ABSTRACT

Consumer Financing Agreement in the acquisition of motor vehicles using Law Number 42 Year 1999 regarding Fiduciary Guarantee as well as related Regulation. The Consumer Financing Agreement made under the Fiduciary Guaranty Act and the relevant Legislation in the acquisition of motor vehicles provides legal protection for consumer financing companies (fiduciary recipients) and debtors (fiduciary givers). In a consumer financing agreement made under the hood, a consumer finance company may not register a fiduciary security object to the Fiduciary Registry Office because the absolute requirement to be able to register a fiduciary guarantee object shall be in the form of an authentic deed. The legal consequence is that consumer financing companies can not perform the withdrawal process if the debtor performs a default as regulated under the Fiduciary Guaranty Act. One of the main factors of fiduciary guarantee withdrawal is the possibility of non performing loans. Although in general, non-performing loans in consumer financing institutions are relatively small but still these problems are sometimes experienced by every consumer finance company.

Keywords: Agreement, Fiduciary Guarantee, Consumer Financing, Withdrawal.