

ABSTRACT

Key words : Liability of directors
Directors' obligations

The objective of this research is to describe the liability of directors' Indonesian limited company by analyzing directors' obligations contained in the Limited Company Act Nr. 1/1995 and the Standard Model of the Company's Articles of Association.

Directors are not personally liable to their companies and to the shareholders and creditors of their companies for their internal or external acts done in their capacity as representative and manager of their companies as long as they are not break directors' obligations under the Limited Company Act Nr. 1/1995 and the Standard Model of the Company's Articles of Association. But, if they break it, they must personally liable to their companies and to the shareholders and creditors of their companies.