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Legal Protection for Customer Funds Against False Accounting by the President Director of PT. BPR Kuda Mas Sentosa (Case Study Decision Number: 457/PID/2019/PT SBY)

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ABSTRACT: Banks, as financial institutions, function as both aggregators and distributors of funds from the public. In the interest of security, people often opt to deposit their money in banks. Various banking products are offered, including current accounts, fixed deposits, certificates of deposit, and savings accounts. However, banks sometimes commit violations that result in losses for their customers. The relationship between banks and customers is based on contractual agreements. This research is conducted due to cases involving the disappearance of customer savings within PT. BPR KUDA MAS SENTOSA in Porong, Sidoarjo, involving internal bank actors. Banking laws do not explicitly address the bank's responsibility when it acts beyond its authority. It is essential for banks, as parties with a relationship between them and customers, to provide legal protection for customers. This study falls under normative legal research, using primary, secondary, and tertiary legal materials collected through literature review. Qualitative analysis is employed, focusing on legal regulations and case studies, examining how these norms are applied in banking practices. The findings reveal that banks, being institutions trusted by the public, must be held accountable for the loss of customer savings, as failing to do so erodes the trust placed in them by the public. Customers are entitled to legal protection, which banks must provide as part of their responsibilities.

Keywords: False Recording, Bank's Responsibility, Legal Protection

INTRODUCTION

In the banking business, various reports are essential, such as profit and loss statements, balance sheets, compliance director's reports, off-balance sheet accounts, maximum credit limit reports, business activity reports, and transaction reports . Bank business activity reports are created to prevent false and misleading information dissemination to the public (customers), prevent crimes related to banking practices within the bank, and prevent crimes involving corrupt practices (Helmi et al., 2019; Pasjaqa & Prekazi, 2023). The preparation of bank business activity reports

often reveals deviations in job responsibilities by bank employees regarding the bank's system and customer data, rights, and obligations held by bank employees concerning customer data that may lead to falsification of banking transactions (Davies, 2017; Purwaningsih, 2019; Ruslana et al., 2020). Such actions are regulated in Article 49 paragraph (1) letter a of Law Number 10 of 1998 concerning Banking, which governs the act of false recording in bookkeeping, reporting processes, documents, or business activity reports, transaction reports, or bank accounts performed by the Board of Commissioners, Directors, or bank employees, which are intentionally punishable by imprisonment for a minimum of 5 (five) years and a maximum of 15 (fifteen) years, as well as a fine of at least Rp10,000,000,000.00 (ten billion rupiahs) and a maximum of Rp200,000,000,000.00 (two hundred billion rupiahs).

Deviations carried out to deceive, cheat, or manipulate the bank or customers, resulting in losses for either the bank or the customers, are referred to as fraud. The presence of fraud indicates that a company's corporate governance is not functioning properly and that the internal controls of a company are weak. There are driving factors behind the occurrence of fraudulent actions, which include:

1) Pressure, is a contributing factor to someone engaging in fraud, often caused by discrepancies in compensation received within the company, leading to pressure and driving someone to commit fraudulent acts.

2) Opportunity, refers to the presence of opportunities for individuals who have authority and access to fraud control procedures.

3) Rationalization, involves perceiving an action as normal and acceptable in society, leading fraudsters to seek justification for their actions.

Fraud prevention can be achieved by enhancing internal controls; strong internal controls can minimize fraudulent activities. A whistleblowing system, which involves employees providing information about legal violations, regulations, guidelines, abuse, or actions harmful to public interests and corruption, is an effective method. The moral values of employees, their adherence to company regulations, and high individual integrity can help prevent fraudulent activities for personal gain within the organization(Víg, 2018).

The relationship between a bank and its customers, who are depositors, is fundamentally based on trust and is referred to as a fiduciary relationship. Therefore, the bank must maintain the trust of its customers by ensuring the bank's health and by upholding the trust of the customers. The legal relationship between customers and banks is the relationship between consumers and financial service providers, regulated by the Financial Services Authority Regulation Number: 1/POJK.07/2013 concerning Consumer Protection. In the financial services sector, banks are obligated to provide compensation and/or replacement if the goods and services received or utilized do not conform to the agreement.

There are four basic principles that explain the relationship between a bank and its customers as depositors, namely:

1) Fiduciary Principle: Banks, in gathering and managing funds from customers, must operate on the basis of trust. Customers entrust their funds to the bank with the expectation that they will be managed safely and honestly.

2) Confidentiality Principle: Bank confidentiality is of utmost importance in the banking industry. The stability of the financial system could be compromised if customer identities, their deposits, or their account information were leaked or accessed by unauthorized parties. This would undermine customer confidence in the bank's ability to safeguard their funds and maintain confidentiality.

3) Prudential Principle: As per Article 2 of the Banking Law, the Indonesian banking sector operates on the principles of economic democracy and prudence. This principle ensures that banks do not engage in activities that could jeopardize the interests of customers who have entrusted their funds to the bank. It requires the bank to provide security for the customers' funds and enable their withdrawal when requested.

4) Know Your Customer Principle: The Know Your Customer (KYC) principle is applied by banks to verify the identity of customers. This is crucial for monitoring customer transactions, including reporting suspicious transactions.

METHOD

This type of research is normative legal research. According to Peter Mahmud Marzuki, normative legal research is library research or document study because it is conducted or focused solely on written regulations or other legal materials. In essence, this research is carried out by examining library materials or secondary data, including primary legal sources, secondary legal sources, and tertiary legal sources.

Peter Mahmud Marzuki explains that normative legal research aims to determine the legal norms applicable to a specific concrete event. In other words, it seeks to assess whether the concrete event being studied complies with the existing norms or doctrines. The results of this research are presented in a descriptive report. It is considered descriptive legal research because the discussion in the research aims to depict the actual legal truth.

In accordance with the title and the issue to be discussed in this research, and in order to provide useful results, this study is conducted using a normative juridical research method (normative legal research method). The normative juridical research method is a library-based legal research method carried out by examining library materials or secondary data sources exclusively.

This research is conducted in order to obtain materials such as theories, concepts, legal principles, and legal regulations related to the subject matter. The scope of normative legal research, according to Soerjono Soekanto, includes: (1) Research on legal principles; (2) Research on legal systematics; (3) Research on the level of legal synchronization vertically and horizontally; (4) Legal comparison; (5) Legal history.

In this research, the scope of the study will involve drawing legal principles, which includes an examination of both written and unwritten positive law. This research can be used to extract legal principles for interpreting legal regulations. Furthermore, it can also be used to identify legal principles formulated explicitly or implicitly.

The secondary data obtained through literature review include legal materials such as: (1) Primary legal materials, which have legal binding force, such as laws and regulations, court decisions, and agreements. (2) Secondary data, which do not have legal binding force, such as draft legislation, journals, literature, and the results of previous research.

In normative legal research, the research location is clearly conducted in various libraries, including private libraries, university libraries, institutional libraries, public libraries, government libraries, and private libraries. The libraries visited are those that contain the legal materials related to the research topic. Additionally, the research location or data collection can also be done through online sources and the internet.

Data collection in this research is conducted through a literature review. The research involves obtaining data from general and specialized literature that is relevant to the issue being studied. Data analysis in this research involves qualitative analysis, which is the process of organizing data to interpret it more deeply. The collected data is analyzed to understand the relationships between the available data and the theories used, aiming to obtain a clear picture of the researched issue.

RESULT AND DISCUSSION

1. Legal Protection for Users of Banking Services (Customers) Based on Law Number 10 of 1998 on Amendments to Law Number 7 of 1992 on Banking

The essence of legal protection is related to law enforcement and how the law ensures justice by granting or regulating rights for legal subjects. It is also about how the law provides justice for legal subjects whose rights have been violated.

Johannes Ibrahim believes that legal protection essentially involves law enforcement, and it considers various factors, including the legal framework itself, law enforcement agencies or parties responsible for establishing or implementing the law, the facilities and resources supporting law enforcement, and the society where the law applies and is enforced.

Efforts in law enforcement are closely related to the ideals of law applied in society, involving legal regulations, legal institutions, and processes. In law enforcement, there are three elements that must be considered: (1) Legal certainty (*rechtssicherheit*); (2) Utility (*zweckmassigkeit*); (3) Justice (*gerechttigheit*).

These three elements represent the desire for law to be applied in concrete events. Legal certainty means that everyone can demand that the law be enforced according to the applicable rules. If violated, these demands can be met and sanctioned according to the law. The element of

utility implies that the law must provide benefits or usefulness to society, and people can demand justice to receive attention.

Legal protection in banking must take into account the three elements mentioned earlier in the context of law enforcement. In the case of the loss of customer funds, it's evident that legal protection for customers is not balanced, and the bargaining position of customers is significantly weaker compared to the bank. Customers who deposit their money in the banking sector are considered consumers of financial services, as per the regulations in POJK No. 1/POJK.07/2013. This legal protection arises from the legal relationship between depositors (customers) and the bank, which is based on an agreement. According to banking law, a deposit is the money entrusted by the public to the bank based on a storage agreement. Deposits can take various forms, such as current accounts, savings accounts, fixed deposits, certificates of deposit, and other similar forms.

In the case of the loss of customer funds caused by the actions of the CEO of PT. BPR KUDA MAS SENTOSA, this constitutes a violation committed by the bank. Looking at the existing regulations, particularly the Banking Law, banks are obliged to conduct banking activities in accordance with the principle of prudence. The loss of customer funds is, in this case, a failure to exercise prudence. Furthermore, POJK No. 1/POJK.07/2013 stipulates that banks, as financial service providers, are required to safeguard the security of the deposited funds that fall under their responsibility. The behavior of banks in executing customer instructions should be in accordance with the agreements made between customers and the bank, as well as complying with the provisions of the applicable laws and regulations.

In this case, considering the provisions mentioned above, the bank has violated the requirement for accurate bookkeeping due to the actions of the CEO, resulting in losses suffered by customers. It is only appropriate that the bank, as an obligated entity, takes responsibility for any losses incurred by customers due to mistakes or negligence on the part of its management or employees acting as financial service providers.

In cases where customer deposits are lost, customers should rightfully receive legal protection. Based on legal regulations, the law provides mechanisms for customers to protect themselves in the following ways:

1) Implicit Deposit Protection: This refers to the general safeguards and standards established by financial regulations and banking laws to ensure the security and integrity of customer deposits. These implicit protections are often part of the legal framework governing the financial industry.

2) Explicit Deposit Protection: This involves explicit mechanisms or institutions established by the government or regulatory authorities to provide specific protection for customer deposits in case of bank failures or other adverse events. Explicit deposit protection may include deposit insurance schemes or government guarantees on certain types of deposits, ensuring that customers will be compensated for their losses up to a certain limit in case of a bank's financial distress or insolvency.

Both implicit and explicit deposit protection mechanisms aim to safeguard the interests of customers and maintain confidence in the banking system by assuring them that their deposits are secure and protected, even in adverse circumstances. These mechanisms vary from one jurisdiction to another, depending on the specific legal and regulatory framework in place.

Considering the Banking Law, legal protection for customers is provided primarily through implicit means. Implicit protection is achieved through effective oversight and regulation of banks, which aims to prevent bank failures and ensures that banks fulfill their obligations while safeguarding the rights of customers. Implicit protection relies on the bank's commitment to carrying out its duties and respecting the rights of customers.

However, for the continued viability of banks as financial institutions and the stability of the banking system as a whole, protection should be a cohesive and integral part of the overall framework regulated by Bank Indonesia. Among the obligations imposed on banks is the requirement to conduct their business activities in accordance with the principle of prudence. This means that banks must carry out their operations in a manner that does not harm the bank itself and does not jeopardize the interests of customers who have entrusted their funds to the bank.

In essence, implicit protection under the Banking Law emphasizes the importance of effective supervision and prudent banking practices to ensure that banks operate safely and responsibly, protecting both the institution and its customers. This approach is intended to maintain public confidence in the banking system and reduce the risk of financial instability. Explicit protection mechanisms, such as deposit insurance or government guarantees, are not explicitly mentioned in this context but may exist as separate regulations or safeguards depending on the jurisdiction.

Implicit protection, as currently provided, may not be sufficient to guarantee the safety of all customer funds deposited with a bank. Recognizing the need for additional safeguards for the interests of customers, explicit protection measures have been introduced, including the establishment of a Deposit Insurance Corporation (Lembaga Penjamin Simpanan or LPS). However, the existing deposit insurance system may still have limitations and might not provide comprehensive protection for all customer deposits.

The deposit insurance provided by LPS has its limits. According to Article 11(1) of Law No. 24 of 2004 regarding the Deposit Insurance Corporation, the value of deposits guaranteed for each customer at a bank is a maximum of IDR 2,000,000,000. For customers with deposits exceeding this amount, their deposits are not covered by the Deposit Insurance Corporation (LPS).

The presence of these limitations and the time-consuming verification and disbursement processes can affect customer confidence in government-backed deposit insurance. While the explicit protection provided by LPS is a valuable safeguard for smaller deposits, customers with larger balances may seek additional forms of protection or diversify their deposits across multiple institutions to reduce their exposure to risk.

It's worth noting that deposit insurance schemes vary by country, and the limits and coverage may differ depending on the jurisdiction and the specific regulations in place. Customers should

be aware of the deposit insurance coverage applicable to their accounts and consider diversifying their deposits if they have substantial holdings that exceed the coverage limits.

The consequences of having customer deposit insurance benefit the customers by providing protection in the form of peace of mind, ensuring certainty and security for their savings. Meanwhile, deposit insurance for banks is implemented to prevent liquidity issues in case of large withdrawals by customers. The primary objective of the law is to maintain order and security. In the case of customers losing their savings, implicit or explicit protection measures are not yet sufficient. This is especially concerning when unlawful actions are committed by bank-affiliated individuals, such as branch managers, involving document forgery and money laundering.

In the event of customers losing their deposits at PT. Bank Perkreditan Rakyat Kuda Mas Sentosa, considering the unlawful actions taken by the bank, particularly intentional actions by bank officials, it falls under the category of actions against the law. According to Article 1365 of the Civil Code, such actions are committed by individuals due to wrongdoing, resulting in harm to others. Actions against the law can be intentional, non-negligent, or due to negligence. In this case, bank officials' actions are considered unlawful, and therefore, customers are entitled to accountability and legal protection.

Furthermore, banks can be held responsible for the actions of their employees, directors, or affiliated individuals if they engage in unlawful activities. Actions by affiliated bank parties, such as bank employees, in the commission of criminal banking offenses, violate the provisions of the Banking Law. Article 49 of the Banking Law governs criminal banking offenses. Bank employees or affiliated individuals who intentionally alter, obscure, or eliminate transaction reports or customer accounts can face imprisonment and fines. In civil law, the bank is still obligated to compensate customers for losses resulting from the disappearance of customer funds. The responsibility borne by the bank aligns with the entrepreneur theory, which places responsibility on the company, considering that losses are part of its business costs.

Additionally, Bank Indonesia, as the banking supervisory institution, plays a role in protecting and guaranteeing that customers do not suffer losses due to actions taken by banks beyond their authority. Bank Indonesia is exempted from obtaining information about customers. Article 29, paragraph (1) of the Banking Law specifies the supervisory and guidance functions of Bank Indonesia, granting it the authority to access all information regarding customers' financial conditions.

The case of customer fund loss due to false entries in the bookkeeping at the People's Credit Bank should rightfully fall within the scope of supervision carried out by Bank Indonesia, as it possesses the authority to oversee the banks under its purview.

2. Criminal Liability for False Bookkeeping by the President Director of PT. Bank Perkreditan Rakyat Kuda Mas Sentosa Resulting in Losses.

In the Indonesian Criminal Code (KUHP), the concept of criminal responsibility is not explicitly defined but is typically regulated in a negative manner using phrases like "not subject to

prosecution" (Article 48, 49, 50, 51 KUHP), "cannot be held accountable" (Article 44 Paragraph (1) and (2) KUHP), and others. Such regulations have given rise to theories of criminal responsibility in civil law systems, particularly in the Netherlands and in Indonesia, which adopted the Dutch Criminal Code.

Generally, theories of criminal law regarding criminal responsibility in civil law systems are closely linked to the concept of fault or the principle of culpability, often referred to as the "no punishment without fault" principle. Given that the current Indonesian Criminal Code considers fault as an element of criminal offenses, discussions on fault as an element of criminal offenses will also touch upon the concept of criminal responsibility, which is referred to as the monist theory.

The elements of fault generally consist of three components, namely: (1) Capacity for responsibility (teorekeningsvatbaarheid) of the perpetrator; (2) A specific mental attitude in relation to the act, which can be either intentional or negligent; (3) The absence of reasons that would eliminate fault or criminal responsibility on the part of the perpetrator.

The use of the term "accountability of the perpetrator" is a consequence of a criminal act that has been committed by the perpetrator, meaning that the criminal act has been proven and meets the elements of criminal liability, resulting in the perpetrator being prosecuted. Prosecution is the outcome of the accountability of the perpetrator. The concept of "non-accountability of the perpetrator" is a consequence of the failure to fulfill the elements of criminal liability even if the criminal act has been proven. Therefore, whether the perpetrator is held accountable or not will be determined after all the elements of the criminal act have been met. Similarly, whether the perpetrator is prosecuted or not will be determined after the accountability of the perpetrator has been established as a result of the assessment of criminal liability.

The Indonesian Criminal Code of 2012 explicitly defines criminal liability as the continuation of objective blame present in a criminal act and subjectively attributed to an individual who meets the criteria for being sentenced for that act. The section on Criminal Liability in the Criminal Code signifies the adoption of the principle "no crime without fault," where fault serves as the basis for determining criminal liability. Fault consists of the capacity for responsibility, intention, negligence, and the absence of grounds for pardon.

The elements that a judge must consider in determining criminal liability are: (1) The wrongful nature of the act, which is assessed telelogically and not as an element of the criminal offense. (2) Fault or wrongdoing, which is assessed telelogically and not as an element of the criminal offense. (3) The absence of justifying reasons. (4) The absence of excusing reasons. (5) Capacity for responsibility.

In Indonesian positive law or prevailing legislation, there is no specific definition or explanation provided for criminal liability. In practice, legal practitioners and jurists determine criminal liability by referring to various theories of criminal liability found in legal doctrines. It has become a fundamental principle that criminal liability is based on fault or wrongdoing.

Criminal liability is determined by examining the judge's decision, which is made to impose punishment. Punishment or criminal sanctions are intentionally imposed by individuals or entities with authority (by those authorized), and these penalties are applied to individuals who have committed criminal acts according to the law. Criminal liability is essential in the context of imposing penalties on individuals who have committed criminal acts.

The elements of criminal liability are as follows:

1) Capacity to be held responsible (*teorekeningsvatbaarheid*) of the perpetrator.

2) Mental state of an individual in such a way that: a). They understand the meaning or value of their actions and the consequences of their actions. b). They are capable of controlling their will regarding their actions. c). They are aware that their actions are prohibited by law, societal norms, or morality.

3) The intent of the legislator (formulator of the Criminal Code): a). This element is considered to exist and fulfilled by every perpetrator of a criminal act. b). Therefore, the criminal act is formulated in the article. c). It does not need to be proven unless there is doubt about the presence of this element in the perpetrator, in which case it must be proven. If the judge is in doubt, the principle is "in dubio pro reo," meaning in doubt, for the accused.

Criminal responsibility involves several elements that must be met to declare that an individual can be held accountable. These elements include:

1) The existence of a criminal act

The element of the act is one of the fundamental elements of criminal liability because a person cannot be held criminally liable if they have not committed an act prohibited by law. This is in line with the principle of legality, "*nullum delictum nulla poena sine praevia lege poenali*," which means that no one can be punished for an act unless there is a prior law that prohibits that act. In Indonesian criminal law, it regulates concrete and observable acts, meaning that the law focuses on acts that are visible. In other words, a person cannot be criminally punished based solely on their thoughts or intentions, following the principle "*cogitationis poenam nemo patitur*" – no one is punished for their thoughts alone.

2) The element of fault

The "fault", and it refers to the psychological state of a person related to their actions, which is such that, based on this condition, the person's actions can be criticized. The concept of fault here is used in a broad sense. In the Indonesian Penal Code (KUHP), fault is used in a narrow sense, specifically referring to negligence, as seen in the Dutch language formulation found in Articles 359 and 360 of the KUHP.

The term "fault" can be used both in a psychological and a normative sense. Psychological fault refers to the true guilt of a person, involving what someone thinks and feels in their mind. Psychological fault can be challenging to prove because it is not tangible, making it difficult to

ascertain. In Indonesian criminal law, the concept primarily used is normative fault. Normative fault is an assessment of an individual's actions from the perspective of others regarding a person's conduct. Normative fault is judged based on criminal law norms, which include intentional fault and fault due to negligence.

3) Intention

In most criminal cases in Indonesia, the predominant element is intention rather than *culpa* or *negligence*. This is related to the principle that individuals who are more deserving of punishment are those who commit the act with intent or engage in criminal conduct with the element of intention. Regarding intentional wrongdoing, there is no need to prove that the perpetrator was aware that their actions were prohibited by the law. Thus, there is no requirement to prove that the act committed by the perpetrator is inherently "evil" or "malicious." It is sufficient to establish that the perpetrator had the intent to carry out their actions and was aware of the consequences of their deeds. This aligns with the legal fiction adage that posits that every person is deemed to know the content of the law. Therefore, it is presumed that an individual is aware of the law, as one cannot evade legal rules by claiming ignorance of the law or not knowing that something is prohibited. The concept of intentionhas evolved in jurisprudence and legal doctrine, and several forms of intention are generally recognized, including:

a) Intention, as understood in this form of crime, means that the perpetrator genuinely desires (*willens*) and is aware (*wetens*) of the act and its consequences. Awareness, in this context, is both factual and normative, meaning that based on concrete events, people will assess whether the act was truly intended and known by the perpetrator. Intention with awareness as the purpose can be attributed, and this form of intention is easily understood by many. If intention with this purpose is present in a criminal act, and there is no dispute about it, the perpetrator deserves a more severe criminal penalty. This is especially the case when it can be proven that in the act committed by the perpetrator, there was a genuine intentional act with a specific purpose, and it can be linked to the fact that the perpetrator genuinely desired and intended to achieve the consequences that form the core basis for criminal liability. This desire to achieve must be assessed from the perspective of culpability.

b) Intention as a necessity Intention of this nature occurs when the perpetrator, through their actions, does not aim to achieve the consequences of their actions, but they carry out the act as a requirement to attain another goal. In other words, in this form of intention, the perpetrator is aware of the action they desire, but they do not desire the consequences of the act they have carried out.

c) In intention as a possibility, the perpetrator actually does not desire the consequences of their actions, but they were aware beforehand that those consequences could potentially occur. However, the perpetrator still goes ahead with their actions, taking that risk. For example, Scaffrmeister provides an example of a driver who is driving towards a police officer giving a stop signal. The driver continues to accelerate the car, hoping that the police officer would jump aside, even though the driver is aware of the risk that the police officer could be hit and killed or jump to the side.

d) No Excuse. In certain situations, a perpetrator of a criminal act may not have any choice but to commit the criminal act, even though it is not desired. As a result, they must face legal consequences for their actions. This is not something the perpetrator can avoid, even if they didn't want to engage in criminal activity. It is done by an individual due to external factors. These external factors or inner factors are what cause the perpetrator to have no alternative but to commit the crime. In other words, in this regard, there is a reason for the elimination of the penalty, so accountability is suspended until it can be determined whether or not there are mitigating circumstances within the perpetrator. In this case, even though the perpetrator can be criticized, that criticism cannot be pursued because the perpetrator cannot do anything other than commit the criminal act. In criminal law doctrine, justifications and excuses are distinguished because they serve different functions. The difference arises because justifications are a form of "justification" for a criminal act that violates the law, while excuses lead to "forgiveness" for an individual who has committed a legal offense. In criminal law, justifications include circumstances such as emergencies, self-defense, compliance with legal regulations, and carrying out legitimate orders from authorities. An emergency situation is one of the justifications, where an individual faces a dilemma and must choose a course of action.

CONCLUSION

Based on the decision of the High Court Number 457/Pid/2019/PT.SBY, criminal liability in the case of false record-keeping in the books by the CEO of PT Bank Perkreditan Rakyat Kuda Mas Sentosa, which resulted in full losses, falls under the criminal law regulations as stipulated in Article 49 paragraph (1) letter (a) of the Republic of Indonesia Law Number 7 of 1992 regarding Banking, as amended by the Republic of Indonesia Law Number 10 of 1998, in conjunction with Article 64 paragraph (1) of the Criminal Code (KUHP), which states: Members of the Board of Commissioners, Board of Directors, or employees of a bank who intentionally: a. Create or cause false records in the bookkeeping or in the process of reporting, as well as in documents or reports of business activities, transaction reports, or bank account reports, shall be subject to imprisonment for a minimum of 5 (five) years and a maximum of 15 (fifteen) years, as well as a fine of at least Rp10,000,000,000.00 (ten billion rupiahs) and up to Rp200,000,000,000.00 (two hundred billion rupiahs).

The form of losses experienced by PT. Bank Perkreditan Rakyat Kuda Mas Sentosa in the decision 457/Pid/2019/PT SBY is that the Defendant committed a banking crime which caused losses to the People's Credit Bank in accordance with decision 457/Pid.B/2019/PT SBY. The form of loss caused by the Defendant is that PT. Bank Perkreditan Rakyat Kuda Mas Sentosa suffered a loss of 714 (seven hundred fourteen) credit facilities with a total limit of Rp. 26,485,750,000 (twenty-six billion four hundred eighty-five million seven hundred fifty thousand rupiahs), which could endanger the sustainability of PT. Bank Perkreditan Rakyat Kuda Mas Sentosa's business and result in the loss of its customers.

Recommendations: *First*, There is a need for regulations from Bank Indonesia that require banks to conduct regular Financial Information Service System (SLIK checking) for all employees and directors of the bank to anticipate intentional deviations that deceive or manipulate the bank, customers, or other parties, resulting in losses. *Secondly*, the government needs to further regulate banking legislation on the accountability of banks for debtors who lose their funds due to criminal acts committed by the bank's directors and employees. *Thirdly*, for prospective debtors and debtors to avoid signing on blank forms offered by bank employees. *Fourthly*, it is expected that in every court decision, the judge will issue an order stating that debtors who have lost their savings as a result of criminal acts by bank personnel should receive material compensation.

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