

ABSTRACT

Existence of the 1996 Act Number 4 about Guarantee (Bail) Right of Land and the matter interrelated with the land - support the national banking activity, especially in credit sector. The guarantee (bail) act establish the national law unification about land.

The bail (guarantee) institution in 1996 Act Number 4 replace :

- Hypoteek (Book II Civil Law Book) and
- Credietverband (Staadblaad 1908 Number 542, replacement by Article 57, 1960 Act Number 5 about Base Principal Regulation Agrarian Affairs.

In the banking practice right of land guarantee settled in the number one priority, its mean has high economic value and prospectif in the future. Because of it need the strong and certain institution. For that, Bail (Guarantee) Act hoped get the condusif wheater for banking world.

In the execution of bail (guarantee) right object from the stagnation credit banking, it give to giver (donor) and receiver bail (guarantee) right must in the written contract between debtor as the bail (guarantee) right giver and the creditor as the receiver bail (guarantee) right.

If The debtor can not fulfill his promise, the creditor can accept guarantee (bail) right by parate executorial mechanism, title executorial mechanism, and can make not formal transaction to sell it.