

## ABSTRACT

### THE LAW PRINCIPLES SYNDICATED LOAN

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Syndicated loan is created to finance mega projects. Such an arrangement is made to distribute risks. Under the arrangement, banks as creditors enter into an agreement collectively as one party with a debtor as another party. Legal issues arise between the banks that participate in the arrangement and between the syndicated creditors and the debtor. This research analyzes the legal issues and gives recommendations for the solutions.

This research is a legal research. In this research, both statute and case approaches are utilized. Statute approach deals with banking law and regulations. While, case approach in this research relies upon agreement on syndicated loan between the syndicated creditors and the debtor.

There are three things found through this research. First, syndicated loan arrangement involves four parties, the creditor, the arranger, the debtor, and the agent, each of which exerts its respective function provided in the agreement. Second, creditors that consort in the syndicated loan are legally considered to be one creditor and subject to common rights and obligations. In addition, this thesis recommends that syndicated loan agreement provide equitable rights and obligations between the parties.

Key words:

- syndicated loan
- risks
- rights and obligations