ABSTRACT

PRINCIPLES OF LEGAL PROTECTION TO THE BOND INVESTOR

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The type of this research is a legal research. There are two legal issues in this research: good corporate governance principle to the bond issuer and liability principle of trustee to the bond investor. In this research, three approaches are employed, statute approach, conceptual approach, case approach and comparative approach.

From this research, it is found that in bond issuer of good corporate governance perspective, is the preventive protection. It means that the bond issuer manages its corporation based on a good corporate governance principle i.e. ethics values and legal application in corporation. The well done application of ethic business and legal business principle can be strong to public faith for issuer. Public faith is the one of the strong of issuer in managing the corporation for taking the profit and the finally the profit is used by issuer to pay the debt to investor. Public faith gives any positive influence to the trading securities in capital market cause to take capital gain to the bondholder. Ethics value in business and corporate law doctrine in good corporate governance come true be a business law principle. The business law principle in the beginning just a legal doctrine not only as a fundamental business law problem solving but also as a legal material in business law making regulation, checks and balances, basic principle to several business law regulation and a set of business law regulation and more to be a principle of an acts in whole business law system.

The principle of legal protection to the bond investor in trustee perspective is the repressive protection, means that the trustee as the investor representative and duty to liability as a bewindvoerder and a legal person. As a bewindvoeder, the trustee manages the bondholder’s property and his interest. As a legal person in limited company, trustee has the right and the obligation under the duty on liability as a legal person and personal liability. The personal liability for the director, board of commissioner and shareholder when they are abuse of power, i.e. ultra vires action in investor representative.

Key words: legal protection, bondinvestor, bondissuer, good corporate governance, trustee, liability.