, security, and safety while consuming goods and/or services. Secondly, the right to choose goods and/or services and receive them in accordance with the promised exchange value, conditions, and guarantees. Thirdly, the right to obtain accurate, clear, and honest information regarding the condition and guarantee of goods and/or services. Fourthly, the right to express opinions and file complaints about the utilized goods and/or services. Fifthly, the right to receive advocacy, protection, and fair dispute resolution mechanisms for consumer protection. Additionally, consumers have the right to consumer education and guidance, and the right to be treated fairly, honestly, and without discrimination. Moreover, consumers possess the right to receive compensation, reimbursement, and/or replacement if the received goods and/or services do not align with the agreed terms or fail to meet expectations. Lastly, consumer rights encompass other provisions and regulations outlined in relevant laws and regulations.

The Consumer Protection Act not only protects individual interests but also the wider society.<sup>28</sup> The weak supervision of banks in anticipating consumer risks due to inadequate monitoring procedures can potentially benefit the banks.<sup>29</sup> Consumer supervision and law enforcement should also be empowered.<sup>30</sup> However, it should be noted that not only consumers are entitled to protection or rights. Consumers and producers have equal rights. What constitutes the rights of producers is the obligation of consumers, and vice versa.<sup>31</sup> The Consumer Dispute Settlement Agency has received numerous complaints, placing consumer reports in the financial services sector as the second highest after the housing sector in terms of the highest number of complaints. This can be observed in Figure 1.

Figure 1.

Consumer Complaint Statistics at the Consumer Dispute Resolution Agency.



<sup>27</sup> Krystyna Nizioł, “The Challenges of Consumer Protection Law Connected with the Development of Artificial Intelligence on the Example of Financial Services. (Chosen Legal Aspects),” *Procedia Computer Science* 192 (2021): 4103–11, <https://doi.org/10.1016/j.procs.2021.09.185>.

<sup>28</sup> Nuraisyah Chua Abdullah, “Public Interest Litigation in Alternative Dispute Resolution: A Proposed Mechanism in Tribunal for Consumer Claims,” *Procedia - Social and Behavioral Sciences* 168 (2015): 204–10, <https://doi.org/10.1016/j.sbspro.2014.10.225>.

<sup>29</sup> Dimitris K. Chronopoulos, John O.S. Wilson, and Muhammed H. Yilmaz, “Regulatory Oversight and Bank Risk,” *Journal of Financial Stability* 64, no. May 2022 (2023): 101105, <https://doi.org/10.1016/j.jfs.2023.101105>.

<sup>30</sup> Dwi Edi Wibowo, “How Consumers in Indonesia Are Protected Fairly?,” *Indonesian Journal of Advocacy and Legal Services* 2, no. 1 (2020): 57–70, <https://doi.org/10.15294/ijals.v2i1.36546>.

<sup>31</sup> Holijah Holijah, “Strict Liability Principle: Consumer Protection from Hidden Defective Products in Indonesia,” *Sriwijaya Law Review* 4, no. 1 (2020): 109, <https://doi.org/10.28946/slrev.vol4.iss2.295.pp109-123>.

The lack of regulations on early repayment penalties disguised as standardized agreements is highly detrimental to consumers. Easy access to credit encourages borrowers to fall into debt.<sup>32</sup> The Financial Services Authority, as the supervisory institution for financial services in Indonesia, has issued Circular Number 13/SEOJK.07/2014 concerning the Prohibition of Standardized Agreements containing potentially abusive clauses. In practice, many financial service providers exploit the conditions implied in these agreements.<sup>33</sup> For example, imposing early repayment penalties without specifying the actual losses incurred by the bank. Therefore, consumers should be provided with accurate information and given the opportunity to negotiate the financing burden and the risks they will accurately face.<sup>34</sup>

John Rawls' theory of justice divides justice into two principles. First, the principle of equal basic liberties, which means that individuals have the same rights to basic opportunities as others. Second, the principle of equal opportunity, which emphasizes that individuals should not be disadvantaged or advantaged based on race, gender, or economic superiority.<sup>35</sup> In developing countries, inequalities still often occur due to factors such as gender, politics, and economic power.<sup>36</sup> Equality in negotiating future benefits and risks means that no one suffers a loss while others gain an advantage.<sup>37</sup> Banks may potentially incur losses with early repayment, but they may also potentially gain profits in the future if there are new borrowers after the repayment, unlike the position of the borrower who does not have the same opportunity.

John Rawls' theory of justice places a correlation between justice and opportunity to prevent the abuse of circumstances. The parties signing the contract must have equal capacities to avoid the misuse of the situation.<sup>38</sup> The role of a notary can actually act as a balancing party for the involved parties. Social control by the community is crucial in supervising banking activities, especially by the government (Bank Indonesia), in order to create a healthy economic climate and gain public trust.<sup>39</sup>

## Conclusion

Although there is an opportunity for prospective customers/debtors to accept or reject the agreement, they still agree to the given agreement due to the lack of alternatives and urgent

---

<sup>32</sup> Yue et al., "The Rise of Digital Finance: Financial Inclusion or Debt Trap?"

<sup>33</sup> Tobing, "Abuse of Circumstances as a Reason for the Cancellation of Financing Agreements."

<sup>34</sup> Baffi and Parisi, "Early Repayment of Loans Under EU Law: The Lexitor Judgment."

<sup>35</sup> Philip Pettit, *A Theory of Justice?, Theory and Decision*, vol. 4, 1974, <https://doi.org/10.1007/BF00136652>.

<sup>36</sup> Asim Iqbal et al., "Gender Equality, Education, Economic Growth and Religious Tensions Nexus in Developing Countries: A Spatial Analysis Approach," *Heliyon* 8, no. 11 (2022), <https://doi.org/10.1016/j.heliyon.2022.e11394>.

<sup>37</sup> Schmidtz, D. (2006). Rawls. Dalam *The Elements of Justice* (hlm. 185-197). Cambridge: Cambridge University Press. doi:10.1017/CBO9780511817519.031

<sup>38</sup> Fiona Burns, "Mortgages, Seniors and the Common Law Contractual Doctrine of Mental Incapacity in Australia," *International Journal of Law and Psychiatry* 34, no. 2 (2011): 79-93, <https://doi.org/10.1016/j.ijlp.2011.02.001>.

<sup>39</sup> Andi Tenri Famauri, "The Values of Pancasila in Electronic Banking Agreement," *Hasanuddin Law Review* 5, no. 3 (2019): 289-98, <https://doi.org/10.20956/halrev.v5i3.2150>.



needs. This condition puts the debtor in a position where they cannot refuse or make offers. This condition is unilaterally exploited by the bank as a form of abuse that undermines societal justice. The early repayment penalty clause is imposed by the consumer/debtor due to failed business financing, and continuing the credit will only increase the burden, so the debtor chooses to repay the borrowed funds rather than continuing to incur losses due to accumulating interest. The debtor's efforts to make early repayment should be seen as a goodwill principle and should be appreciated, not penalized. The bank's position may indeed be disadvantaged by the interest it will receive later, which is an uncertain loss. However, upon receiving the repayment, the bank may potentially acquire new debtors, thus potentially gaining profit, unlike the debtor.

## References

- Abdullah, Nuraisyah Chua. "Public Interest Litigation in Alternative Dispute Resolution: A Proposed Mechanism in Tribunal for Consumer Claims." *Procedia - Social and Behavioral Sciences* 168 (2015): 204–10. <https://doi.org/10.1016/j.sbspro.2014.10.225>.
- Arifa, Audina Noor, and Burhanudin Harahap. "The Implementation of Standard Form Contract in Financing Agreement of Sharia Banking in Islamic Law Perspective." *International Journal of Multicultural and Multireligious Understanding* 5, no. 4 (2018): 420. <https://doi.org/10.18415/ijmmu.v5i4.420>.
- Baffi, Enrico, and Francesco Parisi. "Early Repayment of Loans Under EU Law: The Lexitor Judgment." *Italian Law Journal* 7, no. 1 (2021): 227–51. <https://doi.org/10.2139/ssrn.3636650>.
- Barkatullah, Abdul Halim, and Djumadi. "Does Self-Regulation Provide Legal Protection and Security to e-Commerce Consumers?" *Electronic Commerce Research and Applications* 30, no. May (2018): 94–101. <https://doi.org/10.1016/j.elerap.2018.05.008>.
- Burns, Fiona. "Mortgages, Seniors and the Common Law Contractual Doctrine of Mental Incapacity in Australia." *International Journal of Law and Psychiatry* 34, no. 2 (2011): 79–93. <https://doi.org/10.1016/j.ijlp.2011.02.001>.
- Chronopoulos, Dimitris K., John O.S. Wilson, and Muhammed H. Yilmaz. "Regulatory Oversight and Bank Risk." *Journal of Financial Stability* 64, no. May 2022 (2023): 101105. <https://doi.org/10.1016/j.jfs.2023.101105>.
- Cowling, Marc, and Nicholas Wilson. "Does Inflation Trigger Early Repayment on Covid-19 UK Guaranteed Loans?" *Applied Economics Letters* 00, no. 00 (2023): 1–5. <https://doi.org/10.1080/13504851.2023.2205091>.
- Crafa, Silvia, Cosimo Laneve, Giovanni Sartor, and Adele Veschetti. "Pacta Sunt Servanda: Legal Contracts in Stipula." *Science of Computer Programming* 225 (2023). <https://doi.org/10.1016/j.scico.2022.102911>.
- Ercanbrack, Jonathan. "The Standardization of Islamic Financial Law: Lawmaking in Modern Financial Markets." *The American Journal of Comparative Law* 67, no. 4 (2019): 825–60. <https://doi.org/10.1093/ajcl/avz010>.
- Famauri, Andi Tenri. "The Values of Pancasila in Electronic Banking Agreement." *Hasanuddin Law Review* 5, no. 3 (2019): 289–98. <https://doi.org/10.20956/halrev.v5i3.2150>.
- Firdaus, Sunny Ummul. "The Urgency of Legal Regulations Existence in Case of COVID-19 Vaccination Refusal in Indonesia." *Journal of Forensic and Legal Medicine* 91, no. July (2022): 102401. <https://doi.org/10.1016/j.jflm.2022.102401>.

- Gaffar, Salahuddin, Agus Mulya Karsona, Yani Pujiwati, and Indra Perwira. "The Concept of Procedural Law Regarding the Implementation of Collective Agreements with Legal Certainty in Termination of Employment in Indonesia." *Heliyon* 7, no. 4 (2021): e06690. <https://doi.org/10.1016/j.heliyon.2021.e06690>.
- Gehrig, Stefan, Alex Mesoudi, and Shakti Lamba. "Banking on Cooperation: An Evolutionary Analysis of Microfinance Loan Repayment Behaviour." *Evolutionary Human Sciences* 3 (2021): 1–23. <https://doi.org/10.1017/ehs.2020.64>.
- He, Zhenhua, Lifeng Chen, and Zahid Shafait. "How Psychological Contract Violation Impacts Turnover Intentions of Knowledge Workers? The Moderating Effect of Job Embeddedness." *Heliyon* 9, no. 3 (2023): e14409. <https://doi.org/10.1016/j.heliyon.2023.e14409>.
- Heitz, Amanda Rae, and Ganapathi Narayanamoorthy. *Creditor Rights and Bank Loan Losses. Journal of Financial and Quantitative Analysis*. Vol. 56, 2021. <https://doi.org/10.1017/S0022109020000678>.
- Holijah, Holijah. "Strict Liability Principle: Consumer Protection from Hidden Defective Products in Indonesia." *Sriwijaya Law Review* 4, no. 1 (2020): 109. <https://doi.org/10.28946/slrev.vol4.iss2.295.pp109-123>.
- Iqbal, Asim, Shafiqul Hassan, Haider Mahmood, and Muhammad Tanveer. "Gender Equality, Education, Economic Growth and Religious Tensions Nexus in Developing Countries: A Spatial Analysis Approach." *Heliyon* 8, no. 11 (2022). <https://doi.org/10.1016/j.heliyon.2022.e11394>.
- Jeong-Bon Kim, Jie Zhou. "Cost Stickiness and Bank Loan Contracting." *Advances in Accounting* Volume 61 (2023). <https://doi.org/https://doi.org/10.1016/j.adiac.2023.100645>.
- Liu, Zhiyong, and Ronen Avraham. "Ex Ante versus Ex Post Expectation Damages." *International Review of Law and Economics* 32, no. 4 (2012): 339–55. <https://doi.org/10.1016/j.irl.2012.07.004>.
- Mayer, Chris, Tomasz Piskorski, and Alexei Tchisty. "The Inefficiency of Refinancing: Why Prepayment Penalties Are Good for Risky Borrowers." *Journal of Financial Economics* 107, no. 3 (2013): 694–714. <https://doi.org/10.1016/j.jfineco.2012.10.003>.
- Naiborhu, Elis Deriantino, and Dhanita Ulfa. "The Lending Implication of a Funding for Lending Scheme Policy during COVID-19 Pandemic: The Case of Indonesia Banks." *Economic Analysis and Policy* 78 (2023): 1059–69. <https://doi.org/10.1016/j.eap.2023.04.025>.
- Nizioł, Krystyna. "The Challenges of Consumer Protection Law Connected with the Development of Artificial Intelligence on the Example of Financial Services (Chosen Legal Aspects)." *Procedia Computer Science* 192 (2021): 4103–11. <https://doi.org/10.1016/j.procs.2021.09.185>.
- Pena-Mir, José Luis. "How Well Were Creditors' Rights Protected in Early Modern Spain? The Case of the Public Mortgage Registry in Malaga." *Revista de Historia Económica - Journal of Iberian and Latin American Economic History* 40, no. 1 (2022): 35–65. <https://doi.org/10.1017/S0212610920000099>.
- Pettit, Philip. *A Theory of Justice? Theory and Decision*. Vol. 4, 1974. <https://doi.org/10.1007/BF00136652>.
- Rajeev, Meenakshi, B. P. Vani, and Veerashekharappa. "Group Lending through an SHG Bank-Linkage Programme in India: Transaction Costs and Social Benefits." *Development in Practice* 30, no. 2 (2020): 168–81. <https://doi.org/10.1080/09614524.2018.1508418>.
- Schäfer, Hans Bernd, and Alexander J. Wulf. "Premature Repayment of Fixed Interest Mortgage

Loans without Compensation, a Case of Misguided Consumer Protection in the EU.” *European Journal of Law and Economics* 53, no. 2 (2022): 175–208. <https://doi.org/10.1007/s10657-021-09719-0>.

Sikochi, Anywhere. “Corporate Legal Structure and Bank Loan Spread.” *Journal of Corporate Finance* 64, no. May (2020): 101656. <https://doi.org/10.1016/j.jcorpfin.2020.101656>.

Thomas, Merlyn S., and Yaohua Feng. “Consumer Risk Perception and Trusted Sources of Food Safety Information during the COVID-19 Pandemic.” *Food Control* 130, no. May (2021): 108279. <https://doi.org/10.1016/j.foodcont.2021.108279>.

Tobing, Rudyanti Dorotea. “Abuse of Circumstances as a Reason for the Cancellation of Financing Agreements.” *European Research Studies Journal* 21, no. 2 (2018): 189–99. <https://doi.org/DOI:10.35808/ersj/994>.

Wibowo, Dwi Edi. “How Consumers in Indonesia Are Protected Fairly?” *Indonesian Journal of Advocacy and Legal Services* 2, no. 1 (2020): 57–70. <https://doi.org/10.15294/ijals.v2i1.36546>.

Yue, Pengpeng, Aslihan Gizem Korkmaz, Zhichao Yin, and Haigang Zhou. “The Rise of Digital Finance: Financial Inclusion or Debt Trap?” *Finance Research Letters* 47, no. PA (2022): 102604. <https://doi.org/10.1016/j.frl.2021.102604>.