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CHALLENGES IN CREDIT AGREEMENTS WHEN THE DEBTOR DIES: A CONSUMER PROTECTION LAW PERSPECTIVE

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Abstract. *Credit agreements accompanied by credit life insurance are intended to provide legal protection for both banks and debtors. However, in practice, their implementation often deviates from legal principles and creates legal uncertainty, particularly when the debtor dies before the insurance policy becomes effective. This research aims to analyze the form of legal protection for banks and debtors in credit agreements accompanied by credit life insurance and to identify appropriate legal solutions from a consumer protection perspective. This study employs a normative juridical research method using secondary data consisting of primary legal materials such as the Indonesian Consumer Protection Law, the Civil Code, Banking Law, Insurance Law, and regulations issued by the Financial Services Authority concerning standard agreements and consumer protection. The findings indicate that credit life insurance is commonly arranged after the signing of the credit agreement, creating a protection gap where the debtor has paid insurance premiums while the insurance policy is not yet effective. This practice violates the principles of legal certainty, transparency, and fairness as mandated by consumer protection law. The study concludes that legal protection can be strengthened through issuance of insurance policies prior to credit disbursement, improved information transparency, and separation of insurance agreements.*

Keywords: *Banker's Clause; Consumer Protection; Credit Life Insurance; Credit Agreement; Legal Certainty.*

1. Introduction

The theory of legal protection is a development of the concept of recognition and protection of human rights which developed in the 19th century (Nola, 2017). The presence of law in social life serves to integrate and coordinate interests that are often in conflict with one another. Law can be used to provide protection that is not only adaptive and flexible, but also predictive and anticipatory (Irtakoesoemah & Arafat, 2020). According to Satjipto Rahardjo, legal protection is the protection of human rights that have been violated by others, and this protection is provided to the community so that they can enjoy all the rights granted by law. The state plays a crucial role in protecting its citizens. Legal protection for citizens is the state's responsibility to guarantee justice, security, and public safety. Legal protection provided by the state also plays a vital role in maintaining stability within the country (Daffa, et al, 2023).

This issue of legal protection is also a concern in the business world, specifically regarding legal protection for consumers. Consumers have a lower bargaining position than businesses. This situation arises because consumers are perceived as the ones who desperately need the business's products. However, in reality, both parties are equal. Economic law dictates that demand influences the market. Therefore, if consumers lack demand for a business's products, the business has no power to gain a stronger bargaining position (Nurul, 2023).

Consumer protection is a form of protection that favors consumers, stemming from the unequal position between consumers and businesses. The concept of consumers acting as protected parties, both explicitly and implicitly, places consumers in a special position within the implementation of consumer protectio (Nurul, 2020). Article 1 Paragraph (1) Number. 8 of 1999 concerning consumer protection explains: "Consumer protection is all efforts that guarantee legal certainty to provide protection to consumers." Article 1 paragraph (2) explains in more detail the definition of consumers. According to this article, "consumers are every person who uses goods and/or services available in society, whether for the benefit of themselves, their family, other people, or other living creatures, and not for sale."

Legal protection for consumers plays a crucial role, particularly given their relatively weak bargaining position. In this context, legal protection must address consumer interests by providing fair and balanced protection. Legal protection for consumers is becoming increasingly important due to the numerous services and products offered with complex terms and conditions, necessitating adequate legal certainty and protection. Consumer protection encompasses not only the product itself but also the abstract nature of consumer rights (Marina & Kadek, 2023).

In the banking world, consumers are defined as customers and/or debtors. Banking can be defined as a source of financing, primarily in the form of credit, for all levels of society, both individuals and businesses, as a means of meeting their consumption needs and increasing production. The funds used to finance these loans largely come from public funds. Therefore, it can be said that the capital provided by banks is the result of the bank's hard work in collecting funds from the public, which are then distributed back to the public through the credit system.

The definition of credit according to Banking Law Number 10 of 1998 is the provision of money or bills that can be equated with it, based on a loan agreement or agreement between a bank and another party that requires the borrower to repay the debt after a certain period of time with the provision of interest. Applications for granting credit must be in accordance with Bank Indonesia regulations, considering that the current conditions of banking competition require banks to be more active in offering credit to prospective recipients of funds or so-called debtors (Satrio & Siti, 2024).

A debtor's loan application to a creditor is inextricably linked to both positive and negative influences. A positive influence is the economic cycle of the community and financial institutions, enabling them to generate profits if they implement an interest system (except for Islamic finance and financing institutions). A negative influence is that if the debtor defaults, the bank or creditor will result in a non-performing loan. However, the financial institution has confidence that the debtor will fulfill its obligations, specifically in fulfilling its obligations. When a debtor applies for a loan, the creditor must strive to gain the confidence of the financial institution to which the loan is being applied. The debtor is required to provide a careful assessment of the debtor's character, capabilities, capital, collateral, and future business prospects. This assessment is known as the 5Cs of Credit, a parameter used by banks to determine the creditworthiness of a debtor (Ririn & Siti, 2024).

Meanwhile, Mariam Darus Badrulzaman argues that a bank credit agreement is a preliminary agreement *(vooroverensoms)* for the transfer of money. This preliminary agreement is the result of an agreement between the giver and the recipient regarding their legal relationship. This agreement is consensual *(facto de contrahendo)* and is governed by Law Number 10 of 1998 concerning Banking and the general section of the Civil Code. The transfer of money itself is real. Only when the transfer of money takes place do the provisions outlined in the model credit agreement apply to both parties. This credit agreement is also regulated in Article 1764 of the Civil Code. The form of credit agreement typically used by banks is a standard agreement. A standard agreement stems from one of the principles of agreements, namely freedom of contract, as stipulated in Article 1338 of the Civil Code. However, this freedom of contract must still meet the requirements for a valid agreement, as stipulated in Article 1320 of the Civil Code.

The definition of a standard agreement according to Hondius is "a concept of a written agreement that is drawn up without discussing its contents and is usually stated in an unlimited number of agreements of a specific nature." Therefore, it can be concluded that a standard agreement is made in the form of a formula and contains standard provisions in it. The form is made in large numbers; some of its contents are long. From the explanation above, it can be concluded that a standard agreement is an agreement whose: 1) contents are determined by the creditor unilaterally, namely that the creditor's position is relatively stronger compared to the debtor's position; 2) contents cannot be determined by the debtor; 3) makes the debtor, because of his needs, forced to accept the agreement; 4) has a written form; 5) preparation is carried out in advance on a mass or individual basis (Wurianalya, 2016).

In standard loan agreements prepared by banks, the bank typically offers life insurance to provide legal protection for the debtor's heirs in the event of the debtor's death. This legal protection is not only provided to the debtor but also to the bank. However, the problem is that a loan life insurance application can only be made after the loan agreement has been signed between the debtor and the creditor, while the requirements for the loan life insurance application have not been met by the debtor. Therefore, the debtor will only meet the requirements for the loan life insurance application once the loan agreement is in effect. The problem arises when the debtor has died and the requirements for the loan life insurance application have not been met, then the debtor's heirs sue the bank because the bank continues to collect the remaining loan balance, even though, according to the debtor's heirs, the debtor also pays the monthly life insurance bill to the bank. Therefore, according to the debtor's heirs, the bank should no longer be allowed to collect the remaining loan balance. This happened in the case of Judge's Decision Number 46/Pdt.G/2022/PN Tpg.

Referring to consumer protection laws, debtors, as consumers in banking, receive a set of legal protections as consumers. However, it's important to note that in an agreement, all parties are equal, meaning their rights and obligations are equal, including legal protection. Therefore, legal protection in the banking world should not only focus on customers or debtors as consumers, but also on the bank itself. This research aims to contribute to the development of legal knowledge, particularly in the fields of contract law, insurance law, and consumer protection law. It seeks to provide a clearer understanding of legal protection in credit agreements accompanied by credit life insurance when the debtor dies, based on consumer protection principles. The results of this study are expected to serve as a reference for future research on similar legal issues.

Practically, this research is expected to benefit the parties involved in credit agreements. It may help debtors and their heirs understand their legal rights and protections, assist creditors in creating fair and transparent credit agreements, and provide guidance for insurance companies in improving policy clarity and claim settlement processes. In addition, this research may support policymakers and law enforcement authorities in developing appropriate legal solutions that ensure legal certainty and fairness for all parties. Based on the background above, there are 2 (two) problem formulations in this research, namely first, how is the legal protection in a credit agreement accompanied by credit life insurance when the debtor dies from a consumer protection perspective? Second, what is the appropriate legal solution in providing legal protection for the parties in the credit agreement?

2. Research Methods

This study employs a normative juridical research design, which examines legal issues through the analysis of laws, regulations, and legal doctrines relevant to the topic of credit life insurance in credit agreements (David, 2021). The research approach combines the statutory approach, the conceptual approach, and the case approach. The statutory approach is used to analyze the legal norms governing consumer protection, banking, insurance, and civil obligations. The conceptual approach is employed to examine legal principles such as legal certainty, transparency, fairness, insurable interest, and the banker's clause. The case approach is applied through the examination of judicial decisions, including District Court Decision Number 46/Pdt.G/2022/PN Tpg, to understand the practical implications of credit life insurance disputes. The primary legal materials used in this research include Law Number 8 of 1999 on Consumer Protection, Law Number 10 of 1998 on Banking, Law Number 40 of 2014 on Insurance, The Indonesian Civil Code *(Kitab Undang-Undang Hukum Perdata/*KUHPer*),* particularly provisions on agreements and insurance, OJK Regulation Number 1/POJK.07/2013 on Consumer Protection in the Financial Services Sector, and Financial Services Authority *(Otoritas Jasa Keuangan/*OJK*)* Circular Letter Number 13/SEOJK.07/2014 on Standard Agreements. Secondary legal materials consist of textbooks, journal articles, and expert opinions related to credit agreements, consumer protection, and insurance law. The analysis technique used is qualitative legal analysis, conducted through interpretation of legal norms, comparison of ideal legal principles with actual practice, and systematic evaluation of the coherence and adequacy of existing regulations. This method enables the researcher to assess the extent of legal protection provided to both banks and debtors and to formulate appropriate legal solutions based on established doctrines and regulatory frameworks.

3. Results and Discussion

3.1. Consumer Protection in Credit Agreements with Credit Life Insurance upon Debtor's Death

A bank is a state institution known for its services not only in savings, checking, or time deposits, but also as a place to exchange money, borrow money, and even transfer money (Andrew, 2014). In general, credit refers to those willing to lend money, while those borrowing it are called debtors. Credit is granted with an agreement, generally offered by a bank to a debtor through a loan agreement, and includes the borrower's risk in repaying their debt to the creditor (Marsella, 2024). It's important to understand that credit is not a form of income, but rather a tool for acquiring additional purchasing power or capital. Credit allows individuals or businesses to finance specific needs or projects without having to directly spend cash. In this regard, credit can serve as a driver of economic growth by providing broader access to financial resources. Credit can be categorized into various types, including consumer credit for personal needs, such as purchasing a home or car, and business credit to support business operations or expansion. The interest rate charged on credit represents an additional fee the borrower must pay in exchange for the use of the funds. The interest rate can be fixed or fluctuate throughout the term of the loan, depending on the type of credit and the agreement. The role of credit in the economy is significant because it provides liquidity and facilitates the flow of funds between various parties in society.

In granting credit, banks assess the quality of credit, namely by looking at the business owned, the performance of a debtor, and the debtor's ability to make payments (Wangsawidjaja, 2020). In banking, the 5Cs are known as the principle. These are principles implemented before granting a loan to a debtor, including monitoring to test the debtor's eligibility for financing. First, the character of the borrower. Second, the customer's ability to manage the business to be financed. Third, the amount of business capital the customer requires from the bank. Fourth, the future condition of the customer's business, whether or not it offers opportunities (Hamonangan, 2020). The 5C principle is applied by banks in their credit provision activities to customers to anticipate bad debts.

Therefore, it is clear that if someone wishes to apply for credit, the bank will first undergo an examination using the 5Cs. If the prospective credit applicant passes the 5Cs, the bank will process their application and proceed to a standard credit agreement. Because credit contributes significantly to economic growth in society, banks also create efficient credit agreements, namely standard agreements. Basically, standard agreements are commonly used in banking practice for efficiency: banks draft their clauses unilaterally without individual negotiation with the debtor. However, there are important limitations to ensure that the agreement remains balanced and does not disadvantage the debtor, as stipulated in Financial Services Authority (Otoritas Jasa Keuangan/OJK) Circular Letter No. 13/SEOJK.07/2014 concerning Standard Agreements. According to previous research conducted by Etty Mulyati: (Mulyati, 2016)

"A bank credit agreement is a standard agreement whose contents are determined unilaterally by the bank, for efficiency purposes. … Credit agreements sometimes contain exoneration clauses … clauses that indicate abuse of circumstances are prohibited."

In addition, standard credit agreements must adhere to the principle of fairness. Consumer financing credit agreements that include unilateral changes by the business actor violate the provisions of POJK No. 1/POJK.07/2013 concerning Consumer Protection in the Financial Services Sector. Therefore, although POJK permits standard agreements, clauses allowing unilateral changes are not permitted (Sari & Sulistyowati, 2021). There are two forms of standard credit agreements namely private deed (signed by parties without witnesses) and authentic or notarized deed (drawn up by or before a notary or public official) (Torey, 2019).

The contents must include a title, comparison (identity, legal basis, status of the parties), and substantive clauses such as maximum credit limit, interest and penalties, term, payment method, collateral, legal options, and dispute resolution. In other words, a standard agreement template must be comprehensive: it includes both general components and clear and fair substantive clauses. This demonstrates that the banking sector must continue to prioritize consumer protection, specifically customers. This is also in line with the concept stipulated in the law on consumer protection.

Within the Indonesian legal framework, Law Number 8 of 1999 concerning Consumer Protection is designed to provide preventive and repressive protection, namely preventing potential consumer losses and providing channels for dispute resolution (Ezati et al, 2023). The primary objectives of this regulation include empowering consumers, respecting their dignity, and establishing a foundation for legal certainty and information transparency. Specifically, the Consumer Protection Law guarantees various consumer rights, such as the right to security, freedom of choice, honest information, the submission of complaints, advocacy, consumer education, and compensation for losses. This regulation emphasizes that consumer protection is not intended to restrain businesses, but rather to foster honest and responsible business practices while maintaining the quality of goods and services for public safety.

Consumers have the meaning of every person who uses goods and or services available in the community for the purpose of meeting their needs, other people and other living things for various interests without defrauding them. While the essence of consumer protection is aimed at consumers as the last users of a product or service (Agustianto, 2020).

When addressing the issue of credit agreements in banking that include credit life insurance, it is necessary to first understand the process for placing credit life insurance in a credit agreement. The process for placing credit life insurance in a credit agreement is regulated as follows (Adam & Anwar, 2021): 1) Commercial Code Article 246: An insurance agreement is an agreement in which the insurer binds itself to the insured by accepting a premium to provide compensation due to an uncertain event (onzeker voorval). This means that legal protection arises after an agreement is reached and the premium is paid; 2) Law Number 40 of 2014 concerning Insurance: Article 1, number 1, emphasizes that an insurance agreement must clearly define the subject, object, benefits, and premium. According to this principle, a credit life insurance policy must be in place and active when the loan begins, because the insured interest is the risk of the debtor's death during the loan term; 3) The Principle of Insurable Interest. Banks have a direct interest in ensuring that the debtor is protected by insurance (so that the loan remains repaid if the debtor dies). The debtor also has an interest in protecting their family from the burden of debt. Doctrinally, insurable interest must be present and valid from the time the policy is issued, not delayed; 4) The Principle of Uberrimae Fidei (supreme good faith). The debtor is required to provide complete information about their health and personal condition in the SPAJ. Insurance companies are required to provide policies as agreed without delay. Therefore, the SPAJ must be completed before the loan is issued to avoid disputes if a risk arises.

Then ideally, the following is the flow of credit life insurance installation in a credit agreement (Pratiwi, 2019): Credit Application, the debtor applies for credit to the bank, and the bank then requires credit life insurance as part of the terms and conditions, Completing the SPAJ (Life Insurance Application Form) & Underwriting Process. Before signing the credit agreement, the debtor is required to complete the SPAJ (Life Insurance Application Form) and submit medical data. At this stage, the insurance company conducts underwriting to assess the risk, Issuance of the Master Policy & Participant Certificate. Once approved, the insurance company issues a policy (usually a master policy in the bank's name) and a participant certificate for each debtor. This policy serves as legal assurance that the coverage is in effect, Signing the Credit Agreement. Once the policy is confirmed, the credit agreement is signed. This means that once the credit is in effect, the insurance coverage is automatically activated, Premium Payment & Credit Disbursement. The premium can be paid in full upfront (deducted from the credit disbursement) or in installments according to the term. However, the legal principle is that the premium amount must be agreed upon and clearly defined when the policy is issued, not afterward, Protection applies from the start of the loan. Because the policy is in place, even if the debtor disbands, even one day after the loan is disbursed, the claim can still be paid.

The process for inserting credit life insurance into a credit agreement is considered ideal because it provides: Legal certainty, the debtor is not disadvantaged because protection is already in place during the loan period; Transparency, Premiums, benefits, and insurance terms are clear before the loan is signed; Contractual fairness, There are no hidden clauses that burden the debtor; Consumer protection, Aligns with the principles of the Consumer Protection Law (Law Number 8/1999).

However, in practice, inserting credit life insurance into a credit agreement differs from the ideal process. The following is a practical process for inserting credit life insurance: Signing the credit agreement first. The debtor signs the credit agreement at the bank. The agreement already includes a clause that requires them to take out credit life insurance even though the policy is not yet effective (Adam & Anwar, 2021); Direct premium deduction from credit disbursement. When credit funds are disbursed, the bank immediately deducts the insurance premium from the credit limit (for example: if you borrow Rp100 million, the debtor receives Rp98 million because Rp2 million was deducted for the premium) (Pratiwi, 2019); Insurance documents follow. Once the loan is in place, the bank submits the application to the insurance company, attaching the SPAJ (Subscription Form) or customer data. The master policy remains in the bank's name, while the debtor only receives the participant certificate late (Yusandani, 2018); Legal risk. If the debtor dies before the policy becomes effective, a potential dispute arises: whether the claim will be rejected (because the policy is not yet in effect) or still paid (because the premium has already been deducted and the credit clause requires it). In some cases, a banker's clause is used to emphasize that from the moment the premium is deducted, the bank is deemed to have acquired the insured interest (Megantari, 2019).

Placing credit life insurance in a credit agreement does not fully protect consumers, in this case, debtors. Weaknesses in this practice include the policy is not yet effective when the loan begins. The debtor has signed the loan agreement and the premium has been deducted, but the insurance coverage is not yet in effect. This violates the principle of legal certainty and has the potential to harm the debtor if a risk (e.g., death) occurs during the "grey zone" period; Lack of information transparency. Many debtors are not given detailed explanations regarding when the policy becomes effective, the claims process, and the risks if the policy has not yet been issued. This contradicts the principle of transparency as stipulated in Law No. 8 of 1999 concerning Consumer Protection (Article 4 letter c); The debtor's bargaining position is weak. Debtors generally cannot refuse the credit life insurance clause because it is a standard requirement of the bank. This clause has the potential to fall into the category of standard contracts, which are prone to creating exoneration clauses (exonerating certain parties from liability).

However, the government has actually provided various consumer protections, specifically for debtors, in credit agreements, namely: Banker's clause: in some cases, once the premium is deducted, the bank is deemed to have an insured interest. This can provide legal basis for claims to be paid even though the policy has not yet been issued (Pratiwi, 2019); Financial Services Authority *(Otoritas Jasa Keuangan/*OJK*)* Regulation: POJK Number 1/POJK.07/2013 concerning Consumer Protection in the Financial Services Sector requires transparency and fairness in financial products, including credit life insurance (OJK, 2013); The debtor's right to information: The debtor has the right to receive a policy/participant certificate, even though the delivery is often late (Saputra & Djajaputera, 2024).

According to Philipus M. Hadjon, legal protection is divided into two categories: first, preventative legal protection, which provides the public (in this case, debtors) with the opportunity to learn about their rights before a decision is made. Second, repressive legal protection, which is final protection in the form of dispute resolution when rights are violated (Hadjon, 1987). In the context of credit life insurance, preventive protection should include information transparency (premiums, policy validity period, benefits, and risks). Meanwhile, repressive protection involves claims mechanisms or dispute resolution when claims are rejected. However, in practice, debtors often only receive repressive protection (they can only sue or file a complaint with the Financial Services Authority (OJK) after they have suffered losses), while preventive protection is suboptimal because policies often follow after the loan is due.

3.2. Appropriate Legal Solution in Providing Legal Protection for the Parties in the Credit Agreement

Ideal legal protection can only be achieved through strict regulations in banking and insurance. The Financial Services Authority (give the full ja) needs to require the issuance of a policy (or at least a certificate of participation) before credit disbursement. This way, from the moment the credit funds are disbursed, insurance protection is effective. This also aligns with Article 4(a) of the Consumer Protection Law (the right to comfort, security, and safety in consuming goods/services).

Information transparency is also needed. One weakness in practice is the lack of transparency regarding the status of insurance policies and benefits. Therefore, banks are required to provide clear written information to debtors regarding the premium amount and its calculation, the policy's validity period, benefits, exclusions, and insurance risks. A separate agreement is also needed. Currently, credit life insurance clauses are only part of the credit contract. Credit life insurance should be outlined in a separate agreement between the debtor and the insurance company, not just a clause in the credit contract. This way, the debtor's position as the insured is clear, and their claim rights are stronger under contract law doctrine. A fairer Banker's Clause is also needed. Current practice is that the banker's clause benefits the bank more than the debtor. The banker's clause should be structured so that insurance benefits also protect the debtor's family. If the debtor dies, the insurance company pays off the remaining loan balance to the bank, and the remaining benefit (if any) is distributed to the debtor's heirs.

An effective complaint and dispute resolution mechanism is also needed. Although repressive mechanisms exist (via the Financial Services Authority (OJK) or the courts), the process is often complicated. Therefore, it is necessary to establish an Alternative Dispute Resolution Institution specifically for the credit life insurance sector under the coordination of the OJK. This mechanism is faster, cheaper, and more responsive for consumers.

Consistent implementation of Standard Operating Procedures (SOPs) is also necessary. Banks and insurance companies must have the same and consistent SOPs, where premiums cannot be deducted before the policy is effective. Once the premium has been deducted, the coverage is considered automatically effective from the date of loan disbursement. The best legal protection for debtors can be achieved through a combination of preventive measures (strict regulations, information transparency, policy issuance before loan disbursement) and repressive measures (a swift and effective dispute resolution mechanism). If these measures are implemented, credit life insurance practices will not only protect the bank's interests but also provide legal certainty and justice for debtors as consumers.

In suboptimal credit life insurance practices, where premiums are deducted from loan disbursements even before the policy becomes effective, debtors are often placed in a vulnerable position. Therefore, legal responses should be structured around three main pillars: preventive protection, repressive protection, and the implementation of practical standard operating procedures (SOPs). Preventive protection, grounded in the doctrine of preventive legal protection, aims to safeguard consumers before disputes arise. In this context, prevention may be achieved through strict OJK regulations requiring insurance coverage to take effect upon the signing of the credit agreement or, at the latest, prior to the disbursement of loan funds; enhanced transparency to ensure that debtors are fully informed of their rights and obligations concerning premiums, risks, and banker’s clauses; and the application of the principle of balance in credit agreements to prevent the inclusion of standard clauses that unfairly disadvantage debtors. Repressive protection becomes relevant once a dispute has arisen, such as when a debtor dies before the insurance policy becomes effective. In such cases, legal remedies may be pursued through dispute resolution mechanisms facilitated by the OJK in accordance with banking and insurance mediation procedures, through Alternative Dispute Resolution Institutions (Lembaga Alternatif Penyelesaian Sengketa/LAPS) in the financial services sector, which offer faster and more affordable non-litigation options, or through civil litigation based on the argument that the deduction of premiums constitutes evidence of the bank’s or insurer’s obligation to provide protection. Finally, to prevent the recurrence of detrimental practices, banks and insurance companies should establish practical SOPs that ensure insurance agreements are drafted separately from credit agreements to clarify the debtor's legal position, banker's clauses are formulated fairly so that coverage applies automatically once the premium is deducted, and the principle of "premium equals immediate protection" is upheld, meaning that debtors receive insurance coverage immediately upon premium deduction without having to wait for the issuance of the physical policy document.

This approach aligns with Philipus M. Hadjon's theory of legal protection, which distinguishes between preventive and repressive protection. Preventive protection is important for preventing disputes, while repressive protection serves as a corrective mechanism when disputes are unavoidable. In the banking context, legal protection for consumers is also strengthened by Consumer Protection Law Number 8 of 1999 and the Financial Services Authority Regulations (POJK) regarding banking and insurance products, which emphasize transparency and fairness of contracts. By implementing a combination of the three solutions above, debtors' rights as consumers can be more effectively protected both before, during, and after the legal relationship occurs.

4. Conclusion

A credit agreement that includes credit life insurance should be a good way to provide legal protection for consumers, in this case, the debtor and the bank. However, in practice, this has reaped various obstacles, namely the installation of credit life insurance can only be done after the credit agreement has been signed, meaning the insurance policy premium has been billed to the debtor, while the debtor has not fully fulfilled the terms and conditions of credit life insurance. So when the debtor dies while the terms and conditions of the insurance have not been submitted, even though the debtor has been billed for the insurance policy costs during his life. This becomes a dilemma.

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