

LEGAL PROTECTION FOR FINANCIAL TECHNOLOGY LOANERS IN THE PROVISION OF INFORMATION TECHNOLOGY-BASED LENDING SERVICES AND ELECTRONIC TRANSACTIONS IN INDONESIA

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Abstract: *The digital era development has encouraged entrepreneurs to start their own businesses, it therefore raises the need for entrepreneurs to seek venture capital. The development of financial technology is an online financial service in information technology (IT) to develop the financial industry through modification and efficiency in financial services. There are several financial technology services developed by start-ups, including asset management, fundraising, e-money, P2P lending, payment gateway, remittance, stocks, and the insurance sector. Many types of financial technology companies are used by entrepreneurs in developing their businesses, one of them is called P2P lending. P2P lending exists as a type of financing for people who want to carry out lending and borrowing activities without going through official institutions. Based on the regulations of the Financial Services Authority, POJK Number 77/POJK.0/2016 regarding Information Technology-Based Borrowing and Lending Services. P2P lending is a type of financing such as lending and borrowing money or funds, but it does not include problems regarding collateral which is a solution to reducing the risk of default or the risk of bad credit. This is related to the object of collateral and its need to reduce incidents of default or bad credit. Therefore it is necessary to establish regulations in order to create legal certainty for the risk of default or bad credit. This study uses a statutory approach along with a conceptual approach which is a prescriptive analytical technique. Whereas based on the protection of creditors in the operation of financial technology companies, there can be certainty about the protection and efforts that can be made by the creditor to reduce the risk of default or bad credit for money lending and borrowing services.*

Key Words: *financial technology, legal protection, bad credit, lending and borrowing.*

1. INTRODUCTION:

The digital era has incorporated in people's lives both socially and professionally in business. There are various kinds of innovations in the digital world through the development of Information Technology (IT). There needs to be changes in the development of Information Technology (IT), the Financial Services Authority (OJK) improves the financial authority service system based on supervision through Information Technology (IT) Based Supervision, changes in regulations, licensing and supervision.

The role of online services in Information Technology (IT) is used to develop the financial industry through modification and efficiency in financial services, known as Financial Technology. Regarding the potential for the use of Financial Technology in society, that Fintech has the potential to increase the financial capacity of the people in Indonesia. Crowdfunding is one of the financial services in society that emerged. Among them are Financial Technology services that consumers use, including payments, retail investment, financial planning, financing, including fundraising models, and others. Many of these are improved by start-ups. The Financial Services Authority (OJK) uses financial technology services to facilitate the public. In other matters, this technology financial service also needs to be monitored so as not to harm the community.

Based on Article 5 of Law Number 21 of 2011 concerning the Financial Services Authority (OJK) which functions to organize and supervise the growth of Financial Technology, Financial Technology enhanced by start-up companies consists of e-commerce and Fintech. To regulate the implementation of these business activities, the Financial Services Authority (OJK) issued a Financial Services Authority Regulation or POJK Number 77/POJK.01/2016 concerning Information Technology-Based Borrowing and Lending Services (LPMUBTI). To protect users in borrowing funds, for the use and utilization of funds that have been lent. Providers are required to meet the requirements for granting a loan to each loan recipient to reduce the risk of bad credit or default, misuse of funds, money laundering and prevention of terrorism financing, as well as disruptions to financial system stability.

Peer to Peer Lending Financial Technology is a type of Fintech that is starting to grow in Indonesia. By definition, Peer to Peer Lending, which can usually also be said to be social lending or person to person lending, is a form of debt-based crowdfunding or lending money between individuals where borrowers and lenders are found through platforms provided by P2P Lending companies. [1] P2P Lending is present as a type of part of Fintech, which

is a method of financing for people who want to carry out lending and borrowing activities without going through official institutions.

In the P2P Lending concept, a debtor who will use the funds is met with a creditor who wants to provide a loan through the Fintech platform. The platform will then become a liaison between the Debtor and Creditor. Like the usual lending and borrowing activities, P2P Lending is different from banks or other conventional financial institutions. At least there are several things that are done by P2P Lending companies, namely ensuring that borrowers are eligible to apply for credit, helping investors to find people who need loans, assisting in the administrative process, managing the flow of funds between borrowers and lenders, and carrying out the collection process when it occurs default or late payment (risk of bad credit).[2]

In the OJK Regulation, there are no provisions regulating the parties who can become loan recipients or borrowers. It's just that the loan recipient or debtor is an individual or legal entity. As in Article 26 letter b of OJK Regulation Number 77/POJK.01/2016 which is obliged to carry out an authentication, verification and validation. However, it still cannot answer the problem related to the parties who can become debtors.

There is no connection with the provisions of the guarantee that can be held by the funder or the operator of the Financial Technology company in providing funds to the recipient of funds,. The guarantee is a way of reducing the risk of default or the risk of bad credit. In Article 19 and Article 20 of OJK Regulation Number 77/POJK.01/2016 which is in the agreement between the parties regarding the provisions of the object of collateral in the loan and loan agreement. In fact, there is no provision regarding the object of collateral, but it is stated that it is obligatory to contain the guarantee object (if any) of the credit guarantee. This object of guarantee is something that should be developed by the OJK regarding how to use the object of guarantee in order to create legal certainty for the risk of default or the risk of bad credit.

2. CONCEPTUAL FRAMEWORK:

1) Financial Technology

Financial Technology is the implementation and utilization of technology to improve financial services. Generally carried out by start-ups that utilize the latest software, internet, communications and computing.[3]

2) Information Technology-Based Lending and Borrowing Services

Information Technology-Based Lending and Borrowing Services or peer-to-peer financing is a loan. Peer-to-peer lending is also known as debt financing. The mechanism is, companies (startups) provide a platform that brings together many people who need loans with many other people who are willing to provide loans.[4]

3) Providers

Information Technology-Based Lending and Borrowing Service Providers, hereinafter referred to as Providers, are Indonesian legal entities that provide, manage and operate Information Technology-Based Lending and Borrowing Services.[5]

4) Loan Recipients

The Loan Recipient is a person and/or legal entity that has a debt due to the Information Technology-Based Lending and Borrowing Service agreement [6]. In writing this is limited by individual loans.

5) Lenders

A Lender is a person, legal entity and/or business entity that has receivables due to the Information Technology-Based Borrowing and Lending Service agreement.[7]

3. THEORITICAL FRAMEWORK:

1) Legal Protection Theory

Philipus M. Hardjon stated that:

“The importance of law is to take care of human rights and human interests, so that the law has the highest authority to determine human interests that need to be regulated and protected”.[8]

In addition to that, Philipus M. Hardjon also stated:

“legal protection for the people as a preventive and repressive government action”.[9]

Preventive legal protection aims to prevent disputes, which directs government action to be prudent in making decisions based on discretion, and responsive protection aims to resolve disputes, including their handling in the judiciary. Legal protection must see the stages, namely legal protection is born from a provision which is basically an agreement of the community to regulate the behavior relationship between community members and between individuals and the government who are considered to represent the interests of the community.

2) Legal Certainty Theory

- A. According to Dominikus Rato:
"Legal certainty is a question that can only be answered normatively, not sociologically.[10]
- B. According to Kelsen, law is a system of norms. Norms are statements that emphasize the "should" or das sollen aspects, by including some rules about what to do. Norms are deliberative products and human action. Laws containing general rules serve as guidelines for individuals behaving in society, both in relationships with fellow individuals and in relation to society. These rules become a limitation for society in burdening or taking action against individuals. The existence of these rules and the implementation of these rules creates legal certainty.[11] Legal certainty is a guarantee regarding the law which contains justice. The norms which promote justice must truly function as rules to be obeyed.
- C. According to Gustav Radbruch, justice and legal certainty are permanent parts of law. He argues that justice and legal certainty must be considered, legal certainty must be maintained for the sake of security and order of a country. Finally, positive law must always be obeyed. Based on the theory of legal certainty and the value to be achieved, namely the value of justice and happiness.[12]

4. LITERATURE REVIEW:

Peer to peer lending platforms exist in the context of financial intermediation, this is due to their role as intermediaries between two individuals who use the site or application as lenders and loan recipients, in short, peer to peer lending websites and applications facilitate financial relationships between the two individual users. peer to peer lending platform.[13]

Peer to peer lending organizers as managers of peer to peer lending platforms carry out their business activities by creating a marketplace (a place where lenders and loan recipients meet) where lenders get access via the peer to peer lending platform to view profiles of potential borrowers.

Peer to peer lending business activities in Indonesia are regulated in Article 5 Part two concerning business activities of the Financial Services Authority Regulation Number 77/POJK.01/2016 concerning Information Technology-Based Lending and Borrowing Services which reads: "Providers provide, manage and operate Lending Services. Borrowing Information Technology-Based Money from the Lender to the Borrower whose source of funds comes from the Borrower. " Here is how peer to peer lending works [14]

1). Process for Loan Recipients.

After registering, the loan recipient will submit a loan proposal. The peer to peer lending organizer will then analyze the credit score, loan history, the amount of the borrower's income, to determine the amount of loan interest, and the loan recipient's score.

2). Process for lenders.

The lender will provide personal data information to peer to peer lending operators such as name, KTP number, account number, cellphone number and so on. After the registration process the lender can see the profile of the loan recipient and decide to whom the loan will be given.

3). Process for peer to peer lending operators.

A peer to peer lending organizer as a business entity in Indonesia will manage the personal data of the lender and manage the funds from the lender as well as the personal data of the lender. The Operator also conducts credit analysis for borrowers.

For every successful peer to peer lending transaction, the peer to peer lending organizer will take advantage of the lender and loan recipient in the form of a service charge.[15]

Consumer

Consumers are every person using goods and/services available in society, whether for their own interests, family, other people or other living creatures and not for trading [16]. Another definition of Consumer more broadly is: "any individual or company who is the ultimate buyer or user of personal or real property, products, services or activities, regardless of whether the seller, supplier, or producer is a public or private entity, acting alone or collectively"[17]

Consumers also include service consumers who have different relationships with consumers of goods, as well as the implications of the accountability of entrepreneurs. In connection with this it is said that:

"Services provided for consumer consumption exist in variety of forms. Two broad categories can be identified, first, a services related the transfer of possession or ownership of goods of materials: second, a pure services. The provision of pure service requires the expertise or skill of the provider and nothing more. Such services include the professional services of a doctor, a lawyer, a surveyor, a financial adviser."[18]

Therefore, it is clear that the scope of consumers is indeed broad, including consumers of goods and services. Services are divided into two, namely services related to the transfer or transfer of goods, and also pure services. Whether in the form of services from transportation service providers, travel services, and also services provided by professionals, including the services of doctors, lawyers, or financial advisors.

Consumers are also not limited to individuals, but also companies that buy a product or service become the end user of a good or service. Consumers also do not always have to have a direct contractual relationship with entrepreneurs as in the caveat emptor adage, those who are considered consumers are not always bound by an agreement, for example in buying and selling, so that the consumer does not always mean a buyer in a buying and selling relationship.

Based on the description of consumers above, if it is implemented in peer to peer lending, consumers are users in the sense of lenders and loan recipients in peer to peer lending services. In the Financial Services Authority Regulation Number 77/POJK.01/2016 concerning Technology-Based Lending and Borrowing Services, peer to peer lending users are described as lenders and loan recipients, are:

“A Lender is a person and/or legal entity that has receivables due to the Information Technology-Based Lending and Borrowing Service agreement “[19] while” The Borrower is a person, legal entity, and/or business entity that has debts due to the Information Technology-Based Lending and Borrowing Service agreement. Information Technology.”[20]

Both are referred to as consumers because both lenders and loan recipients use peer to peer lending platform services both in the form of websites and applications.

Entrepreneur

Entrepreneur is any individual or business entity, either in the form of a legal entity or non-legal entity established and domiciled or carrying out activities within the jurisdiction of the Republic of Indonesia, either individually or collectively through an agreement to carry out business activities in various economic fields.[21]

According to A.Z Nasution, entrepreneurs as providers of goods and services are generally involved as

- 1) Providers of funds for the needs of providers of goods or services (investors).
- 2) Producers of debt for goods/services, and
- 3) Distributor of goods or services. [22]

Entrepreneurs referred to in Law Number 8 of 1999 concerning Consumer Protection (hereinafter referred to as the Consumer Protection Law) are not limited to manufacturing entrepreneurs only, but also distributors and their networks that carry out distribution and marketing functions of goods or services, and include importers of goods to the wider community as eaters and/or users of goods and/or services. In addition, advertising entrepreneurs are also subject to the provisions of this law. Although in principle, the activities of a manufacturing entrepreneur and a distributor entrepreneur are different, the law does not differentiate between the obligations that must be fulfilled by the two entrepreneurs, nor does the prohibition imposed on both of them.[23]

The Consumer Protection Law does not explain in detail the boundaries of entrepreneurs, but based on the definition of entrepreneurs above, entrepreneurs regulated in consumer protection are individuals or business entities that carry out activities in the jurisdiction of the Republic of Indonesia, in the Financial Services Authority Regulation Number 77/POJK.01/2016 concerning Information Technology-Based Lending and Borrowing Services which regulates peer to peer lending activities in Indonesia, is regulated by 2 (two) things, namely, **first**, that the organizer is: "Indonesian legal entity that provides, manages, and operating Information Technology-Based Lending and Borrowing Services. "[25] **Second**, that the organizer must be a limited liability company or cooperative. [26] This shows that peer to peer lending operators as business entities conducting business activities in Indonesia must comply with the Consumer Protection Law.

5. METHOD:

This research uses normative legal research. Normative legal research is library law research.[27] In this normative study, the approaches used are:

- 1) Statutory Approach, is carried out by examining the statutory regulations from the highest norm to the lowest,
- 2) Case Approach is carried out by examining cases related to the legal issues at hand. The cases examined are cases that have obtained a court decision of permanent legal force.
- 3) Conceptual Approach, this approach moves from the views and doctrines that develop in the science of law.

6. DISCUSSION:

The administration is under another authority, namely the administration of lending and borrowing (peer to peer lending). Users of Peer to Peer Lending services regarding legal protection issues in carrying out this lending and borrowing service, in other words must guarantee legal certainty in Peer to Peer Lending service providers.

The basic principle in user protection is that the operator is obliged to carry out the basic principles as stipulated in the Financial Services Authority Regulation POJK Number 77/POJK.01/2016 in Article 29. Therefore, it is intended to apply these principles first in solving bad credit problems. This is in order to settle cases with fair conditions and not to harm any of the parties to claim their obligations that cannot be fulfilled.

In the legal protection of Financial Technology Operators that are under the authority of other authorities, namely the implementation of Peer to Peer Lending, there are several related regulations, namely the Financial Services Authority Regulation POJK Number 77/POJK.01/2016 and the Financial Services Authority Circular Letter SEOJK Number 18/SEOJK.02/2017.

The two regulations have not been able to reach the interests of legal protection against bad credit. In addition, the Regulation of Consumer Protection in the Financial Services Sector POJK Number 1/POJK.07/2013 concerning Consumer Protection in the Financial Services Sector has not been able to reach Operators that are under the authority of other authorities, namely the implementation of lending and borrowing or Peer to Peer Lending. Because there is no regulation that states that Peer to Peer Lending is included in the Consumer Protection Regulation in the Financial Services Sector.

7. ANALYSIS:

7.1 Preventive Legal Protection

Preventive legal protection is an opportunity for the public to submit an objection (*inspraak*) on their own opinion or in groups before a government decision takes a definitive form. Thus, this legal protection aims to prevent very large disputes. With the existence of this preventive legal protection measure, it is hoped that this protection can encourage the government to be more careful in making decisions related to the *ermessen freies* principle, and the people can raise objections or can also be asked for their opinions regarding the planned decision.

Preventive Legal Protection is protection that has the nature of prevention, where before a person and/or group carries out an activity or action that is negative in nature or commits a crime that is intended in it so that it will be able to avoid or negate the occurrence of concrete actions. In preventive legal protection for Information Technology-Based Lending and Borrowing Services, the government has issued several financial service sector regulations listed in the Financial Services Authority Regulation Number 1/POJK.07/2013 concerning Consumer Protection in the Financial Services Sector (hereinafter referred to as POJK PKSJK. further explained about the preventive protection of the regulation.

A. Judging from the Financial Services Authority Regulation Number 77/POJK.01/2016 concerning Information Technology-Based Lending and Borrowing Services

These laws and regulations include protection points including Risk Mitigation, Information Technology System Governance, Information Technology-Based Borrowing and Lending Services, Education and Protection of Information Technology-Based Borrowing and Lending Services Users, Principles and Technical Introduction to Customers, Prohibitions in Service Delivery Information Technology-Based Lending and Borrowing and Periodic Reports to the Financial Services Authority.

- Risk mitigation.

The Financial Services Authority Regulation on Technology-Based Lending and Borrowing Services contains several articles on Risk Mitigation which are contained in Chapter V, Article 21, Article 22, Article 23, and Article 24. In Indonesian, the term risk mitigation consists of the word's mitigation and risk. Mitigation is a planned and continuous action in order to reduce the impact of an event. So it can be concluded that the definition of Risk Mitigation is a planned and ongoing action taken by the risk owner in order to reduce the impact of an event that has the potential or has been detrimental or dangerous.

Article 21 POJK LPMUBTI states that: "Peer to peer lending users must carry out risk mitigation" [27]

Article 22 "Providers can become a member of the OJK financial information service system or other information service system registered with the OJK by fulfilling the requirements in accordance with the provisions of laws and regulations." [28]

Article 23 "Providers may cooperate and exchange data with information technology-based support service providers in order to improve the quality of Information Technology-Based Lending and Borrowing Services." [29]

Article 24 (1) "Providers are required to use an escrow account and virtual account for the Information Technology-Based Lending and Borrowing Service. (2) Providers are required to provide virtual accounts for each

Lender. (3) In order to repay the loan, the Borrower makes payments through the Provider's escrow account to be forwarded to the Lender's virtual account." [30]

The elucidation of article 21 explains that what is meant by "risk mitigation" includes all risks contained in Information Technology-Based Lending and Borrowing Services, including operational risk and credit risk for Peer to Peer Lending Services.

Article 22 explains how providers that meet the requirements will be registered, then Article 23 states that the exchange of information between peer to peer lending operators and information technology-based support service providers is permitted. between lenders and borrowers. The purpose of the mandatory use of virtual accounts and escrow accounts in the implementation of Information Technology-Based Borrowing and Lending Services activities, namely the prohibition of Providers from collecting public funds through the Administrator's account.

In the Risk Mitigation that has been described above, the provisions regarding liability and legal protection for investors do not exist and there is also no planned action if the loan recipient fails to pay in the middle of the agreement.

- Information Technology System Governance. Information Technology-Based Lending and Borrowing Services.

"Information Technology System Governance Information Technology-Based Lending and Borrowing Services have a data center and a data recovery center. Operators are required to meet minimum standards for information technology systems, information technology risk management, information technology security, resistance to system disruptions and failures, and transfer of information technology system management." [31]

For data availability, the government places an obligation on P2P Lending operators to maintain matters relating to confidentiality, integrity, availability of personal data, then transaction data and financial data managed by the organizer from the time the data is obtained until the data is destroyed." [32]

The Operator is obliged to ensure that there is an authentication, verification and validation process that supports access, processing of personal data, then transaction data as well as financial data managed by the LPMUBTI organizer. In addition, operators must use communications other than Electronic Systems to ensure continuity of customer service, which can be in the form of electronic mail, call centers, or other communication media.

- Education

"The organizer is obliged to provide an audit track record of all its activities in the Information Technology-Based Lending and Borrowing Service Electronic System." [33] This audit track record has a function for the purposes of monitoring, dispute resolution, verification, law enforcement, testing and other examinations.

"The security system in the Information technology-based Lending and Borrowing Service that must be carried out by the operator must include procedures, then a prevention system, as well as countermeasures against threats and attacks that have caused disruption, failure and loss to users." [34]

LPMUBTI organizers have the obligation to participate in the management of security gaps in information technology in the information technology-based financial services industry. Administrators must also be able to carry out procedures and means for securing LPMUBTI services to avoid failure, disruption and loss for parties, especially LPMUBTI service users.

- Principles and Techniques for Introduction to Customer

Various LPMUBTI administrators that have been registered with the OJK, the general provisions attached to the platform page, the Provider has the potential not to be responsible for any losses that occur if an error occurs either due to failure of information technology or default by the loan recipient.

Accountability that must be carried out by the Operator is described in article 37 POJK LPMUBTI where "Peer to peer lending organizers have the obligation to be responsible for the losses of Users of peer to peer lending services arising from errors and/or negligence, Directors and/or employees of P2P organizers. Their lending is doing. "

It is explained in the article that if there is an error and/or negligence from the Board of Directors and/or the Operator's Employees. This means that if the loan recipient fails to pay or the credit agreed upon by the loan recipient is not paid, the full responsibility lies with the lender or investor. The organizer does not want to be responsible for defaults made by loan recipients or borrowers. This is very unfortunate because the Government should be cooperative with such risks so that trust in LPMUBTI products will be better and can develop along with the development of current information technology, that regulations regarding legal protection for lenders must be improved because all documents, certificates, and signatures are in the form of electronic, the lender must be given a solution for the settlement in the event of a default by the borrower.

- Prohibition

Running a business activity in P2P Lending products, the Operator is prohibited:

- a. conducting other business activities outside the Provider's business activities regulated in the Financial Services Authority Regulation Number 77/POJK.01/2016 concerning Information Technology-Based Lending and Borrowing Services.
- b. acting as a Lender or Borrower.
- c. provide guarantees in all their forms for the fulfillment of the obligations of other parties.
- d. issuing debt securities.
- e. provide recommendations to users.
- f. publish fictitious and/or misleading information
- g. offer services to users and/or the public through personal communication without the user's consent; and
- h. charge any fees to the User for filing a complaint.

7.2). Repressive Legal Protection

Repressive legal protection has the function of resolving disputes in the future.¹⁵⁷ In order to carry out repressive legal protection for the benefit of the Indonesian people, there are various legal entities that partially take care of the problems that arise. The agencies are further grouped into 2 (two) parts, namely:

- a) Court within the scope of the General Court.
 - b) Government agencies which are administrative appeals agencies.
- Judging from the Financial Services Authority Regulation Number 77/POJK.01/2016 concerning Information Technology-Based Lending and Borrowing Services
The sanctions that have been stipulated in POJK LPMUBTI are in Article 47 (1) For violations of obligations and prohibitions in OJK regulations, "OJK has the authority to impose administrative sanctions on Operators in the form of:
 - a. written warning.
 - b. fines, namely the obligation to pay a certain number of money/funds.
 - c. restrictions on business activities; and
 - d. revocation of license."
 - Judging from the Financial Services Authority Circular Letter Number 18/SEOJK.02/2017 concerning Information Technology Risk Management and Management in Information Technology-Based Lending and Borrowing Services

SEOJK LPMUBTI Governance there are no rules regarding sanctions if they do not comply with the rules contained therein. Because this circular letter was issued due to the enactment of POJK LPMUBTI, the sanctions imposed are also in accordance with the aforementioned rules which are contained in Article 47 POJK LPMUBTI.

- In terms of Financial Services Authority Regulation Number 1/POJK.07/2013 concerning Consumer Protection in the Financial Services Sector
As stated in POJK LPMUBTI that any Financial Service Entrepreneurs and/or parties who have violated the provisions of the Financial Services Authority regulations will be subject to administrative sanctions, including:
 - a. Written warning.
 - b. Fines, namely the obligation to pay a certain amount of money.
 - c. Restrictions on business activities.
 - d. Suspension of business; and
 - e. Revocation of business activity license

However, if a dispute occurs in the future in a product of the LPMUBTI type that is included in a financial institution dispute, the institution that is authorized in this case is the Alternative Dispute Resolution Institution (LAPS). LAPS is an institution that resolves disputes in the financial services sector. In this case, consumers can submit complaints to LJK to be resolved by deliberation in order to reach an agreement.

8. CONCLUSION:

From the previous discussion, several conclusions can be drawn, including:

- Legal protection for creditors in the operation of financial technology companies or financial technology must comply with the basic principles of user protection as stipulated in Article 29 of the Financial Services Authority Regulation, POJK Number 77/POJK.01/2016 concerning Information Technology-Based Borrowing

and Lending Services. In addition, there is also protection for creditors in the Financial Services Authority Circular Letter, SEOJK Number 18/SEOJK.02/2017 concerning Governance and Information Technology Risk Management in Information Technology-Based Borrowing and Lending Services. This is with the existence of PEOJK as a regulatory effort for the implementation of financial technology companies in preventing the risk of bad credit which as must contain identification, assessment and risk mitigation.

- Efforts to protect creditors can be pursued through the Litigation, Non Litigation, and Commercial Court/Bankruptcy channels. This is an option for overcoming the risk of bad credit in the operation of a financial technology company. As the protection of creditors is a last resort for efforts to make peace together. If there is no mutual agreement in peace between the parties.

9. SUGGESTIONS:

The suggestions given by researchers are as follows:

- Regarding the existence of the Financial Services Authority Regulation, POJK Number 77/POJK.01/2016 concerning Information Technology-Based Borrowing and Lending Services. The Financial Services Authority must regulate the aforementioned Law regarding the object of guarantee as there is no clarity on the existence of a guarantee object in the operation of a financial technology company. This is to prevent or minimize the credit risk of the debtor.
- The Financial Services Authority must continue to pay attention to or supervise financial technology companies or financial technology for the risks experienced by the debtor in the process of solving cases of the risk of bad credit. This is so that there is no loss that will be experienced by the creditor.

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