

## **CHAPTER FIVE CONCLUSIONS AND RECOMMENDATION**

### **A. CONCLUSION**

Based on the research that has been conducted, it may be concluded that:

1. The legal protection for the debtor in the implementation of *Roya* in the credit contract with guarantee in PD BPR Bank Bantul are provided in several regulations. Article 18 of Law Number 8 of 1999 on Consumer Protection provides a protection for customer from exemption clause in a standard contract. This Article are related to the Article 1320 of Civil Code and Article 1337 of the Civil Code. Based on Article 18 Paragraph of Law Number 8 of 1999 on Consumer, the contract that violates this particular law shall be considered as null and void. Meanwhile, there is other regulation that contains a legal protection for debtor. Article 22 of Law Number 4 of 1996 on Mortgage stated that the plea for *Roya* as referred in Article 22 Paragraph (1) is submitted by the interested party. Therefore, the burden of conducting *Roya* shall be in the hand of the creditor (bank). The law open another option regarding who shall conduct the *Roya*, which is the bank shall conduct the *Roya* and the debtor pays for it, but this option is come with a condition. The condition is that the bank shall write it in the credit contract and explained it to the debtor in the first steps of applying credit.
2. The legal consequences if the debtor did not do the *Roya* in the credit contract with guarantee in PD BPR Bank Bantul is the Owner of the Certificate cannot

carry out any legal action toward its certificate. The Land Certificate still administratively considered as a mortgage. The *Roya* was carried out for the sake of administrative order and aimed to fulfill the principle of publicity by publishing it on the Land Office.

## **B. RECOMMENDATION**

After getting conclusions from the research of this description, the following suggestions or inputs are recommended by the author is the obligation to conduct or pay for the *Roya* shall be written down in the Credit Contract. In making a Credit Contract, there shall be an explanation by the creditor to the debtor not only regarding on all of his rights and obligations but also the legal consequences of avoiding it, including *Roya*.