

ABSTRACT

**PERSONAL RESPONSIBILITY OF THE BOARD OF DIRECTORS
OF LIMITED COMPANY TO BANKRUPTCY**

The legal issues discussed in this research are: (1). The philosophy of personal responsibility of the Board of Directors of Limited Company based on Act Number 40 of 2007; (2). Model of personal responsibility of the Board of Directors of Limited Company that resulted in bankruptcy of Limited Company.

There are 4 (four) approaches used in this research are namely : (1). Statutory Approach; (2). Conceptual Approach; (3). Case Approach; and (4). Comparative Approach.

The conclusion of this research are : (1). In principle, the Board of Directors shall not be personally liable for acts committed for and on behalf of the company based on the authority it possesses. This is because the actions of the Board of Directors are viewed as the actions of the Company which is the subject of independent law so that the company is responsible for the actions of the company itself which in this case is represented by the Board of Directors. Due to the limited liability which is characteristic of the Limited Company, the Limited Company must be responsible for the engagement made between the Company and a third party. The principle of limited liability is what is often used by many people to choose the form of legal entity Limited Company, because by using the construction of the Limited Company, it can minimize the risk of losses that may arise. On the basis of this motivation, in some cases people deliberately for one type of business choose a separate Limited Company form. Sometimes even for one type of business held in two or three separate Limited Company. In essence, companies was economically a unity, but because juridically every legal entity was viewed as an independent legal subject, then a bill to the Limited company can not be sued to the personal property of its people, both its shareholders and its management. However, in some cases the board of directors may also be held personally liable in the event of bankruptcy of Limited Company when the bankruptcy of the Limited Company is caused by errors / omissions made by the Board of Directors in conducting the task of Limited company so that the law will be imposed personal responsibility to the Director who is guilty / negligent ; (2). In relation to the responsibility of the Board of Directors which due to the fault / negligence resulted in bankruptcy of the Company, it can be classified the personal responsibility of the Board of Directors in 3 (three) models, namely: a). The Company and the Board of Directors are jointly bankrupted; b). The Company is firstly bankrupt, then the Board of Directors shall be filed criminally; c). The Company is bankrupt, if the bankruptcy property is not enough then the Board of Directors is jointly responsible.

***Keywords : Personal Responsibility, Board of Directors of Limited Company,
Bankruptcy***