



Position of the Principle of Good Faith in Life Insurance Agreements Study of Decision No. 489/Pdt.G/2021/Pn.Mdn

Aprilia Putri¹, Purwanto², Febri Noor Hediati³

^{1,2}Fakultas Hukum Universitas Mulawarman Samarinda

Abstract: Insurance is regulated by Law No. 40 of 2014 concerning Insurance. The three main parties involved in insurance are the policyholder, the insured, and the insurer. The basic principle in an insurance agreement is good faith, which refers to mutual trust between the parties. However, disputes often occur regarding the implementation of this principle, such as unilateral policy cancellation and rejection of life insurance claims, which reflect a lack of good faith. This study aims to analyze the position of the principle of good faith in life insurance agreements at PT. Asuransi Allianz Life Indonesia, as well as to consider the legal basis of judges in cases of policy cancellation and claim rejection as stated in Decision No. 489/Pdt.G/2021/PN Mdn. The approach used is doctrinal research, focusing on the analysis of legal norms, including relevant legal theories and principles. The results of the study indicate that the principle of good faith in life insurance agreements at PT. Allianz Life Indonesia is based on trust between the insurer and the insured to reach a fair and transparent agreement. If this principle is ignored, disputes cannot be avoided. In his decision, the judge did not specifically refer to the Insurance Law or the Civil Code, but based his decision on the trial facts and evidence provided by the parties.

Keywords: Life insurance, good faith, claim payment, policy.

1. Introduction

In the financial services industry, insurance is included in the important integrity part of the country's economic system. Insurance has an important role to provide guarantees, in other words to protect the financial interests of the community and businesses in an event that is not certain to occur (Ganie & Se, 2023), (Pamungkas & Zulfikar, 2021). The emergence of the community's need for insurance gave birth to Law No. 40 of 2014 concerning Insurance which is positioned as positive law in Indonesia. Where this law regulates the legal basis of insurance to be obeyed and implemented properly so that insurance companies as insurers, policyholders and insured carry out insurance activities wisely (PERASURANSIAN & PUTRA, n.d.), (Abdullah & Wijaya, 2019). Article 246 of the Commercial Law Code (KUHD) explains that insurance is an agreement where the insurance company binds itself to the insured by obtaining a premium and is willing to bear the loss if an uncertain event occurs. The agreement in the life insurance agreement is certainly recorded in writing in a statement called a life insurance policy, in accordance with Article 255 of the Commercial Law Code (Putri, 2021), (Susanto, Azwar, & Marwa, 2021), (Magistri, 2020).

The emergence of insurance activities, then in the insurance contract policy, it is required to have a strong foundation between the parties with a basis that lies in the principle of good faith. The principle of good faith is a strong basis for establishing trust between the parties in carrying out the insurance contract (Setyawan, 2024), (MASRI, n.d.). Good faith is based on *ubberimae fidei*, which literally is the principle of perfect honesty. This issue is in line with the provisions of Article 1338 paragraph (3) of the Civil Code which states that the agreement must be carried out in good faith, which is a

Correspondence:

Name: Aprilia Putri

Email: apriillia.ptri03@gmail.com

Received: Sep 27, 2024;

Revised: Oct 05 2024;

Accepted: Oct 15, 2024;

Published : Oct 30, 2024;



Copyright: © 2024 by the authors.

Submitted for possible open access publication under the terms and conditions of the Creative Commons

Attribution-NonCommercial 4.0 International License (CC BY-NC 4.0) license (

<https://creativecommons.org/licenses/by-nc/4.0/>).

real legal basis that every party that carries out a contract or agreement must be based on good faith, prioritizing honesty and openness in all aspects of the contract including the life insurance agreement (AS, 2021), (Anisya Anggun, 2018). Article 1320 of the Civil Code concerning the valid requirements of an agreement also becomes part of the life insurance agreement, namely: There is an agreement, The competence of the parties to the engagement, A certain thing, Because it is halal (Setiawan, 2021), (Dewi, 2024).

The realization of the principle of good faith in contracts for the insurer and the insured is also regulated in Article 251 of the Commercial Code, which states that if there is a behavior of false notification, concealment of circumstances known to the insured, even though it has been done in good faith, then the agreement will not be made (Simatupang, 2020), (Muzakki, 2017). This law refers to the behavior of the insured if it does not provide transparency in the agreement process, which if the insured violates this, the agreement will be canceled. According to the author, the law is more inclined towards the insured who does not implement the principle of good faith, but in reality the insurer can also violate the principle of good faith (Hidayat, 2021), (Shofie, n.d.).

In carrying out an insurance agreement, justice and legal protection are an inseparable unity in order to reach an agreement that is profitable for all parties. Justice according to Aristotle, focuses on balance and equality of rights. For Aristotle, justice is seen by prioritizing the law, whether written or unwritten (Farianto, 2021), (Maniah, 2022). Based on Aristotle's explanation, the law needs to be aligned and enforced with balance in order to achieve justice. In balance to achieve justice, all parties have the same rights and the same position in the eyes of the law. Aristotle divides justice into two types, namely: Distributive justice, which is concerned with the distribution of wealth and goods in society in the context of public law. Corrective justice, which is concerned with correcting wrongs, compensating victims, or giving appropriate punishment to perpetrators of crimes (Wijayanto Putri, 2021), (Yusni, 2020).

Legal protection is needed to protect insurance activities in the event of a dispute between the insurer and the policyholder (insured). According to Satjipto Rahardjo, the theory of legal protection states that legal protection aims to protect a person's interests to give him the right to act within the framework of those interests (Pasaribu, 2023), (SITI HAJAR, 2021). Legal protection is regulated to provide protection against human rights that have been harmed by others, so that residents get all their rights given by law. The form of justice and legal protection are both closely related, because justice demands that the rights and obligations of each party can be fulfilled proportionally, while legal protection plays a role in ensuring that all parties in the contract receive guarantees for their rights if there is an impropriety, so that a balanced and fair contract is created (Sunarso, Sh, & Kn, 2022), (Magistri, 2020).

Marcus Tullius Cicero argued that good faith is the basis of justice and is the most sacred thing in life. Good faith has three meanings, namely loyalty, promise, and also protection. Near violations can be considered as disloyalty and actions that provide legal resistance. The principle of bona fide was also applied in Rome, where the principle of good faith provides certainty that the trial is carried out fairly and maintains public trust. The parties must uphold the principle of good faith from the beginning of the agreement until the agreement ends (Kubando, 2022), (Wibowo, 2023). Both the insurer who provides a detailed explanation to the insured regarding the clauses in the policy, and also the insured who must understand and fill out the policy with valid, honest and complete information regarding the principal being insured (RIMA, 2016), (Siahaan, 2023).

In practice, problems were found related to the application of the principle of good faith in insurance law in Indonesia. The problem is found in Decision No. 489/Pdt.G/2021/PN. Mdn regarding unilateral cancellation of policies and rejection of life

insurance claim payments. This dispute arose because the insured felt that he had acted in good faith in a life insurance agreement by making premium payments and filling out the Life Insurance Agreement Form correctly and honestly. However, the insurance company suddenly provided a letter of policy cancellation and rejection of life insurance claim payments stating that there were indications of other diseases that were not mentioned by the insured when filling out the Life Insurance Agreement Form, which caused the insured to not accept the unilateral decision. The unilateral cancellation of the policy and rejection of claim payments are indications that Allianz Life Company as the insurance company that provided the coverage did not implement the principle when filling out the form for both the insured and the policyholder as a customer of the life insurance.

2. Materials and Methods

In reviewing this research, namely using research techniques through a doctrinal approach. The focus of the doctrinal approach is on a set of norms that analyze the relationship between norms, analyze content, combine theory with norms and also legal principles. Research with this method is directed to conduct library research covering primary legal material as well as secondary legal material. The author also refers to legal norms, namely laws and regulations and expert thinking which will later be linked to Decision No. 489/Pdt.G/2021/PN. Mdn.

3. Results and Discussion

3.1 *Position of the Principle of Good Faith in Life Insurance Agreements and in Allianz Life Insurance Agreements*

The position of the principle of good faith in an agreement in the form of life insurance certainly plays a very important role in the clarity of an agreement. In insurance law, the principle of good faith is included in the 6 (six) basic principles of insurance, namely insurable interest, utmost good faith, indemnity, subrogation, contribution and proximate cause. In the principle of utmost good faith, all forms of the insured's medical history and all information included must be stated honestly and truthfully in the Life Insurance Application Letter (SPAJ). Because if there is a lie, error and dishonesty in the insurance agreement process, a dispute can occur in the life insurance agreement and can lead to the cancellation of the agreement and/or the continuation of the problem to court. The position of the principle of good faith is the basis and reference because this principle is born from the principle of trust, where to carry out the principle of good faith must be based on the conscience of each party.

The insured person buys insurance through a purpose to transfer the risk that poses a threat to assets or himself. By paying premiums to an insurance company, the risk is transferred to the insurance company. If then an event occurs that results in a loss, the insured party will receive compensation payments where appropriate through the total insurance owned. There is a loss that appears can have a partial nature or known as "partial loss" or total known as "total loss".

The principle of good faith has several main meanings, namely good faith with an objective understanding, by requiring the implementation of agreements based on various norms of propriety and also morality which ultimately do not cause harm to a party. Meanwhile, there is good faith in a subjective understanding by relating to the honesty of an individual's conscience when carrying out their legal actions. If someone knows that their actions can harm others but still continues, then it can be said that the person is not implementing the principle of good faith or has bad intentions. In the civil context, it is assumed that all parties must have honesty or good intentions. Conversely, if there is an allegation of bad faith, then this must be proven. As long as the evidence does not find a

bright spot, then the party must still be considered a party with good intentions and honest even though it is doubtful.

Subekti stated that Article 1338 paragraph (3) of the Civil Code considers good ethics to be a crucial element in contract law, by giving the judge the right to ensure that the contract is carried out based on the principle of compliance and also justice. In other words, the Judge can deviate from the provisions of the contract if its application is considered to violate the principle of justice or is known as "recht gevoel" for one party. The principle of good faith requires that the implementation of the contract must comply with the norms of propriety and the values of justice. Based on the principle of justice that a regulatory law as the main foundation, with that the regulation regarding an insurance law, especially those related to insurance agreements and also the good faith of each party in providing accurate and honest legitimacy, needs to be revised or clarified before the insurance agreement is made to achieve balance. Although this principle is said to be still abstract, this principle is important because it is expected that the parties will provide transparency to each other in carrying out an agreement. If one party does not carry out this principle, then the mutual trust between the parties cannot be said to be the same anymore. Therefore, every insurance company and also customers must instill a sense of trust in each other by carrying out what is in the form of good faith.

In the context of the Civil Code, Article 1338 Paragraph (3) outlines the principle of good faith as the basis for individuals to carry out legal acts when creating agreements. When it has been proven that someone makes an agreement with bad faith, the agreement can be canceled. In life insurance agreements, this principle of good faith emphasizes the obligation of mutual good faith between a customer and also a life insurance company in carrying out an agreement relationship. In life insurance, this principle involves reciprocal trust where the customer provides accurate information about his health, and the insurance company provides provisions in accordance with that information.

Based on the author's research, quoted from the AAJI RAT Decree No. 02/AAJI/2012 concerning Standards of Practice and Code of Ethics for Life Insurance Companies, that Life Insurance Companies are required to: (a) Comply with every agreement between the Life Insurance Company and the Marketing Staff and the marketing distribution agreement for life insurance products with other legal entities. (b) Explain correctly, completely and accurately to prospective Customers and/or Customers regarding the profile, performance of the Life Insurance Company and the life insurance products offered. (c) Providing the best service for customers.

Based on the regulations and guidelines above, in line with Article 31 paragraph (2) of Law No. 40 of 2014 concerning Insurance, life insurance companies together with their agents and marketing staff are required to provide the best quality of service for customers, namely by providing accurate information related to the life insurance products offered and providing explanations regarding various issues that are not covered by the life insurance company, because there is often misinformation or misunderstanding by customers who do not understand in detail the contents of their life insurance policies. This is expected to prevent Asymmetric information, namely a condition where the Insurer does not know about the type and level of risk that will be borne by the customer (insured) at the beginning of the insurance contract. This situation also occurs by the insured, who may not have a complete understanding of the risks and guarantees included in their insurance policy. This imbalance of information can cause problems later on if not resolved properly at the beginning of the contract. Included in the problems that can arise is when a loss is experienced and the Insured files a claim, they may think that all risks are covered by insurance, even though the claim is caused by an uninsured danger.

In an asymmetric situation, there is a proposal for the concept of signaling and screening. Signaling refers to the possibility that in conditions of imbalanced information, someone can give a signal to indicate their type or characteristics. This is expected to provide clearer information to other parties and reduce the imbalance of existing information. The application of screening and signaling is covered by applying the principle of good faith which requires the insured to be able to describe various important facts ("material facts") so that an insurance company can assess its risk properly. Through the application of screening and signaling in insurance, it is hoped that the insured can provide the information needed by the insurer or vice versa, which ultimately balances information in the closing stage or when a claim is experienced can be achieved.

According to an article from Allianz Life Indonesia, the principle of good faith must be applied to each sale and purchase agreement between a customer who buys a policy and also the insurance company as the provider of the insurance product. This principle requires both parties to be honest and also open from the start, when a sale and purchase agreement is about to occur. The principle of good faith is not only applied to its customers but also to an insurance company that provides its products. Insurance companies are required to ensure that the insurance products offered are represented correctly, and insurance agents certainly must not provide misleading information that can cause customers to have a false perception of expectations.

In the SPAJ form from PT. Allianz Life Indonesia, prospective customers are asked to fill out the form honestly and carefully. With the principle of good faith achieved through filling out the SPAJ form honestly and in detail, especially related to personal data and health history. Prospective customers must also attach the requested supporting documents, such as an identity card. In order for the process of purchasing life insurance products to get good benefits for the parties, it is necessary to pay attention to the details in filling out the SPAJ so that no facts are missing or missed. Through the principle of good faith applied by both parties, the insurance benefits will be optimally fulfilled and both parties are required to comply with the Principle of Good Faith from the start when planning to buy an insurance policy.

Good faith is a fundamental principle in contract law that plays an important role in completing, limiting, and eliminating provisions in a contract. This principle is considered a natural element inherent in every contract, and its application in filling legal gaps and adding or eliminating contract provisions is under the authority of the judge. The principle of good faith ensures that contracts are implemented with due regard to justice and without unfairly harming any party. Legal protection in cases of default by the insurer, the insured has the right to sue, either through the courts or the mechanisms regulated in the life insurance policy.

3.2 Implementation of the Principle of Good Faith as the Basis for the Judge's Legal Consideration in Assessing the Actions of PT. Asuransi Allianz Life Indonesia Regarding Unilateral Cancellation of the Policy and Rejection of Payment of Life Insurance Claims in Decision No. 489/PDT.G/2021/PN. MDN

In this study, the author examines a dispute about the imbalance of information between the insurer (PT. Allianz) and the policyholder (Nurmian Sibarani) as the heir/wife of the deceased insured (the late Swandy Pahopma Hutabarat). Where in this case there was a unilateral cancellation of the policy and rejection of payment of life insurance claims from the insurer. The insurer said that there was information that was not stated in the Life Insurance Application Letter (SPAJ) related to the insured's medical history which had been investigated further by the insurer. The insurer argued by saying that the policyholder and the insured had violated the principle of utmost good faith,

because they did not reveal the true facts with the diagnosis of the disease of complaints of spinal pain, feeling a swollen face, an enlarged stomach, and both legs swollen. Blood pressure 130/80 mmHg, diagnosed: Low Back Pain, Suspect Nephrotic Syndrome, Suspect Cushing Syndrome, Meloxicam Therapy 1 x 7.5 mg on July 1, 2019, before the policy is valid.

Based on the statement from the insurer, the insured party again denied that it was the insurer who had manipulated the data on the insured's medical history. The insurer stated that the deceased insured was treated as an outpatient on July 1, 2019 with a diagnosis of Low Back Pain, while according to data from Madani Hospital, the actual diagnosis was uncomplicated hemorrhoids (Internal Hemorrhoids Without Complication), which is not a serious disease and is not included in the exceptions to the health history questions when filling out the Life Insurance Application Form (SPAJ). It is suspected that the insurer, namely Allianz, manipulated the diagnosis to be Low Back Pain, a serious disease that is included in the exceptions, to create an excuse to cancel the policy and reject the life insurance claim for the policy. Therefore, Allianz's actions in seeking reasons for policy cancellation and claim rejection in this way are considered unlawful. In fact, the agent or marketing staff did not ask about Swandy's medical history during registration. The agent filled out and signed the SPAJ without involving the insured. Therefore, the agent's actions in filling out and signing the SPAJ itself are unlawful acts that are detrimental. According to Article 16 paragraph (3) of Regulation No. 69/POJK.05/2016 of the Financial Services Authority, insurance companies are fully responsible for the consequences of terminating insurance relationships carried out by agents.

From the two explanations, it is clear that there is a difference of opinion between the insurer and the insured. The connection in the difference is due to the difference in data from Madani General Hospital (Co-Defendant). In this study, the author relates it to Article 251 which reads:

"Any false or incorrect notification, or any concealment of circumstances known to the insured, even if made in good faith, which is of such a nature that the agreement would not have been made, or would not have been made on the same terms, if the insurer had known the true circumstances of all such matters, renders the insurance void."

From the article, the author examines that for the Insurer who finds facts that there is a disease that is not explained by the insured, then that is the focus of the insurer to cancel the policy unilaterally. Because for the insurer, the insured does not carry out his good faith. From the Insured's side, with the same Hospital Certificate, namely from RSU Madani (Co-Defendant) No. 0032/SKI-RM/A/RSUM/II/2020 dated February 22, 2021 signed by dr. Ira Ramadhani, Sp.PD (exhibit P-4) submitted by the plaintiff with a diagnosis of Internal Hemorrhoids without Complication (hemorrhoids) is a disease that is not an exception to the list of diseases in SPAJ. This fact is further strengthened by the plaintiff, namely the wife of the insured, that because Allianz did not use its authority in requesting a health check by the insured party from a doctor chosen by the insurer, this problem means that PT Allianz has waived its rights as stated in Article 7 concerning the General Conditions of the PT Allianz Policy, namely:

"Article 7 of the General Conditions of PT Allianz Policy is: We have the right to request a medical examination of the insured by a consultant doctor that we appoint, if necessary."

That PT. Asuransi Allianz Life Indonesia (Defendants I, II, and III) did not conduct a medical examination on Swandy Pahopma Hutabarat when submitting the insurance, even though Allianz's internal rules require a Type C examination for Insurance Amount of IDR 1-2 billion. Allianz's rejection of the claim shows non-compliance and lack of good faith in insurance assessment.

In general, life insurance can end if it is canceled before the validity period ends. The cancellation can be experienced because the Insured stops paying the premium according to the agreement, or at the request of the Insured himself. If the cancellation occurs before the premium is paid, then there is no problem. However, if the cancellation occurs after the premium has been paid once or several times (with monthly payments) so that is the question. Because life insurance is based on an agreement, so its handling depends on the agreement of the parties where it is stated in a policy. If the cancellation is done unilaterally, this is contrary to the valid conditions contained in the agreement as regulated in Article 1320 of the Civil Code, which concerns the agreement between the parties in the insurance agreement. The agreement includes: (a) Insurance object; (b) Risk transfer and premium payment; (c) Events that trigger claims and compensation; (d) Special insurance conditions; (f) The agreement is made in writing in the form of a policy.

As a basis in contract law, good faith has a natural element that is inherently attached to the contract, including in the basic nature of the contract itself. Its role is to complete a contract that is legally void, adding or deleting the contents of the contract. However, the authority to complete, add, or delete this lies in the hands of the judge when deciding a case.

Through the facts in the trial, the panel of judges decided that Allianz as the insurer had unilaterally canceled the policy to the insured party because the insurer did not reconfirm the difference in the hospital certificates that issued the illness suffered by the insured party. Allianz should have reconfirmed the co-defendant (Madani Hospital) who issued 2 (two) certificates whose contents contradicted each other so that objective facts were obtained.

The panel of judges only considered based on various facts revealed in a trial through various witnesses and also written evidence from the parties. The insurer/defendant, namely PT. Allianz Life Indonesia, wrote a response to the lawsuit by referring to the principle of good faith, but this issue was not mentioned in the judge's considerations when deciding the case. Considering that the act of unilaterally canceling the policy has harmed the other party who is against the principle of good faith, then the judge's considerations should also include this in his decision. In fact, if good faith is still an abstract law, then this principle will not be possible to enter into the basic principles of insurance and the principles of agreements, which refer to the provisions of Article 1338 paragraph (3) of the Civil Code, "what is meant by good faith means carrying out an agreement in good faith". Through the existence of good faith in the principles of the agreement, of course this principle is the foundation for every party who wants to implement the agreement, especially since this life insurance agreement is an agreement that is subject to the principles and laws of agreements in general and fulfills the elements in Article 1320 of the Civil Code which has the power to bind everyone as if it were binding on the Law.

Through the fact that the Allianz Life Insurance company refused to pay the Insurance Claim from the Insured, the late Swandy Pahopma Hutabarat, on the grounds that there was an indication of Low Back Pain, which was supported by evidence of fabrication of the Madani General Hospital Certificate (Co-Defendant), and in fact, in the judge's considerations, it was found that there was an oddity in the signature of the doctor from Madani Hospital, which after being traced in the decision, the original signature was on the Madani General Hospital Certificate No. 0032/SKI-RM/A/RSUM/II/2020 dated February 22, 2021, signed by Dr. Ira Ramadhani, Sp.PD with Internal Hemorrhoids without Complication or hemorrhoids without complications, this was also supported by the presence of witness 1, namely Robin Marbun, who said that the Insured, the late Swandy Pahopma Hutabarat, had an Internal Hemorrhoids without Complication disease. Swandy Pahopma Hutabarat was not advised to be hospitalized by the doctor because

his illness was not a critical illness, and witness 2, Damelia Parista Hutapea, said that she went to the RSU Madani Emergency Room with the Insured's wife and heard the doctor say that the Insured's illness was hemorrhoids. Other evidence that further states that the Insurer did not have good intentions with the Insured is by asking for a photocopy of the BPJS Kesehatan/JKN/KIS document which is an act of deviation from the policy provisions.

Based on the facts of the trial above, that the insurer/insured has carried out an unlawful attitude, the court decided to sentence Defendant II to pay the Life Insurance Money of Policy 000060798374 amounting to 1,920,000,000 Rupiah to the Plaintiff in cash, cash and at once. This proves that the Plaintiff/Insured has legally carried out good faith in carrying out his life insurance agreement, and should not have received a rejection of a claim payment from a life insurance on the Insurer/Defendant PT. Allianz Life Indonesia. This can be said that the insurance company did not carry out its good faith in accordance with the policy agreement. The insurance company PT. Allianz Life Indonesia seems to be looking for a way to cancel the policy and reject the payment of the life insurance claim. If the company believes that they are not making it up, then professionally PT. Allianz Life Indonesia must find concrete evidence and investigate further regarding what conditions can be the reason for rejecting the claim.

Due to the many cases of claim rejection by policyholders, Article 26 paragraph (1) of the Insurance Law stipulates that insurance companies must meet business conduct standards. These standards cover provisions regarding policies, premiums, or contributions, underwriting, along with identification of the policyholder, the insured, or the participants, claims handling, and also expertise in insurance aspects, distribution, or promotion of its products, resolution of complaints from policyholders, and other standards related to business procurement.

Legal considerations from the judge's perspective do not mention any deviations or bad faith in the company PT Allianz Life Indonesia, which should be reviewed and can be reconsidered that if basically the company PT Allianz Life Indonesia does not have good faith with its customers/insured, by looking for reasons to reject payment of insurance claims. This dispute causes actions that cause obstacles in the insurance claim process, which is also stated in Article 31 paragraph (4) of Law No. 40 of 2014 concerning Insurance which states that insurance companies are prohibited from carrying out actions that can hinder the settlement of claim payments.

Lack of communication between the marketing agent and the Insured is also the reason for this unlawful act, in which in this case the Insured party is harmed by the actions of PT Allianz Life which does not have good intentions to fulfill its obligations. The Commercial Code also does not provide rules for terminating an insurance contract, but only the effect of cancellation of the premium paid and the reasons that can make the policy invalid or also canceled due to a law. Due to this, in accordance with the principle of freedom of contract and the provisions of the Civil Code which cannot be ignored, if conditions are needed to cancel an insurance contract, it is possible to make it fully regulated in each life insurance policy agreement.

4. Conclusion

The position of the principle of good faith in a life insurance agreement is a very important issue in an agreement. The principle of good faith is not just a spice in the agreement, but is the basis and core of the agreement itself. The principle of good faith is implemented in accordance with the provisions of the policy as an agreement between the two parties in a life insurance agreement. The principle of good faith actually regulates so that the implementation of the life insurance agreement can be carried out fairly,

balanced, and transparently between the two parties based on the various provisions that apply. In a life insurance agreement with PT. Asuransi Allianz Life Indonesia, the principle of good faith is considered crucial in the implementation of the agreement. Agents representing Allianz as the insurer must provide a clear explanation along with valid company product offerings to customers. Agents must not provide misleading information, which can cause customers to have the wrong views and expectations. For example, they must not promise definite benefits from insurance products that actually function as protection, because these benefits are uncertain and depend on market conditions and other factors. The insured party must also uphold honesty in filling out the SPAJ and policy, in order to avoid problematic claims.

The judge's legal considerations in the unilateral policy cancellation dispute and rejection of insurance claims stated that PT. Asuransi Allianz Life Indonesia Medan branch had committed an unlawful act by unilaterally canceling the policy and rejecting insurance claim payments. With this, the panel of judges in its considerations sentenced the Defendant or PT. Allianz to pay the Life Insurance Insurance Money of Policy 000060798374 in the amount of Rp. 1,920,000,000,- (One Billion Nine Hundred and Twenty Million Rupiah) to the Plaintiff in cash, cash and at once. In the judge's legal considerations, it was not based on and did not mention the principle of good faith of the parties in dispute. The judge's legal considerations were based on trial facts through evidence from the parties and sanctions given by the plaintiff/insured. The defendant, namely Allianz, did not further examine the evidence of the Hospital Certificate from the Co-Defendant (RSU Madani) so that no objective facts were obtained and took unilateral action in canceling the policy and rejecting the insurance claim.

Suggestion It is necessary to create awareness for all parties before purchasing life insurance products to implement the principle of good faith (utmost good faith) as fairly and honestly as possible so that there is no misinformation in the implementation of life insurance agreements. Avoid negligence in writing information in life insurance policies so that it does not become a problem that results in legal disputes in the future.

The consideration of the panel of judges should include existing laws and regulations regarding insurance along with the principle of good faith, because this dispute concerns the rights and obligations of insurance companies not to unilaterally cancel claims and pay existing insurance claims to customers. It is hoped that law enforcers will pay more attention to insurance regulations in order to enforce legal protection and justice for the community in order to obtain maximum insurance benefits. The Financial Services Authority should listen more to public complaints due to insurance disputes to strengthen regulation and supervision in the insurance sector and it is also hoped that the OJK can impose sanctions on insurance companies in accordance with applicable regulations based on the regulations in force

References

- Abdullah, Z., & Wijaya, E. (2019). Dinamika Penerapan Ijtihad Bidang Hukum Ekonomi Syariah Di Indonesia. *Jurnal Hukum & Pembangunan*, 49(2), 299–310.
- Anisya Anggun, K. (2018). Analisis Perjanjian Asuransi Sun Life Financial Syariah di Kota Madiun. IAIN PONOROGO.
- AS, F. (2021). Perlindungan Hukum Terhadap Nasabah Asuransi JS Proteksi Extra Income Ditinjau Dari UU Nomor 40 Tahun 2014 Tentang Usaha Perasuransian (Studi Di PT. Asuransi Jiwasraya Pekanbaru). Universitas Islam Riau.
- Dewi, A. S. (2024). Tinjauan Terhadap Peranan Asuransi Kesehatan Dalam Menanggulangi Risik Tertanggung Pada PT. Prudential Life Assurance. *Juripol (Jurnal Institusi Politeknik Ganesha Medan)*, 7(2), 22–33.
- Farianto, W. (2021). *Pola Hubungan Hukum Pemberi Kerja dan Pekerja: Hubungan Kerja Kemitraan dan Keagenan*. Sinar Grafika.
- Ganie, A. J., & Se, S. H. (2023). *Hukum Asuransi Indonesia*. Sinar Grafika.
- Hidayat, S. (2021). Peran Sentral Hakim Pengadilan Agama Dalam Memberikan Putusan Yang Berkeadilan Dalam Menyelesaikan Sengketa Ekonomi Syariah Melalui Jalur Litigasi. Universitas Islam Sultan Agung (Indonesia).

- Kubando, P. (2022). Analisis Perlindungan Hukum Terhadap Keamanan Rahasia Bank Dalam Menjaga Kepentingan Data Nasabah Berdasarkan Prinsip Kepercayaan Kepada Bank (Studi Kasus Putusan Mahkamah Konstitusi Nomor 64/PUU-X/2012 Tentang Data Nasabah Bank Dan Simpanannya Untuk Kepentingan Harta Gono Gini Dalam Perkara Perdata Perceraian. Universitas Islam Riau.
- Magistri, N. R. C. (2020). Tinjauan Yuridis Terhadap Perlindungan Hukum Korban Tindak Pidana Penusukan Dalam Peradilan Pidana. *Jurnal Pembangunan Hukum Indonesia*, 2(1), 82–101.
- Maniah, M. (2022). Rekonstruksi Regulasi Perlindungan Hukum Bagi Kreditor Konkuren Dalam Penyelesaian Kewajiban Debitor Pada Penundaan Kewajiban Pembayaran Utang Berbasis Nilai Keadilan. UNIVERSITAS ISLAM SULTAN AGUNG.
- MASRI, E. (n.d.). PELANGGARAN PRINSIP ITIKAD BAIK DALAM PERJANJIAN ASURANSI PADA PT ASURANSI JIWASRAYA (PERSERO) CABANG PADANG.
- Muzakki, A. (2017). Perlindungan Hukum Bagi Tertanggung Dalam Perjanjian Asuransi Kendaraan Bermotor Pada PT Asuransi Multi Artha Guna Cabang Yogyakarta.
- Pamungkas, F. T., & Zulfikar, A. A. (2021). Peran Otoritas Jasa Keuangan (OJK) dalam Mengawasi Adanya Fraud dalam Bisnis Investasi dalam Perspektif Hukum Ekonomi Islam. *Jurnal Penegakan Hukum Dan Keadilan*, 2(1), 19–40.
- Pasaribu, T. (2023). Perlindungan Hukum Terhadap Pemegang Polis yang Gagal Bayar Asuransi Jiwa di Indonesia. Universitas Kristen Indonesia.
- PERASURANSIAN, T. U., & PUTRA, M. A. E. K. A. (n.d.). KONSISTENSI FATWA DSN NO: 21/DSN-MUI/X/2001 TENTANG PEDOMAN UMUM ASURANSI SYARI'AH TERHADAP PASAL 1 ANGKA 1 DAN ANGKA 2 UNDANG-UNDANG NOMOR 2 TAHUN 1992.
- Putri, F. S. (2021). Asuransi dalam pandangan ekonomi Islam. *Al Iqtishod: Jurnal Pemikiran Dan Penelitian Ekonomi Islam*, 9(1), 55–72.
- RIMA, D. (2016). PROSES HUKUM DALAM PERJANJIAN KREDIT BANK DENGAN KLAUSUL ASURANSI (Studi Perjanjian Kredit Pemilikan Rumah Pada PT. Bank Negara Indonesia Tbk Kantor Cabang Utama Tanjung Karang).
- Setiawan, I. K. O. (2021). *Hukum perikatan*. Bumi Aksara.
- Setyawan, R. R. (2024). Perlindungan Hukum Bagi Tertanggung Atas Tindakan Agen Yang Melanggar Asas Itikad Baik (Studi Kasus Agen PT Asuransi Jiwa Sinarmas Msig (Life)). Universitas Islam Indonesia.
- Shofie, Y. (n.d.). Perlindungan konsumen dalam bidang perumahan dengan beragam masalahnya sulit diselesaikan secara efektif dan efisien berdasarkan peraturan perundang-undangan yang berlaku. Para pelaku usaha merupakan subyek yang sangat penting dalam perlindungan konsumen seolah-olah tak terjangkau oleh hukum.
- Siahaan, N. F. (2023). DUGAAN MANIPULASI KLAIM PERTANGGUNGAN ASURANSI DIKAJI BERDASARKAN HUKUM DAGANG. *LEGALITAS: Jurnal Ilmiah Ilmu Hukum*, 8(2), 19–30.
- Simatupang, N. (2020). Akibat Hukum Terhadap Penunggakan Pembayaran Premi Asuransi Jiwa Di PT. Asuransi Jiwasraya. Universitas Islam Riau.
- SITI HAJAR, S. H. (2021). PERLINDUNGAN HUKUM PEMEGANG POLIS ASURANSI SYARIAH MENURUT UNDANG-UNDANG NOMOR 40 TAHUN 2014 TENTANG PERASURANSIAN. UNIVERSITAS BATANGHARI.
- Sunarso, H. S., Sh, M. H., & Kn, M. (2022). *Viktimologi dalam sistem peradilan pidana*. Sinar Grafika.
- Susanto, M. H., Azwar, W., & Marwa, M. H. M. (2021). Asuransi usaha ternak sapi: implementasi dan tinjauan hukum asuransi. *Indonesia Law Reform Journal*, 1(2), 228–240.
- Wibowo, A. S. (2023). Praperadilan Sebagai Sarana Perlindungan Hukum Bagi Tersangka Dalam Tindak Pidana Perpajakan. (Pretrial as a Means of Legal Protection for Suspects in Tax Crimes). Universitas 17 Agustus 1945 Surabaya.
- Wijayanto Putri, K. S. (2021). PENERAPAN SANKSI PIDANA KEPADA PELANGGAR PROTOKOL KESEHATAN DI TENGAH PANDEMI COVID-19. Universitas 17 Agustus 1945 Surabaya.
- Yusni, M. (2020). *Keadilan dan Pemberantasan Tindak Pidana Korupsi Perspektif Kejaksanaan*. Airlangga University Press.