

Review of Legal Protection Against Auction Winners in Good Faith Against Auctions of Lien Assets Sued by Debtors

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Article Info	ABSTRACT
<p>Keywords: Legal Protection, Dependent Rights, Good Faith.</p>	<p>In practice, auction winners often face legal risks, including lawsuits from debtors claiming rights to the auction object despite having followed legal auction procedures. This study aims to analyze the legal protection for auction winners in good faith for dependent rights assets sued by debtors, considering that auctions as a solution to bad loans often cause legal problems related to the rights of debtors and creditors. The research method is normative juridical with an approach to legal rules, conceptualization, and cases, using data from regulations, court decisions, and legal literature. The results of the study show that legal protection for auction winners in good faith is regulated in the Law on Dependent Rights, Regulation of the Minister of Finance, and jurisprudence, but its implementation is limited by proof of good faith and coordination between institutions. Debtor lawsuits can hinder the preservation of rights and create convenience. In conclusion, legal protection needs to be strengthened through the socialization of auction regulations, increasing the professionalism of auction implementation, harmonization of regulations, and effective dispute resolution mechanisms to reduce the impact of debtors' lawsuits on the legal certainty of auction winners.</p>
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INTRODUCTION

Auction as one of the methods of selling assets has an important role in the economic system, especially in the transfer of rights to assets bound by dependent rights. The auction process involves not only bidding, but also complex legal aspects, where legal certainty for the auction winner is essential. In this context, the winner of the auction in good faith is entitled to legal protection, especially when the object of the auction is sued by the debtor. In Indonesia, the protection of auction winners is regulated in various laws and regulations that aim to provide guarantees of rights and legal certainty. Nonetheless, challenges remain, especially when debtors file lawsuits that could threaten the validity of auction transactions.

This situation raises important questions regarding the extent to which legal protection can be provided to auction winners and how legal mechanisms can work to protect their rights. In this introduction, the importance of legal protection for auction winners in good faith, the legal basis that supports such protection, and the challenges faced in practice will be discussed. By understanding this context, it is hoped that readers can get a clear picture of

the dynamics of legal protection in the process of auctioning dependent rights assets and its implications for all parties involved.

Legal protection for auction winners in good faith is one of the crucial aspects of the legal system in Indonesia, especially in the context of the auction of dependent right assets. The auction process often involves the risk of disputes, especially when the object of the auction is sued by the debtor. In this situation, it is important for the auction winner to obtain strong legal guarantees so that his rights can be effectively protected (Agus Saiful Abib Dedy Suwandi and Tumada tamba, t.t.). The legal basis for protection for auction winners can be found in various laws and regulations. For example, Article 200 of the HIR and Article 6 of the Law on the Rights of Dependents provide a basis for auction winners to apply for execution if they are unable to control the object that has been purchased (Saputri, 2020). In addition, the provisions in Vendu's Return ensure that the auction winner receives the auction minutes as authentic proof of the transfer of rights to the object. This document serves as a very important preventive protection before a dispute occurs (Carmelita & Andraini, 2023).

Legal protection for auction winners in good faith in the context of the auction of dependent rights assets faces a number of complex and challenging legal issues. One of the main issues is the legal uncertainty that is often experienced by auction winners. Even though they have followed all the legitimate auction procedures, it is not uncommon for auction winners to find that the objects they are buying are out of control. This can happen due to rejection from the debtor or a third party who feels that he has the right to the object. This uncertainty raises serious questions about the legal certainty of the rights of auction winners.

Lawsuits from debtors are also a significant issue in this context. Debtors who feel aggrieved by the auction can file a lawsuit, which has the potential to result in the cancellation of the auction transaction. This situation creates additional challenges for auction winners, as they must defend their rights amid a possible protracted legal dispute (Fathimah Azzahra & Malikhatun Badriyah, 2023). In addition, the obligation to empty the auction object is another problem that is often faced. After the auction is held, there is an obligation for the owner of the object to vacate and hand over the object to the auction winner. However, often the owner of the object does not fulfill this obligation, so the auction winner is forced to go through additional legal proceedings to obtain his rights.

This process is not only time-consuming but can also add to the cost burden for auction winners. Although there are legal provisions that govern protections for auction winners, in practice, such protections are often considered inadequate. The auction winner may not have enough legal support to ensure that they can control the auction object without hindrance. This shows that there are gaps in the legal system that need to be corrected. Lastly, the responsibilities of sellers and auction officers are also in the spotlight in this matter. In the event that the auction object is not in accordance with the announcement or there is a legal defect in the implementation of the auction, the auction winner has the right to demand compensation from the seller or auction officer. However, enforcement mechanisms for these rights are often complex and take a long time to resolve. Overall, these issues reflect the complexity of legal protections for auction winners and point to the need for reforms in the legal system to provide stronger guarantees of their rights in the execution auction process.

(Muhammad Faisal, 2024)

This legal protection is divided into two categories: preventive and repressive. Preventive protection is carried out before a dispute occurs, through checking documents and notifying auction participants about the condition of the object being auctioned. Meanwhile, repressive protection is provided after a dispute, where the winner of the auction can file a lawsuit through the courts to get his rights. Although the existing legal framework provides a basis for protection, auction winners often face various challenges. One of them is a lawsuit from a debtor that can question the validity of the auction and potentially result in the cancellation of the transaction. In addition, there are times when the auction winner cannot control the object due to the refusal of the party who previously controlled it.

In this context, legal protection for auction winners in good faith is very important to ensure legal certainty and fairness in auction transactions. Despite efforts to provide these protections, the challenges still require serious attention. Therefore, further steps are needed to clarify and strengthen the protection mechanism so that auction winners can exercise their rights without hindrance and feel safe in every transaction made.

METHOD

The methodology of this research is a normative research model, Normative legal research is used to identify and produce new arguments, theories, and conceptions that contradict societal norms and build a single rule of law, legal principles, and legal doctrine (Deassy J.A. Hehanussa et al., 2023). This study uses a normative juridical approach as the main foundation, focusing on an in-depth analysis of related laws and regulations, such as the Law on Dependent Rights, auction regulations, the Civil Code, and the Bankruptcy Law (if relevant), as well as jurisprudence related to the auction of dependent rights. As a complement, an empirical juridical approach can be studied through interviews with related parties such as auction winners, debtors, auction officials, creditor representatives, and legal practitioners. Data collection in this study was carried out through document study and interview methods. Document studies are used to collect secondary data in the form of laws and regulations, court decisions, legal literature, and official documents related to the implementation of asset auctions with dependent rights. This technique aims to understand the legal basis and relevant jurisprudence.

RESULTS AND DISCUSSION

In the legal world, the auction process is often a meeting point between creditors and debtors. When the auction object is sold, the winner of the auction in good faith appears as the party hoping to get the rights to the object (Andika Natanael Oroh, Dedy A Prasetyo, and Yudha Cahya Kumala, 2024). However, what happens when a debtor sues the auction results? In this situation, the court ruling plays a very important role.

In the legal context, the court's decision on the legal status of the auction winner in good faith has a significant impact, especially in providing legal certainty and protection for the parties involved. Auction winners in good faith are those who have fulfilled all the requirements and procedures set forth in the auction process, and are not aware of any legal

defects in the purchased auction object.

Court rulings often provide legal protection to auction winners in good faith, so that they can reclaim the purchase money and other costs incurred if the auction is canceled. This is regulated in various laws and regulations, such as the decision of the Supreme Court of the Republic of Indonesia Number 821K/Sip/1974, which emphasizes that auction buyers in good faith must be protected by law. With a court decision that recognizes the rights of the auction winner, the winner gets a guarantee that his rights to the auction object cannot be infringed by other parties. This is very important to maintain trust in the auction system and property transactions (Sudarsono & Permatasari, 2022).

Imagine an auction winner who hopefully follows the auction process to acquire a property. In good faith, he spent some money and managed to win the auction. However, shortly after that, debtors who felt aggrieved by the auction process filed a lawsuit with the court. This is where tensions begin to arise.

The court decision can have a significant impact on the legal status of the auction winner (Suroto and Adhi Gunawan, 2023). If the court decides that the auction is legitimate and there is no violation of the law, the winner of the auction gets legal certainty. They are entitled to the objects won and can control them without interference from any party, including the debtor.

However, if the court decides to cancel the auction for some reason, for example there is a procedural violation or injustice in the auction process, the situation changes drastically. The winner of the auction had to face the bitter reality that his rights to the object were lost. In this case, they are entitled to recover the money that has been paid as well as any other fees incurred during the auction process. This suggests that even if the auction winner is in good faith, the court's decision can harm them financially and emotionally.

On the other hand, lawsuits from debtors also create their own challenges. Auction winners are often the target of dissatisfaction from debtors who feel their rights have been violated (Dwi Nugrohandhini and Etty Mulyati, 2019). Therefore, legal protection for auction winners is essential to ensure that they do not fall victim to the dissatisfaction of the other party. In this context, the need for an in-depth study of how the legal system can protect the rights of auction winners is becoming increasingly clear.

If the court decides to cancel the auction due to a lawsuit from the debtor or a third party, the auction winner can still claim compensation from the party conducting the auction, as long as they can prove that they were in good faith in the transaction. This creates a balance between the protection of debtors' rights and the rights of auction winners (Depri Liber Sonata, 2015). The court's decision could also influence how auctions are conducted in the future, prompting the institution to be more careful in its process to avoid legal disputes. Including the obligation to ensure all documents and procedures have been fulfilled before conducting the auction.

Thus, this reflects the complexity of the relationship between the auction winner in good faith and the debtor in the context of the lawsuit. The court ruling not only determines the fate of one party, but also creates a new dynamic in the interaction between all parties involved. The existence of clear and firm legal protection is very important to maintain the

integrity of the auction process and provide certainty for all parties involved in this transaction. The winner of the auction in good faith is protected by:

1. Based on Article 42 of the Vendu Regulation and Article 25 of PMK 213/PMK.06/2020, the auction winner is entitled to the auction object.
2. This is stated in Article 200 of the HIR and Article 13 of PMK 213/PMK.06/2020, which provide a legal path for the auction winner to defend his rights if sued by the debtor.

Analysis of the Supreme Court's decision shows that the judge affirmed the status of the auction winner as the rightful owner of the auctioned assets. In the legal world, court decisions often have an impact that goes far beyond the courtroom. One of the cases that attracted attention was regarding the legal status of the auction winner in good faith in the context of the debtor's lawsuit. When an auction is held, the winner of the auction is entitled to the object being auctioned, but the situation becomes complicated if the debtor sues the validity of the auction.

When a court ruling confirms that the auction is legitimate, the winner of the auction gets strong legal protection. They are entitled to the auction object and can request refunds and other fees that have been incurred during the auction process. (Mohammad Algifarri Sukmaya, Lastuti Abubakar, and Tri Handayani, 2020) In this case, the judge's decision is a determinant that strengthens the rights of the auction winner. However, if the court decides to cancel the auction, the impact could be very significant. First of all, the legal status of the auction object will return to the debtor, even if the goods are still registered as debt security. The auction winner's rights will also expire, and they will no longer be able to claim the object. In this situation, the creditor is obliged to return the money that has been paid by the auction winner, thus creating uncertainty for all parties involved.

The results of the study show that it is necessary to strengthen legal protection for auction winners in good faith to ensure legal certainty and justice in auction practices in Indonesia. This research is expected to contribute to the development of legal policies and auction practices that are fairer and more transparent.

This ruling affects not only the winner of the auction, but also the debtor and creditors. Debtors may be relieved that the auction object is returned to them, but they still have to fulfill their debt obligations to creditors. On the other hand, creditors face new challenges; Hopes to meet receivables through auction results are now hampered by court decisions. In each decision, the judge considers various legal aspects, including the good faith of the auction winner and the procedure for conducting the auction itself. In the event of a procedural error or unlawful action on the part of the creditor, the judge does not hesitate to cancel the deed of auction minutes for the sake of fairness.

Overall, the impact of the court decision in the case of a debtor's lawsuit on the legal status of the auction winner in good faith is very complex. Legal protection for the auction winner depends on the validity of the auction process and the judge's decision. Therefore, it is important for all parties to understand the legal implications of any court decision in the context of the auction in order to take appropriate steps in the future.

CONCLUSION

In conclusion, the research method regarding the legal protection of auction winners in good faith in the auction of dependent rights assets sued by debtors is designed to produce a comprehensive and in-depth analysis. With a strong normative juridical foundation, this study will explore relevant laws and regulations and jurisprudence. The potential addition of an empirical juridical approach through interviews will provide practical perspectives from various parties involved. The descriptive analytical nature of this study allows for the presentation of a clear and structured picture of the issue of legal protection, as well as identifying the factors that influence it. Through a combination of extensive secondary data collection and careful qualitative analysis, the study aims to provide an in-depth understanding and make a significant contribution to the discussion about legal protection for bona fide auction winners.

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