LIABILITY OF THE EXHIBITION ORGANIZER FOR NON-PERFORMANCE OF THE STAND RENTAL AGREEMENT WITH IPAS

UNDERGRADUATE THESIS

By:

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Student Number: 18410218

UNDERGRADUATE PROGAM IN LAW

FACULTY OF LAW

UNIVERSITAS ISLAM INDONESIA

YOGYAKARTA

2025

LIABILITY OF THE EXHIBITION ORGANIZER FOR NON-PERFORMANCE OF THE STAND RENTAL AGREEMENT WITH IPAS

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Presented as Partial Fulfillment of the Requirements to Obtain the Bachelor Degree at the Faculty of Law, Universitas Islam Indonesia, Yogyakarta

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بِسْمِ اللَّهِ الرَّحْمَٰنِ الرَّحِيمِ

LIABILITY OF THE EXHIBITION ORGANIZER FOR NON-PERFORMANCE OF THE STAND RENTAL AGREEMENT WITH IPAS

Telah diperiksa dan disetujui Dosen Pembimbing Tugas Akhir untuk diajukan ke depan TIM Penguji dalam Ujian Tugas Akhir / Pendadaran

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بِسْمِ اللَّهِ الرَّحْمَٰنِ الرَّحِيمِ

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MOTTO

"Everyone has their own timeline"

DEDICATIONS

As a form of gratitude, I dedicate this thesis to:

Allah SWT,

Prophet Muhammad SAW,

My beloved Mom,

My dearest family,

All lecturers in UII,

My dearest Dinda,

My beloved friends,

My Almamater FH UII,

Everyone who supports me.

PAGE OF APPROVAL

بِسْمِ اللَّهِ الرَّحْمَٰنِ الرَّحِيمِ

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Bismillahirohmanirohim

Yang bertanda tangan dibawah ini, saya:

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Adalah benar-benar mahasiswa Fakultas Hukum Universitas Islam Indonesia Yogyakarta yang telah melakukan penulisan Karya Tulis Ilmiah (Tugas Akhir) berupa Skripsi dengan judul:

LIABILITY OF THE EXHIBITION ORGANIZER FOR NON-PERFORMANCE OF THE STAND RENTAL AGREEMENT WITH IPAS

Karya ilmiah ini akan saya ajukan kepada Tim Penguji dalam Ujian Pendadaran yang diselenggarakan oleh Fakultas Hukum UII.

Sehubungan dengan hal tersebut, dengan ini saya menyatakan:

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2. Bahwa saya menjamin hasil karya ilmiah ini adalah benar-benar asli (orisinil), bebas dari unsur-unsur yang dapat dikategorikan sebagai perbuatan "penjiplakan karya ilmiah" (plagiat);
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Selanjutnya berkaitan dengan hal di atas (terutama butir 1 dan 2), saya sanggup menerima sanksi bagi sanksi administratif, akademik, bahkan sanksi pidana, jika saya terbukti secara kuat dan meyakinkan telah melakukan perbuatan yang menyimpang dari pernyataan tersebut.

Saya juga akan bersifat kooperatif untuk hadir, menjawab, membuktikan, melakukan pembelaan terhadap hak-hak saya, di depan "Majelis" atau "Tim" Fakultas Hukum Universitas Islam Indonesia yang ditunjuk oleh pimpinan fakultas, apabila tanda-

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Yogyakarta, 29 Juli 2025

Pembuat Pernyataan,

(Muhammad Nur Ilham Akbar)

FOREWORDS

Assalamualaikum Wr. Wb.,

Alhamdulillahirabbil'alamin, praise and gratitude the writer prays for the mercy and guidance that has been given by Allah SWT. Shalawat and greetings are conveyed by the writer to our Suri Tauladan, Prophet Muhammad SAW so that we can get his intercession on the last day. Along with all the prayers and support from loved ones so that the writer can finish writing this thesis well.

An undergraduate thesis entitled "LIABILITY OF THE EXHIBITION ORGANIZER FOR NON-PERFORMANCE OF THE STAND RENTAL AGREEMENT WITH IPAS" was written as a partial fulfillment to attain a bachelor degree in International Program, Faculty of Law, Universitas Islam Indonesia.

The writer realizes that the process of writing this thesis to completion cannot be separated from the guidance, support, and prayers from all parties. Therefore, the writer would like to express gratitude to:

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The writer realizes that in writing this thesis there are still many shortcomings, both in terms of content and preparation. Therefore, the writer expects constructive criticism and suggestions for improvement in a better direction. The writer hopes that this thesis can provide benefits in the development of investment law in Indonesia and can be useful for academics and society in general.

Wassalamualaikum Wr. Wb.

Yogyakarta, 28 July 2025

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ABSTRACT

The rental of exhibition booths is a crucial component of promotional events, especially for Micro, Small, and Medium Enterprises (MSMEs). In practice, discrepancies often occur between the terms of the contract and its execution in the field. This study aims to analyze the ideal formulation of booth rental agreements under Indonesian civil law and to identify legal remedies in the event of non-compliance by the organizer. This research adopts an empirical legal method with a sociological approach, combining library research with field data collection through interviews with IPAS members and exhibition organizers. The findings indicate that many booth rental agreements are drafted without considering key legal principles such as good faith, legal certainty, and the balance of rights and obligations. The lack of dispute resolution clauses places tenants—especially MSMEs—in a legally vulnerable position when unilateral cancellation occurs. Therefore, the formulation of rental contracts should include clear identification of parties, precise rental objects, rental costs and duration, as well as clauses on dispute resolution and force majeure.

Keywords: *Rental agreement, exhibition booth, MSMEs, good faith, breach of contract, dispute resolution.*

TABLE OF CONTENT

LIABILITY OF THE EXHIBITION ORGANIZER FOR NON-PERFORMANCE OF THE STAND RENTAL AGREEMENT WITH IPAS II

CURRICULUM VITAE IX

SURAT PERNYATAAN XI

FOREWORDS XIII

ABSTRACT XV

TABLE OF CONTENT XVI

CHAPTER I INTRODUCTION 1

A. Background of Research 1

B. Problem Formulations 8

C. Objective of Research 9

D. Originality of Research 9

E. Literature Review 12

F. Operational Definitions 19

G. Research Method 20

H. Thesis Framework 22

CHAPTER II GENERAL OVERVIEW ON AGREEMENT LAW, RENTAL AGREEMENT, LEGAL LIABILITY, DEFAULT, DISPUTE RESOLUTION, and AGREEMENT BASED ON ISLAMIC PERSPECTIVE 24

A. Overview of Treaties and Agreement Law 24

1. Definition of Agreement According to the Civil Code 24

2. Valid Conditions of the Agreement 25

B. Rental Agreement 26

1. Rights and obligations of the parties 26

2. Terms of Lease Period and Termination of Lease According to the Civil Code 28

C. Legal Liability and Default 29

1. Definition of Default in the Civil Code 29

2. Forms of Default 29

3. Consequences of Default 29

D. Legal Protection for MSMEs 31
1. Create a Clear and Detailed Written Agreement.....31
2. Examples of Legal Protection Based on the Civil Code 32
E. Dispute Resolution Mechanism 34
1. Civil Dispute Resolution Mechanism 34
F. Agreement based on Islamic Perspective.....36
1. Definition of Agreement in Islamic Law 36
2. Legal Basis of Agreements in Islamic Law 37
CHAPTER III LIABILITY OF THE EXHIBITION ORGANIZER FOR NON-PERFORMANCE OF THE STAND RENTAL AGREEMENT WITH IPAS.....42
A. The Responsibility of The Exhibition Organizer for Non-Performance of The Agreement for Organizing the Exhibition 42
B. Legal Remedies Can IPAS Take for The Organizer's Non-Performance in The Lease Agreement 69
CHAPTER IV CLOSING 72
A. Conclusion.....72
B. Recommendation.....72
BIBLIOGRAPHY 74

CHAPTER I

INTRODUCTION

A. Background of Research

An agreement, as an agreement, is an obligation that has binding legal consequences for the parties involved, and its implementation will relate to the property rights of each party bound by the agreement.[1] Currently, the legal basis for agreements is regulated in the Indonesian Civil Code (KUH Perdata). Article 1338 of the Civil Code stipulates the principle of freedom of agreement, which states that all legally made agreements shall be binding on those who have made them.[2] However, the principle of freedom of agreement does not imply absolute freedom without limits. Each party must agree to fulfill the requirements for a valid agreement.

The requirements for a valid agreement, as regulated in the Indonesian Civil Code (KUH Perdata), which serves as the current legal basis for agreements, encompass several aspects. First, there must be mutual consent between the parties, meaning there is a free concurrence of wills regarding the essential elements of the agreement. The parties must have the capacity to act freely, without any mistake, coercion, or fraud.[3] Second, the capacity of the parties to agree, except for those deemed incapable according to the law.[4] Third, the agreement must pertain to a specific subject matter, which, at a minimum, must be determinable by its type and

[1] Ricardo Simanjuntak, *Teknik Perancangan Kontrak Bisnis*, Kontan Pub, Jakarta, 2011, p. 30-32
[2] Article 1338 Civil Code
[3] Article 1321 Civil Code
[4] Article 1329 Civil Code

involve goods that can be traded.[5] Fourth, the cause must be lawful, reflecting the objective that the parties intend to achieve, and must not contradict the law, morality, or public order.[6]

In practice, exhibition booth rental agreements frequently give rise to various legal issues for both exhibition organizers and participants. Common problems include unclear agreement clauses, disputes over rental fees, and conflicts related to the condition of the exhibition booth.[7] Therefore, a deep understanding of the formulation of exhibition booth rental agreements, particularly from a legal perspective, is essential.

Based on the provisions of the Indonesian Civil Code (KUHPerdata), lease agreements are regulated from Article 1548 to Article 1600. These articles specify various aspects regarding the rights and obligations of the parties in lease agreements, including the specifications of the leased property, the duration of the lease, rental fees, and the resolution of disputes that may arise.[8] Indeed, in the context of exhibition booth rentals, more specific regulations are often required to accommodate the unique characteristics of the exhibition booths themselves.

This research aims to analyze and evaluate the formulation of exhibition booth rental agreements from a legal perspective. Through this research, it is hoped that essential elements that should be included in exhibition booth rental agreements, as well as best practices standards that can serve as references for exhibition organizers and participants, can be identified.[9] Thus, this research is expected to contribute to

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[5] Articles 1332 and 1333 of the Civil Code
[6] Article 1337 Civil Code
[7] Philipus M. Hadjon, *Pengantar Hukum Administrasi Indonesia,* Gadjah Mada University Press, Yogyakarta, 1993.
[8] R. Subekti, *Hukum Perjanjian*, PT. Intermasa, Jakarta, 1987.
[9] Peter Mahmud Marzuki, *Pengantar Ilmu Hukum*, Kencana, Jakarta, 2008.

creating better legal certainty, fairness, and protection for all parties involved in exhibition booth rental agreements.

Furthermore, it's essential to understand that each exhibition booth rental agreement should include specific clauses that regulate the rights and obligations of both the exhibition organizer and the participant. These clauses need to be carefully crafted to anticipate various potential issues that may arise during the rental period. For example, clauses regarding liability for booth damage, rental cancellation clauses, and dispute resolution clauses.[10]

Case studies of previous disputes regarding exhibition booth rentals can provide valuable insights into the potential issues that may arise and how to address them. A legal analysis of these cases can help formulate more comprehensive exhibition booth rental agreements and mitigate the risk of future conflicts.[11]

A country's economy depends on the efforts of its people. Government assistance is crucial for SMEs to scale into large companies. Here is the definition, examples, types, and the difference between SMEs and MSMEs. According to Law Number 20 of 2008 concerning Micro, Small, and Medium Enterprises (MSMEs), small businesses are defined as productive economic activities that stand alone. MSMEs are not subsidiaries or branches of medium or large-sized companies.[12]

Micro, Small, and Medium Enterprises (MSMEs) play a crucial role in the Indonesian economy. MSMEs are the backbone of the national economy, contributing significantly to the Gross Domestic Product (GDP), job creation, and

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[10] Ratna Kusuma, "Analisis Hukum Perjanjian Sewa Stand Pameran", *Jurnal Hukum Bisnis*, vol. 12, no. 2, 2020.
[11] Sri Rahayu, "Tinjauan Yuridis Praktik Sewa Stand Pameran", *Jurnal Ilmu Hukum*, vol. 8, no. 1, 2019.
[12] Law Number 20 of 2008 concerning Micro, Small and Medium Enterprises.

economic growth, as well as promoting economic equality. According to data from the Ministry of Cooperatives and SMEs, MSMEs contribute more than 60% to Indonesia's GDP and absorb around 97% of the national workforce.[13]

One of the main advantages of MSMEs is their flexibility and ability to adapt to market changes. MSMEs often respond more quickly to changes in demand and economic conditions compared to large companies.[14] However, MSMEs also face various challenges, such as limited access to capital, technology, and broader markets. In this context, the role of the government and various stakeholders is crucial in providing the necessary support to facilitate the growth and sustainability of MSMEs.

The difference between SMEs and MSMEs lies in their scope. SMEs, which stands for Small and Medium Enterprises, encompass small and medium-sized business units. Meanwhile, MSMEs, which stands for Micro, Small, and Medium Enterprises, focus more on micro-scale business units. Even though they have different definitions, the government more frequently uses the term MSMEs because it is considered to better represent the three types of business units discussed in Law Number 20 of 2008.

Another difference between SMEs and MSMEs lies in their mentoring and empowerment. According to Law Number 23 of 2014 concerning Regional Governments, micro-enterprises are nurtured by Districts and Cities, while Small Enterprises are managed by provinces. Medium-sized enterprises at the national

[13] Ministry of Cooperatives and Small and Medium Enterprises of the Republic of Indonesia. (2020). Annual MSME Performance Report. Annual Report of the Ministry of Cooperatives and SMEs.
[14] Tulus Tambunan, *Usaha Kecil Dan Menengah Di Indonesia: Beberapa Isu Penting*, Salemba empat, 2002.

level are directly nurtured by the central government. Another difference between SMEs and MSMEs can be seen from a legal perspective. Micro-enterprises do not require legal entities, while Small and Medium Enterprises must have legal foundations.

One of the efforts for MSMEs to further develop and advance is by participating in exhibitions or bazaars. Certainly, by participating in exhibitions or bazaars organized by both the government and private parties, there will be rental agreements for stands or tenants. Those who rent will be referred to as tenants.

Exhibitions and bazaars are usually held in crowded areas, making them effective promotional platforms. This is because exhibition and bazaar events are always crowded with visitors, whether they are just browsing or actually looking for a specific product.

Exhibitions are one of the best ways to validate business ideas or products they sell. This is where participants can chat directly with interested buyers or visitors; learn why people didn't buy? Why do they buy competitor brands? What do buyers think about their products? Where are the shortcomings? And many other questions will be answered when talking directly to buyers at exhibitions and bazaars, whether directly or not.

There are so many benefits from an exhibition or bazaar, so it is necessary to pay attention to the rental agreement so that no party is harmed. Considering the importance of an agreement, so that problems do not arise in the future due to a person's lack of understanding in making an agreement, we will explain several requirements that must be met for the agreement to be valid and binding on the parties.

One type of rental agreement is the leasing of stands at exhibitions, bazaars,

events, exhibitions, or any large-scale gatherings. These exhibitions consist of stands or spaces that are then used to showcase products or services provided by entrepreneurs. These stands are rented out by the exhibition organizers, whether they are private or government entities.

In an agreement, the importance of applying the principles of agreement law, including the application of the principle of good faith, is very important in applying the principle of good faith in a Stand agreement, this affects the implementation of the rights and obligations stated in the Stand rental agreement. In terms of implementing agreements, especially implementing rights and obligations, the implementation of the principle of good faith is based on the behavior of the parties in implementing the agreement, especially rights and obligations. This often causes problems because the application of the principles of good faith is based on the implementation of the stand rental agreement, the behavior of the parties influences this implementation, good faith must be implemented where the parties must carry out their rights and obligations in good faith.

Cases of breach of agreement at exhibitions involving MSMEs do occur and can hurt business continuity and the reputation of the parties involved. The following are several examples of cases involving MSMEs that have violated agreements at exhibitions. Among others are:

1. Dozens of MSMEs who wanted to take part in the UMKM Gebyar exhibition in the North Square of the Solo Palace were disappointed. The event was cancelled even though the tent and stage were already up. Some of the MSME players come from outside the city. They also paid a certain amount of money

to take part in the exhibition.[15]

2. A merchant's stand at the Cultural, Arts, Exhibition, Trade, and Industry (PEDATI) Week in Bukittinggi, West Sumatra, was burglarised, resulting in tens of millions of rupiah in losses, and the police are investigating the incident.[16]
3. Three weeks before the world's largest Indo (Indonesian-Dutch) cultural festival, Tong-tong Fair, organisers from the Netherlands made a unilateral cancellation. Several participants from Indonesia, on average, are Micro, Small, and Medium Enterprises (MSMEs) and have the potential to lose more than IDR 3 billion.[17]

In reviewing the importance of this rental agreement, the author reviews the practice of renting exhibition stands, which is often carried out by members of the Aisyiyah Entrepreneurs Association (IKATAN PENGUSAHA AISYIYAH (IPAS)) Bantul region, which is a forum for Small and Medium Enterprises/SMEs whose members currently consist of 189 female UKM with Catering, Fashion, Craft, and Service business types. IPAS members frequently participate in exhibitions and bazaars to enhance their businesses, with activities supported by both the government and the private sector. Some are paid, while others are free of charge. Therefore, it is very appropriate for the author to choose IPAS as the

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[15] Arina Zulfa Ul Haq " Pameran UMKM di Alun-alun Keraton Solo Gagal, EO Ngaku Rugi Rp 1 M" https://www.detik.com/jateng/bisnis/d-7065198/pameran-umkm-di-alun-alun-keraton-solo-gagal-eo-ngaku-rugi-rp-1-m, November 2023. Accessed December 24, 2023.
[16] Al Fatah, "Stand Pedati Bukittinggi Dibobol Maling, Pedagang Rugi Belasan Juta" https://sumbar.antaranews.com/berita/545094/stand-pedati-bukittinggi-dibobol-maling-pedagang-rugi-belasan-juta, Desember 2022, Accessed December 24, 2023.
[17] Wiwit Purwanto, "Pembatalan Sepihak Tong-tong Fair di Belanda, Potensi Kerugian UMKM Asal Indonesia Lebih Rp 3 M" https://surabaya.tribunnews.com/2024/05/07/pembatalan-sepihak-tong-tong-fair-di-belanda-potensi-kerugian-umkm-asal-indonesia-lebih-rp-3-m, Mei 2024, Accessed June 2024.

research object to gain a clear understanding of the importance of rental agreements for this exhibition stand.

From various cases of violations of agreements at exhibitions involving MSMEs, it can be concluded that MSMEs face numerous challenges in running their businesses. Although MSMEs play a crucial role in the national economy, the reality on the ground reveals that numerous obstacles still need to be overcome to support the sector's development.

Violations of agreements, whether by organizers or exhibition participants, can have a significant impact on the sustainability of MSME businesses. Therefore, it is essential to ensure that agreements made in the context of exhibitions are clearly formulated, fair, and legally binding. Strict law enforcement and effective dispute resolution are also needed to provide legal certainty and protection for all parties involved.

Support from the government, financial institutions, and the private sector is crucial in overcoming the challenges faced by MSMEs, including access to capital, education and training, market access, and the adoption of technology. With proper support, MSMEs can continue to develop and contribute more to the national economy, creating jobs and promoting better economic equality. Therefore, further research and appropriate policies are necessary to empower MSMEs and ensure that agreements in the exhibition context can be effectively implemented, providing benefits for all parties involved.

B. Problem Formulations

1. What is the responsibility of the exhibition organizer for non-performance of the agreement for organizing the exhibition?

2. What legal remedies can IPAS pursue against the organizer for non-performance under the lease agreement?

C. Objective of Research

The aims of this research are:

1. This research aims to analyze and understand the legal responsibilities of exhibition organizers in cases of non-performance or default under the exhibition organizing agreement. This research seeks to identify the specific obligations that organizers must fulfil, as well as the legal consequences that arise when these obligations are not met. Apart from that, this research also aims to evaluate the legal protection available to parties who suffer losses due to non-performance.
2. The purpose of this research is to analyze and identify the legal remedies that IPAS can take in dealing with non-performance or default by the organizer under the lease agreement. This research aims to explore various dispute resolution mechanisms, including negotiation, mediation, arbitration, and litigation, and evaluate the effectiveness and efficiency of each of these mechanisms. Apart from that, this research also aims to provide practical guidance for tenants on the legal steps they can take to claim their rights and obtain fair compensation.

D. Originality of Research

Legal research in the form of a thesis written by the author entitled **"LIABILITY OF THE EXHIBITION ORGANIZER FOR NON-PERFORMANCE OF THE STAND RENTAL AGREEMENT WITH IPAS"** is not research carried out by acts of plagiarism or duplication of research

results carried out by other researchers. This research was conducted through legal research by the author. The following research on a similar topic has been carried out by other people with the title:

No.	Researcher, Research Title, Type of Research/Publication, and Year	Research Problem Formulation	Differences with Research Conducted by Researchers
1.	M. Giovani Fernanda, *Perjanjian Sewa-Menyewa Studi Implementasi Asas Itikad Baik Dalam Sewa Menyewa Stand di Tegal*, Undergraduate Thesis, Universitas Muhammadiyah Surakarta, 2021.	1. How the legal relationship between a rental agreement for a stand is based on the Civil Code. 2. How is a rental agreement stand based on the principle of good faith.	Meanwhile, the undergraduate thesis written by the author has differences in the content and object of study, where the author focuses more on what is the responsibility of the exhibition organizer for non-performance of the agreement for organizing the exhibition and the legal remedies can IPAS take for the organizer's non-performance in the agreement agreement.
2.	Johan Mukhlas Nur Effendi, *Tanggung Jawab Hukum Dalam Sewa Menyewa Stand Untuk Pameran Elektronik Antara PT. Arthatama Cipta Kreasindo Dengan Jago Cell*, Undergraduate Thesis, Universitas Muhammadiyah Surakarta, 2021.	1. How the stand rental agreement process between PT. Arthama Cipta Kreindo with Jago Cell. 2. What are the applicable regulations and rights and obligations in renting a stand 3. What is the legal responsibility if one party does not fulfill or violates the agreement and regulations that apply in renting a stand.	Meanwhile, the undergraduate thesis written by the author has differences in the content and object of study, where the author focuses more on what is the responsibility of the exhibition organizer for non-performance of the agreement for organizing the exhibition and the legal remedies can IPAS take for the organizer's non-performance in the agreement agreement.
3.	Suseno Candra Setiawan, *Tinjauan Yuridis Tanggung Jawab Hukum*	1. What is the process and form of agreement which is the basis of the legal	Meanwhile, the undergraduate thesis written by the author has differences in the content

	Terhadap Perjanjian Penyelenggaraan Pameran Antara Pt. Assalam Hypermarket Sebagai Penyelenggara Dengan Peserta Pameran Buku Islam, Undergraduate Thesis, Universitas Muhammadiyah Surakarta, 2016.	relationship between organizers and participants of the Islamic Book Exhibition at Assalam Hypermarket 2. What are the rights and the obligations of the organizers and exhibitors in organizing the Islamic Book Exhibition at Assalam Hypermarket. 3. What are their legal responsibilities are if there is a default by the parties in organizing the Islamic Book Exhibition at Assalam Hypermarket.	and object of study, where the author focuses more on what is the responsibility of the exhibition organizer for non-performance of the agreement for organizing the exhibition and the legal remedies can IPAS take for the organizer's non-performance in the agreement agreement.

E. Literature Review

1. Agreement law

   Agreement, born because of an agreement or because of law.[18] An agreement is an act in which one or more people commit themselves to one or more other people.[19]

2. Validity of agreement

   In order for a valid agreement to occur, four conditions need to be met:[20]

   a. Their agreement that binds them.
   b. The ability to create an agreement.
   c. A particular subject matter.
   d. A cause that is not prohibited.

   Every person has the authority to enter into an agreement, unless he is declared incompetent to do so. [21] Those who are not competent to make an agreement are:[22]

   a. Immature child.
   b. Person placed under guardianship.
   c. Women who are married in cases determined by law and in general all people who are prohibited by law from making certain agreements.

   Therefore, people who in the previous article are declared incompetent to make an agreement may demand cancellation of the agreement they have made if the power to do so is not excluded by law.

[18] Article 1233 Civil Code
[19] Article 1313 Civil Code
[20] Article 1320 Civil Code
[21] Article 1329 Civil Code
[22] Article 1330 Civil Code

Persons who are competent to bind themselves cannot at all raise objections based on the incompetence of minor children, persons placed under guardianship and married women.[23]

3. Default and force majeure

According to Article 1446 of the Civil Code (KUH Perdata), All agreements made by children who are minors, or people who are under guardianship are null and void by law, and upon claims filed by or on their part, must be declared null and void, solely on the basis of their immaturity or guardianship. Agreements made by married women and by minor children who have been equated with adults, are not null and void by law, as long as the agreement does not exceed the limits of their authority.[24]

Legal events that give rise to legal consequences due to a natural disaster where one of the parties cannot fulfill the contents of the agreement. Provisions regarding force majeure in Indonesian law are regulated in Article 1244 and Article 1245 of the Civil Code.[25]

Force majeure is a legal event because it generally causes legal consequences such as floods or earthquakes which make one party unable to fulfill the contents of the agreement towards the other party. In short terms, the events or scope of force majeure implied in these articles include:[26]

a. Natural events such as floods, landslides and earthquakes.
b. Fire

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[23] Article 1331 Civil Code
[24] Article 1446 Civil Code
[25] Article 1244 – 1245 Civil Code
[26] Willa Wahyuni, "Force Majeure dalam Hukum Indonesia", https://www.hukumonline.com/berita/a/force-majeure-dalam-hukum-indonesia-lt637dd976b73fc/, November 2022, Accesed on July 2024.

c. Destruction or loss of the object of the agreement

4. Rental agreement law

According to Article 1548 of the Civil Code (KUHPerdata), a lease is an agreement whereby one party binds himself to give the other party the enjoyment of an item, for a certain time and with the payment of a price determined by the latter party. it can afford it.[27] The elements of a rental that should ideally be included in a rental agreement are:

a. Parties Involved: Renter and lessor, each of whom has rights and obligations in accordance with the agreement.
b. Object of Agreement: Goods or property being rented, which can be movable or immovable.
c. Term: The period of time during which the renter can use and enjoy the rented item.
d. Rental Price: The amount of money the lessee must pay to the lessor in return for the use of the item.
e. Agreement: An agreement between both parties regarding the terms and conditions of the agreement.

These elements should be written in clear sentences so as to provide benefits for both parties to avoid mutual accusations and misunderstandings.

5. Rights and obligations of the parties

In a rental agreement, both the lessee and the lessor have rights and obligations that must be fulfilled to ensure the implementation of the agreement fairly and in accordance with the law. The following are the rights

[27] Article 1548 Civil Code

and obligations of each party according to the Civil Code (KUHPerdata) and related legal literature:

Renter's rights:

a. Enjoyment of Goods: The renter has the right to use and enjoy the goods rented during the rental period in accordance with the agreement.
b. Protection against Disturbances: Renters have the right to obtain protection from disturbances that may interfere with the enjoyment of the rented property during the rental period.
c. Repair of Goods: The lessee has the right to ask the lessor to carry out repairs if the rented goods are damaged and not caused by the renter's fault.

Renter's obligations:[28]

a. Rent Payment: The tenant is obliged to pay the rental price on time as agreed in the agreement.
b. Goods Maintenance: The renter must maintain and properly care for the rented goods during the rental period and use them in accordance with the agreed purpose.
c. Return of Goods: The renter is obliged to return the rented goods in the same condition as when received, except for damage caused by normal wear and tear.

Lessor's rights:

a. Acceptance of Payment: The lessor has the right to receive rental

[28] Article 1550 Civil Code

payments as agreed in the agreement.

b. Return of Goods: The renter has the right to receive back the rented goods in good condition at the end of the rental period.

c. Damage Replacement: The lessor has the right to obtain compensation for damage caused by the renter's negligence or error.

Lessor's obligation:[29]

a. Handing Over Goods: The lessor is obliged to hand over the rented goods to the lessee in good condition and in accordance with what was agreed in the agreement.

b. Maintenance of Goods: The lessor must ensure that the rented goods can be used by the lessee in accordance with the agreed purpose. This includes making necessary repairs during the rental period if the damage was not caused by the renter.

c. Guaranteeing the Lessee's Rights: The lessor must guarantee that the lessee can enjoy the rented property without interference from third parties during the rental period.

6. Dispute resolution clause

The dispute resolution clause in a rental agreement is an important part that regulates the methods that will be used by the parties to resolve disputes or disputes that may arise related to the interpretation or implementation of the agreement. The purpose of this clause is to provide a clear and efficient mechanism for resolving disputes and ensuring legal certainty for the parties. The following are clauses that parties can use to resolve disputes:

[29] Article 1550 Civil Code

b. Negotiation and Mediation: The first step in resolving a dispute is usually through negotiation or informal mediation. The parties try to resolve disputes peacefully and reach mutual agreements without interference from third parties. Example of a clause that can be used: "Any dispute arising from or in connection with this agreement must be resolved first through negotiations between the parties. If the dispute cannot be resolved within 30 days from the start of negotiations, the parties will seek resolution through mediation.".

c. Arbitration, If negotiations or mediation fail, the parties may agree to take the dispute to arbitration. Arbitration is a method of resolving a civil dispute outside the general court based on an arbitration agreement made in writing by the parties to the dispute. The parties are legal subjects, both according to civil law and public law.[30] Example of a clause that can be used: "If the dispute cannot be resolved through negotiation or mediation, then the dispute will be resolved through arbitration held by the Indonesian National Arbitration Board (BANI) in accordance with the applicable arbitration regulations. The arbitration award is final and binding on the parties."

d. Litigation, As a last resort, if arbitration is not agreed or is unsuccessful, the dispute can be resolved through litigation in court. The parties can determine which court's jurisdiction will handle the dispute. Litigation is a dispute resolution process carried out through

[30] Article 1 Number 1 Law Number 30 of 1999 concerning Arbitration and Alternative Dispute Resolution

the courts. In litigation, disputing parties bring their problems before an authorized judge or court to obtain a binding legal decision. The litigation process involves various stages, including filing a lawsuit, defense, gathering evidence, examining witnesses, and a trial before a judge.[31] The following are the stages in litigation:

1) Filing of a Lawsuit: The litigation process begins with the filing of a lawsuit by the plaintiff in a competent court. This lawsuit must contain identification of the parties, a description of the facts, legal basis, and the claims submitted by the plaintiff.
2) Defendant's Answer: After receiving the lawsuit, the defendant will file an answer containing responses to the plaintiff's allegations, as well as rebuttals and legal reasons that support his position.
3) Evidence Gathering: Both parties will gather and present evidence that supports their case. This may include documents, witness testimony, and other relevant evidence.
4) Trial: During the trial, the judge will listen to arguments and evidence from both parties, as well as examine any witnesses presented. The judge will then make a decision based on the law and existing evidence.
5) Decision: The judge will issue a decision containing a decision regarding the dispute. This decision can be a win for the plaintiff, a win for the defendant, or another solution that the

[31] M. Yahya Harahap, *Segi-Segi Hukum Perjanjian,* Alumni, Bandung, 1982.

court deems fair.

6) Appeal: If either party is dissatisfied with the court's decision, they can appeal to a higher court to review the decision.[32]

Example of a clause that can be used: "If the dispute cannot be resolved through arbitration, the parties agree that the dispute will be resolved through the District Court in [name of city/jurisdiction].".

F. Operational Definitions

From several literatures that have been read by the author, the author can define the terms which are the key words of this research, including the following:

1. Liability is the condition of being obliged to endure everything. When someone is aware of their obligation to bear all the consequences of something they have done and does so, then they are said to be responsible.[33]
2. Non-performance can be interpreted as a situation where the debtor does not fulfill the obligations stipulated in the agreement, both obligations arising from an agreement or obligations arising from law. This is regulated in Article 1243 of the Civil Code.[34]
3. Rental Agreement is an agreement in which one party commits himself to providing the enjoyment of an item to another party for a certain period of time, with the payment of a price that the latter party can afford. People can rent various types of goods, both fixed and movable.[35]

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[32] Supreme Court Regulation Number 1 of 2016 concerning Mediation Procedures in Court.
[33] KBBI Daring, ”tanggung jawab”, https://kbbi.kemdikbud.go.id/entri/tanggung%20jawab, accessed July 15, 2024.
[34] Article 1243 Civil Code
[35] Article 1548 Civil Code

4. IPAS (*Ikatan Pengusaha Aisyiyah*) Aisyiyah Entrepreneurs Association is a division of the Aisyiyah Economic and Employment Council.

G. Research Method

For the discussion and writing in this research to be accurate and focused from the data analysis process to completion in accordance with science, the research uses the following method:

1. Type of Research

   This type of research is empirical legal research, namely research that looks at law in real terms and examines how law works in society. This research was carried out by analyzing legal facts in the field using library materials and research on legal theories related to the research object.

2. Research Approach

   The method used by the author in this research is a sociological approach, namely by using a legal perspective seen from the reality in society, by analyzing facts taken from human behavior through interviews.

3. Object of Research

   a. The Rental Agreement between IPAS members and Event Organizer.

4. Subject of Research

   The subjects of this research include:

   a. Aisyiyah Entrepreneurs Association (IPAS) Bantul.
   b. Exhibition Organizer, in collaboration with IPAS, the author made samples only from the last 3 years.
   c. Sample user from IPAS, the author made samples only from the last 3 years.

5. Research Data Source

    a. Primary data is a source of data obtained from interviews with research subjects.

    b. Secondary data, is data obtained through library research consisting of:

        1) Primary Legal Material, namely data relating to Legislative Regulations such as:

            a) Civil Code (KUH Perdata).

            b) Minister of Tourism and Creative Economy Regulation Number 5 of 2017 concerning Destination Guidelines for Organizing Incentive Travel Meetings, Conventions and Exhibitions.

            c) Law Number 20 of 2008 concerning Micro, Small and Medium Enterprises.

            d) Regulations of the Supreme Court of the Republic of Indonesia concerning Procedures for Settlement of Civil Cases in Court.

            e) Compilation of Islamic Law.

        2) Secondary Legal Materials, namely legal materials related to literature or books or documents that describe matters related to this research.

        3) Tertiary Legal Materials are supporting legal materials for the existence of secondary legal materials, including: Big Indonesian Dictionary (KBBI) and Foreign Language Dictionaries.

6. Data collection technique

There are 2 (two) techniques for collecting data in empirical legal research, either individually or separately or used together at once. These two techniques are interviews and observation. The data technique used in this research is through interviews with research subjects for primary data collection.

An interview or debrief is a verbal question and answer session where two or more people face each other directly. In the interview process there are two parties who have different positions. One party is an information seeker, while the other party is an information provider. The research will conduct verbal questions and answers with the research subjects to find information about the research object.

7. Data Analysis

The qualitative descriptive approach in this research is intended so that the author can be descriptive qualitative, namely analysis that discusses conceptually a problem and is not disturbed by numerical data, and to produce research information that is more rational and objective, the author will carry out data analysis by describing / narrate, discuss, and interpret research findings from a sociological empirical perspective or point of view.

H. Thesis Framework

This research is systematically organized into four CHAPTERS with the following details:

1. CHAPTER I. This chapter is an introduction as an introduction before entering the discussion which consists of Background, Problem Formulation, Research Objectives, Research Originality, Literature Review, Research

Methods and Writing Systematics.

2. CHAPTER II. This chapter is a general overview of Authority, Legal Certainty and Legal Protection.
3. CHAPTER III. This chapter is the result of research and discussion regarding what are the legal implications of the disparity between agreement terms and the reality of exhibition stand rental in the context of agreement breaches or default (non-performance), what strategies can be adopted to prevent disparities between the agreement and the reality in exhibition stand rental and minimize the risk of default, and how to handle cases of default by the organizer.
4. CHAPTER IV. This chapter concludes with conclusions from the research results as well as suggestions/recommendations based on the research results which are expected to be useful for the future development of legal studies in the field of Civil Law.

CHAPTER II

GENERAL OVERVIEW ON AGREEMENT LAW, RENTAL AGREEMENT, LEGAL LIABILITY, DEFAULT, DISPUTE RESOLUTION, and AGREEMENT BASED ON ISLAMIC PERSPECTIVE

A. Overview of Treaties and Agreement Law

1. Definition of Agreement According to the Civil Code

An agreement is one of the fundamental instruments in Indonesian civil law that regulates legal relations between two or more parties. According to Article 1313 of the Civil Code (KUH Perdata), an agreement is defined as an act in which one or more persons bind themselves to one or more other persons. In other words, an agreement is an agreement that creates rights and obligations for the parties involved in the agreement.

An agreement is the basis for the formation of a legally binding legal relationship and has legal force that binds the parties. Therefore, a deep understanding of the definition and characteristics of an agreement is very important in legal practice, especially in the context of drafting and implementing business agreements or other agreements that are legally binding.[36]

[36] R. Subekti, *Hukum Perjanjian*, PT. Intermasa, Jakarta, 1987. p. 70

2. Valid Conditions of the Agreement

In order for an agreement to have a valid and binding legal force, the Civil Code regulates several conditions for a valid agreement in Article 1320. These conditions include:

a. Agreement of the Parties. The first requirement for an agreement to be declared valid is the agreement of the parties. This means that there must be an agreement or consent of the parties making the agreement. There must be no coercion or pressure, but the agreement must be based on one's own will.[37]

b. Competence of the Parties. Regarding the competence of a person, it is necessary to know who is legally incompetent or does not have legal standing to make an agreement, as stated in Article 1330 of the Civil Code, namely:[38]

   1) Those who are incompetent to make an agreement are;
   2) Minors;
   3) People who are placed under guardianship;
   4) Married women in cases determined by law and in general all people who are prohibited by law from making certain agreements.

      However, in its development, wives can carry out legal acts as regulated in SEMA No. 3 of 1963 in conjunction with Article 31 of the Marriage Law.[39]

[37] Article 1321 of the Civil Code
[38] Article 1330 of the Civil Code
[39] Law Number 16 of 2019 concerning Amendments to Law Number 1 of 1974 concerning Marriage

c. A Certain Thing. What is meant by a certain thing in the terms of an agreement to be declared valid is the object of the agreement, namely performance, for example giving something, doing something, or not doing something as stated in Article 1234 of the Civil Code. In short, performance is what is the debtor's obligation and what is the creditor's right in an agreement.[40]

d. A Lawful Cause (Legal Cause) The cause or purpose of the agreement must be lawful and not conflict with statutory provisions, morality, or public interest. Agreements made for purposes that violate the law or morality are considered null and void.[41]

These conditions are the foundation for an agreement to be considered valid and legally binding. If one of the conditions is not met, the agreement can be canceled or not have a legally binding force.

B. Rental Agreement

1. Rights and obligations of the parties

In a rental agreement, both the lessee and the lessor have rights and obligations that must be fulfilled to ensure the implementation of the agreement fairly and in accordance with the law. The following are the rights and obligations of each party according to the Civil Code (KUHPerdata) and related legal literature:

Renter's right:

a. Enjoyment of Goods: The renter has the right to use and enjoy the

[40] Article 1234 of the Civil Code
[41] Article 1234 of the Civil Code

goods rented during the rental period in accordance with the agreement.

b. Protection against Disturbances: Renters have the right to obtain protection from disturbances that may interfere with the enjoyment of the rented property during the rental period.
c. Repair of Goods: The lessee has the right to ask the lessor to carry out repairs if the rented goods are damaged and not caused by the renter's fault.

Renter's obligations:[42]

a. Rent Payment: The tenant is obliged to pay the rental price on time as agreed in the agreement.
b. Goods Maintenance: The renter must maintain and properly care for the rented goods during the rental period and use them in accordance with the agreed purpose.
c. Return of Goods: The renter is obliged to return the rented goods in the same condition as when received, except for damage caused by normal wear and tear.

Lessor's rights:

a. Acceptance of Payment: The lessor has the right to receive rental payments as agreed in the agreement.
b. Return of Goods: The renter has the right to receive back the rented goods in good condition at the end of the rental period.
c. Damage Replacement: The lessor has the right to obtain compensation for damage caused by the renter's negligence or error.

[42] Article 1550 Civil Code

Lessor's obligation:[43]

a. Handing Over Goods: The lessor is obliged to hand over the rented goods to the lessee in good condition and in accordance with what was agreed in the agreement.
b. Maintenance of Goods: The lessor must ensure that the rented goods can be used by the lessee in accordance with the agreed purpose. This includes making necessary repairs during the rental period if the damage was not caused by the renter.

Guaranteeing the Lessee's Rights: The lessor must guarantee that the lessee can enjoy the rented property without interference from third parties during the rental period.

2. Terms of Lease Period and Termination of Lease According to the Civil Code

Articles 1570 and 1571 of the Civil Code regulate provisions regarding the rental period and termination of a rental agreement. If a rental agreement is made in writing with a certain period of time, the rental period ends automatically after the period has expired without further notice.[44]

However, if the rental agreement is not made in writing or does not specify a certain period of time, the agreement can be automatically extended unless there is notification from one of the parties to terminate the agreement in accordance with local customs.[45]

These provisions provide legal certainty regarding the end of the

[43] Article 1550 Civil Code
[44] Article 1570 Civil Code
[45] Article 1571 Civil Code

rental period and the mechanism for terminating the agreement, so that the parties can anticipate their rights and obligations clearly.[46]

C. Legal Liability and Default

1. Definition of Default in the Civil Code

Default as explained in Article 1238 of the Civil Code is a condition in which the debtor is declared negligent by a written order, or by a similar deed, or based on the power of the obligation itself, namely if this obligation results in the debtor being deemed negligent by the passage of the specified time.[47]

2. Forms of Default

Furthermore, regarding the element of default, Subekti in Agreement Law explains four elements of default, including:[48]

a. Not doing what was promised or not doing what was promised.
b. Does what is promised but not as promised.
c. Did what was promised but was late.
d. Doing something that according to the agreement is not allowed to be done.

3. Consequences of Default

In the event of a breach of agreement, the negligent party must provide compensation in the form of costs, losses, and interest. The consequences or sanctions of this breach of agreement are contained in

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[46] Nur Sa'adah, "Legal consequences of oral lease agreements A review of supreme court decision number 2368 K/Pdt/2019 in Indonesia." *International Journal of Law,* (2024).
[47] Article 1238 Civil Code
[48] R. Subekti, Hukum Perjanjian, PT. Intermasa, Jakarta, 1987.

Article 1239 of the Civil Code which states that every obligation to do something, or not to do something, must be resolved by providing compensation for costs, losses and interest, if the debtor does not fulfill his obligations.[49]

Reimbursement of costs is a replacement for costs or money that has been spent by one of the parties. Then, what is meant by compensation is compensation for losses that have been caused by the negligence of the defaulting party. Furthermore, regarding interest, J. Satrio in the Law of Agreements explains that interest can be classified into three types.[50]

a. Moratary Interest, which is interest owed because the debtor is late in fulfilling his obligations.
b. Conventional Interest, which is interest agreed upon by the parties.
c. Compensatory Interest, which is all interest outside the interest in the agreement.

Regarding the subpoena, the provisions of Article 1238 of the Civil Code explain that the debtor is declared negligent by means of a letter of instruction, or by a similar deed, or based on the power of the obligation itself, namely if this obligation results in the debtor being deemed negligent by the lapse of the specified time.[51]

Before taking legal action, the injured party usually sends a subpoena or warning letter to the debtor as an initial step in resolving the dispute. This

[49] Article 1239 Civil Code
[50] J. Satrio, *Hukum Perikatan, Perikatan yang Lahir dari Perjanjian, Buku I*, PT Citra Aditya Bakti, Bandung, 1995.
[51] Article 1238 Civil Code

subpoena serves as an official notification so that the debtor immediately fulfills its obligations and as evidence if the case is brought to court.

Thus, default not only causes material losses, but can also damage the legal relationship and trust between the parties. Therefore, it is important for the parties to understand the legal consequences of default and efforts to resolve it properly.

D. Legal Protection for MSMEs

Legal protection for MSMEs in exhibition stand rental agreements is very important to ensure fairness, certainty, and balance in the legal position between stand owners and MSME actors. Without adequate legal protection, MSMEs are vulnerable to detrimental rental practices, such as unilateral clauses, unilateral cancellations, or evictions without a strong legal basis. The existence of fair agreements, transparency of agreements, and an understanding of rights and obligations are crucial so that MSME promotion and sales activities through exhibitions do not result in legal or economic losses.

As written in Article 1243 of the Civil Code, Compensation for costs, losses and interest due to failure to fulfill an obligation, begins to be required if the debtor, after being declared negligent, still does not fulfill his obligation, then the following are legal protection steps for exhibition participants:[52]

1. Create a Clear and Detailed Written Agreement

The first and most basic step is to ensure that there is a written exhibition stand rental agreement. This agreement must include:

a. Complete identities of the parties.

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[52] Article 1243 Civil Code

b. Location and time of the exhibition.

c. Rental price and method of payment.

d. Rights and obligations of each party.

e. Force majeure clause.

f. Breach of agreement and dispute resolution clause.

Example of Default Clause: "If the organizer cancels the event without 14 days' notice, the organizer is obliged to refund the rental fee in full and provide compensation of 10% of the rental value as compensation."

2. Examples of Legal Protection Based on the Civil Code

a. Article 1320 of the Civil Code – Conditions for the Validity of an Agreement. "For an agreement to be valid, four conditions are required:[53]

1) Those who bind themselves agree;

2) Capable of making an agreement;

3) A certain thing;

4) A legitimate cause."

Application examples: If the stand rental agreement is made under duress or by a party who is not legally competent (e.g. not a legal entity), then the agreement can be cancelled.

b. Article 1338 Civil Code – Principle of Freedom of Agreement. “All agreements legally made are valid as law for those who make them.”[54]

Application examples: A valid exhibition stand rental agreement

[53] Article 1320 Civil Code
[54] Article 1338 Civil Code

(written, agreed, not contrary to law) must be complied with by both parties. The organizer cannot unilaterally cancel the agreement without legal consequences.

c. Article 1239 of the Civil Code – General Breach of Agreement. "Every obligation to give something or to do something, or to not do something, must be fulfilled in good faith."[55]

   Application examples: If the organizer fails to provide stand facilities as promised, this is considered a breach of agreement.

d. Article 1243 of the Civil Code – Compensation for Default. "Compensation for costs, losses and interest due to failure to fulfill an obligation, begins to be required if the debtor, after being declared negligent, still does not fulfill his obligation."[56]

   Application examples: If the organizer does not fulfill its obligations in the stand rental agreement and the MSME suffers a loss (for example, loss of potential sales because the stand was cancelled), then the MSME has the right to claim compensation.

e. Article 1579 of the Civil Code – Lease "The lessor is obliged to hand over the goods to the lessee and guarantee them in the rental condition as agreed."[57]

   Application Example: Organizers must provide stands according to the conditions and facilities promised (eg: size, location, electricity

[55] Article 1239 Civil Code
[56] Article 1243 Civil Code
[57] Article 1579 Civil Code

connection, security). If that is not appropriate, UMKM can refuse or ask for compensation.

These articles are direct protection that can be utilized by MSMEs in demanding their rights if there is a violation of the rental agreement by the exhibition organizer. In order for these articles to be effective, a written agreement and evidence of violations must be prepared from the start.

E. Dispute Resolution Mechanism

1. Civil Dispute Resolution Mechanism

a. Settlement Through Non-Litigation Paths (Outside the Court)

1) Deliberation and Negotiation. Before bringing a case to the legal realm, the Civil Code allows the parties to resolve the dispute peacefully through negotiation. The legal basis is not explicitly stated in the Civil Code, but is in line with the principle of good faith in Article 1338 of the Civil Code: "A legally made agreement applies as a law for those who make it and must be implemented in good faith."[58]

2) Mediation or Arbitration This mechanism is not explicitly regulated in the Civil Code, but is permitted and commonly used if agreed to in the agreement (based on the principle of freedom of agreement). Usually included in the agreement clause as: “All disputes will be resolved through mediation or arbitration before going to court.”[59]

[58] Article 1338 Civil Code
[59] Law Number 30 of 1999 concerning Arbitration and Alternative Dispute Resolution.

b. Settlement Through Litigation (Court)

If non-litigation channels fail or are not agreed upon, the Civil Code provides a strong basis for suing through the District Court. The general mechanism is as follows:

1) Subpoena (Legal Warning) – Article 1238 of the Civil Code "The debtor is considered negligent by a letter of order or by a similar deed." A summons is an official notification to the party who violates the agreement (default), giving a deadline to fulfill its obligations.[60]
2) Filing a Breach of Agreement Lawsuit – Article 1243 of the Civil Code. “Reimbursement of costs, losses, and interest due to failure to fulfill an obligation...” A lawsuit can be filed with the District Court based on the form of Failure to fulfill the performance, Late fulfillment of the performance, Implementing the performance not as it should be, Doing things that are prohibited in the agreement.[61]
3) Requesting Cancellation of Agreement – Article 1266 & 1267 of the Civil Code. “An agreement may be cancelled if a party fails to fulfill its obligations”[62] (Article 1266) “The injured party has the right to demand fulfillment or cancellation of the agreement along with compensation”[63] (Article 1267). This is important when continuation of the agreement is no longer possible (for example in the case of renting an exhibition stand that failed to be held).

[60] Article 1238 Civil Code
[61] Article 1243 Civil Code
[62] Article 1266 Civil Code
[63] Article 1267 Civil Code

4) Judge's Decision and Execution. After the case examination and evidence, the judge will issue a binding decision. If the defendant does not comply, the plaintiff can file an execution request to the court.

The dispute resolution mechanism in the Civil Code is based on the principle of good faith and the obligation to fulfill the obligation. Settlement can be done through negotiation, then continued to a lawsuit for breach of agreement if necessary, with the support of the Civil Code as a legal basis.

F. Agreement based on Islamic Perspective

1. Definition of Agreement in Islamic Law

According to Chairuman and Suhrawadi, etymologically, an agreement in Arabic is termed Mu'ahadah Ittida, or agreement. In Indonesian, it is known as a agreement or agreement, an act in which one or more people bind themselves to one or more other people.[64] Based on Syamsul Anwar's opinion, as an Islamic legal term, there are several definitions given for agreements, including:[65]

a. A meeting of ijab submitted by one party with qabul from the other party which gives rise to legal consequences on the object of the agreement.
b. A meeting of ijab and qabul as a statement of the will of two or more parties to give rise to a legal consequence on its object.

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[64] Chairuman Pasaribu dan Suhrawadi K. Lubis, *Hukum Perjanjian Dalam Islam*, Sinar Grafika, Jakarta, 2004. p.1
[65] Syamsul Anwar, *Hukum Perjanjian Syariah*, Rajawali Press, Jakarta, 2007, p. 67

In Islamic law, the term agreement is not distinguished from agreement, both are identical and called akad. So in this case, akad is defined as a meeting of ijab which is stated by one party with qabul from the other party legally according to the sharia which is apparent in its legal consequences on its object. However, in Islam, not all agreements or agreements can be categorized as agreements, especially agreements that are not based on the consent and Islamic law.[66]

2. Legal Basis of Agreements in Islamic Law

In the Qur'an, there are at least 2 (two) terms related to agreements, namely *al-'aqdu* (agreement) and *al-'ahdu* (promise). The meaning of akad in language is a bond, to bind. It is said that a bond (al-rabth) means to gather or collect two ends of a rope and tie one to the other until both are connected and become one rope.[67] The word *al-'aqdu* is found in the letter *Al-Maidah* verse 1, that humans are asked to fulfill their agreements. According to Fathurrahman Djamil, the term *al-'aqdu* can be equated with the term verbintenis in the Indonesia Civil Code (*KUH Perdata*).[68]

The linguistic meaning of *akad* is a bond, to bind. It is said that the bond (*al-rabth*) means to gather or collect two ends of a rope and tie one to the other until the two are connected and become like one piece of rope.[69]

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[66] Rachmad Syafe'i, *Fiqih Muamalah*, Pustaka Setia, cet. Ke-2, Bandung, 2004, p. 50
[67] Ghufron A. Mas'adi, *Fiqih Muamalah Kontektual*, Cet. 1, Raja Grafindo Persada, Jakarta, 2002, p. 75
[68] Fatturrahman Djamil, *Hukum Perjanjian Syari'ah*, dalam Kompilasi Hukum Perikatan oleh Darus Badrulzaman et al., Cet. 1, Citra Aditya Bakti, Bandung, 2001, p. 247-248
[69] Gemala Dewi, Wirdyaningsih dan Yeni Salma Barlinti. *Hukum Perikatan Islam di Indonesia*. Badan Penerbit Fakultas Hukum Universitas Indonesia. Jakarta. 2007. p. 45

The term al-'aqdu (agreement) is found in QS. Al-Maidah (5):1:

يَٰٓأَيُّهَا ٱلَّذِينَ ءَامَنُوٓا۟ أَوْفُوا۟ بِٱلْعُقُودِ ۚ أُحِلَّتْ لَكُم بَهِيمَةُ ٱلْأَنْعَٰمِ إِلَّا مَا يُتْلَىٰ عَلَيْكُمْ
غَيْرَ مُحِلِّى ٱلصَّيْدِ وَأَنتُمْ حُرُمٌ ۗ إِنَّ ٱللَّهَ يَحْكُمُ مَا يُرِيدُ ﴿١﴾

Meaning: "*O you who believe, fulfill the promises! Livestock is permitted to you, except for those which will be mentioned to you (haram) by not allowing hunting when you are in ihram (hajj or umrah). Indeed, Allah establishes the law according to what He wills.*"

According to Fathurrahman Djamil as quoted by Gemala Dewi, Wirdyaningsih and Yeni Salma Barlinti, the term *al-'aqdu* (agreement) can be equated with the term verbintenis (binding) in the Civil Code. While the term *al-'ahdu* can be equated with the term agreement or overeenkomst, which is a statement from someone to do or not do something that is not related to another person.[70]

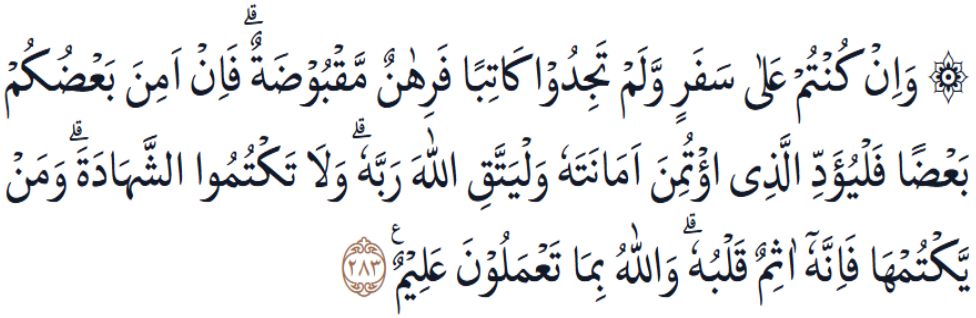
An agreement should be made in writing so that it can be used as evidence if a dispute arises in the future, like in QS. Al-Baqarah (2):282 stated:

[70] Irma Devita. *Kiat-Kiat Cerdas, Mudah, dan Bijak Memahami Masalah Akad Syariah*. Kaifa PT Mizan Pustaka. Bandung. 2011. p. 4

يٰٓاَيُّهَا الَّذِيْنَ اٰمَنُوْٓا اِذَا تَدَايَنْتُمْ بِدَيْنٍ اِلٰٓى اَجَلٍ مُّسَمًّى فَاكْتُبُوْهُ ۗ وَلْيَكْتُبْ بَّيْنَكُمْ
كَاتِبٌۢ بِالْعَدْلِ ۖ وَلَا يَأْبَ كَاتِبٌ اَنْ يَّكْتُبَ كَمَا عَلَّمَهُ اللّٰهُ فَلْيَكْتُبْ ۚ وَلْيُمْلِلِ
الَّذِيْ عَلَيْهِ الْحَقُّ وَلْيَتَّقِ اللّٰهَ رَبَّهٗ وَلَا يَبْخَسْ مِنْهُ شَيْـًٔا ۗ فَاِنْ كَانَ الَّذِيْ عَلَيْهِ
الْحَقُّ سَفِيْهًا اَوْ ضَعِيْفًا اَوْ لَا يَسْتَطِيْعُ اَنْ يُّمِلَّ هُوَ فَلْيُمْلِلْ وَلِيُّهٗ بِالْعَدْلِ ۗ
وَاسْتَشْهِدُوْا شَهِيْدَيْنِ مِنْ رِّجَالِكُمْ ۚ فَاِنْ لَّمْ يَكُوْنَا رَجُلَيْنِ فَرَجُلٌ وَّامْرَاَتٰنِ مِمَّنْ
تَرْضَوْنَ مِنَ الشُّهَدَۤاءِ اَنْ تَضِلَّ اِحْدٰىهُمَا فَتُذَكِّرَ اِحْدٰىهُمَا الْاُخْرٰى ۗ وَلَا يَأْبَ
الشُّهَدَۤاءُ اِذَا مَا دُعُوْا ۗ وَلَا تَسْـَٔمُوْٓا اَنْ تَكْتُبُوْهُ صَغِيْرًا اَوْ كَبِيْرًا اِلٰٓى اَجَلِهٖ ۗ ذٰلِكُمْ
اَقْسَطُ عِنْدَ اللّٰهِ وَاَقْوَمُ لِلشَّهَادَةِ وَاَدْنٰٓى اَلَّا تَرْتَابُوْٓا اِلَّآ اَنْ تَكُوْنَ تِجَارَةً حَاضِرَةً
تُدِيْرُوْنَهَا بَيْنَكُمْ فَلَيْسَ عَلَيْكُمْ جُنَاحٌ اَلَّا تَكْتُبُوْهَا ۗ وَاَشْهِدُوْٓا اِذَا تَبَايَعْتُمْ ۖ وَلَا
يُضَاۤرَّ كَاتِبٌ وَّلَا شَهِيْدٌ ۗ وَاِنْ تَفْعَلُوْا فَاِنَّهٗ فُسُوْقٌۢ بِكُمْ ۗ وَاتَّقُوا اللّٰهَ ۗ وَيُعَلِّمُكُمُ اللّٰهُ ۗ
وَاللّٰهُ بِكُلِّ شَيْءٍ عَلِيْمٌ ﴿٢٨٢﴾

Meaning: "*O believers, if you owe a debt for a specified period of time, you should write it down. Let a note taker among you write it down correctly. Let not the recorder refuse to write it down as Allah has taught him. Let him record (it) and the person who owes it dictate (it). Let him fear Allah, his Lord, and let him not reduce it in the slightest. If the debtor is someone who lacks intelligence, is weak (in his condition), or is unable to dictate himself, let his guardian dictate it correctly. Ask for the testimony of two male witnesses among you. If there are not two male (witnesses), (permissible) one male and two female among the people you like from the (existing) witnesses so that if one (female witness) forgets, the others remind him. Witnesses should not refuse to be called. Don't get bored of writing it down until the deadline, whether (the debt) is small or large. That is more just in the sight of Allah, more able to strengthen your testimony, and closer to not doubting you, unless it is a cash business that you carry out between yourselves. So, there is no sin for you if you do not record it. Take witnesses when you buy and sell and don't let the recorder make things difficult (or difficult), and neither should the witnesses. If you do (that), indeed it is an act of disobedience to you. Fear Allah, Allah teaches you and Allah knows all things.*"

QS. Al-Baqarah (2):282 Also stated:



Meaning: "*O believers, if you owe a debt for a specified period of time, you should write it down. Let a note taker among you write it down correctly. Let not the recorder refuse to write it down as Allah has taught him. Let him record (it) and the person who owes it dictate (it). Let him fear Allah, his Lord, and let him not reduce it in the slightest. If the debtor is someone who lacks intelligence, is weak (in his condition), or is unable to dictate himself, let his guardian dictate it correctly. Ask for the testimony of two male witnesses among you. If there are not two male (witnesses), (permissible) one male and two female among the people you like from the (existing) witnesses so that if one (female witness) forgets, the others remind him. Witnesses should not refuse to be called. Don't get bored of writing it down until the deadline, whether (the debt) is small or large. That is more just in the sight of Allah, more able to strengthen your testimony, and closer to not doubting you, unless it is a cash business that you carry out between yourselves. So, there is no sin for you if you do not record it. Take witnesses when you buy and sell and don't let the recorder make things difficult (or difficult), and neither should the witnesses. If you do (that), indeed it is an act of disobedience to you. Fear Allah, Allah teaches you and Allah knows all things.*"

According to Gemala Dewi et al., in QS. Al-Baqarah (2): 282-283 it can be understood that Allah SWT recommends to humans that an agreement be made in writing, attended by witnesses and given responsibility for the individual who makes the agreement and who becomes the witness. In

addition, it is also recommended that if an agreement is not carried out in cash, then an object can be held as collateral.[71]

[71] Gemala Dewi, et al. *Hukum Perikatan Islam di Indonesia*. Badan Penerbit Fakultas Hukum Universitas Indonesia. Jakarta. 2007. p. 37-38

CHAPTER III

LIABILITY OF THE EXHIBITION ORGANIZER FOR NON-PERFORMANCE OF THE STAND RENTAL AGREEMENT WITH IPAS

A. The Responsibility of The Exhibition Organizer for Non-Performance of The Agreement for Organizing the Exhibition

In the civil-law tradition, an agreement (often called a contract) is fundamentally a meeting of wills intended to create legal obligations. For example, Article 1101 of the French Civil Code defines a contract as "an agreement of wills between two or more persons intended to create, modify, transmit or extinguish obligations" . In other words, any consensual accord (convention) between parties that binds them to give, do or refrain from doing something is, in principle, a contract . Leading commentators note that in civil law the contract is simply a species of "convention" (agreement) that produces legal effects – i.e. rights and duties between the parties.[72]

Civil-law systems enumerate the essential elements and validity conditions of a contract in their codes. For example, Article 1108 of the French, Belgian and Luxembourg Codes provides that a contract's validity requires (1) the free consent of the party assuming an obligation, (2) legal capacity to contract, (3) a certain object (subject matter of the agreement), and (4) a lawful cause (justification). Likewise, Article 1128 of the new French Code lists three

[72] Bélot Malan & Associés, "Overview of French contract law" https://bmavocats.com/en/contract-law, Accessed June 2025.

conditions: (i) free and informed consent (absence of error, fraud or violence), (ii) capacity of the parties, and (iii) a legal and certain object . In practice this means parties must genuinely agree on the essential terms (typically through an offer and acceptance process) and that consent be valid. By statute or tradition civil-law codes also sometimes require particular formalities (e.g. written form or notarization for certain contracts), but these are usually limited to special cases. In sum, a binding civil-law agreement is formed when parties with capacity freely consent to a lawful and certain object for a valid cause (motive), meeting all statutory criteria.[73]

1. Civil Law: Core Components and Validity[74]

   a) Consent (Agreement of Wills): All parties must manifest assent to the same obligations. In civil law this is often called concordance des volontés (meeting of minds), demonstrated by offer and acceptance (e.g. French Art. 1113). Consent must be free (no duress) and informed (no mistake or deceit).

   b) Capacity: Parties must have legal capacity to bind themselves (adult status, mental competence). Defective capacity (e.g. minority) typically renders a contract voidable.

   c) Object (Subject Matter): The contract's object must be possible, determined or determinable, and lawful (not against public order). Civil codes invalidate contracts with an illicit object or impossible performance.

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[73] Bélot Malan & Associés, "Overview of French contract law" https://bmavocats.com/en/contract-law, Accessed June 2025.
[74] Ibid.

d) Cause/Motive: Traditional civil-law doctrine often requires a "cause" (justification or purpose of the obligation). For instance, older French law insisted on a lawful cause as a validity condition (to ensure

e) the parties' motive is not illicit). Modern reforms tend to subsume cause into the object requirement or deem it automatically satisfied when consideration (exchange) exists.

f) Form: Generally, no specific form is required for a contract (consensualism), except where the law prescribes one (e.g. certain real-estate transactions or guarantees).

Once these core elements are present, a civil-law agreement is binding on the parties. By the principle of pacta sunt servanda ("agreements must be kept"), the contract "binds the parties" and they are obliged to perform its terms . Civil law expressly recognizes that contracts create reciprocal obligations (in synallagmatic contracts) or one-sided commitments (in unilateral contracts), but in all cases the binding force is strong: parties generally cannot unilaterally revoke a valid contract.[75]

2. Binding vs. Non-Binding Agreements (Civil Law)

Civil law also distinguishes binding contracts from mere preliminary or informal agreements. Precontractual negotiations or offers are not in themselves binding contracts. For example, French law treats a promissory offer (promesse unilatérale) as not forming a contract until the offeree accepts; "[p]romises which are not accepted by the promisee are generally

[75] Bélot Malan & Associés, "Overview of French contract law" https://bmavocats.com/en/contract-law, Accessed June 2025.

not binding as contracts". Only when an offer is accepted do both parties become bound. There are limited exceptions (e.g. an irrevocable offer or an intention to create a "natural obligation" can sometimes be enforced), but as a rule a proposal or negotiation phase creates no enforceable duties unless and until agreement is reached. Civil codes typically impose only limited pre-contractual duties (such as negotiating "in good faith") rather than full contract liability.[76]

By contrast, once a bona fide agreement meets all validity conditions, it is fully binding. The Civil Code emphasizes that contracts take effect against the contracting parties, who cannot normally escape performance except by rescission or mutual consent . In short, in civil law an agreement that lacks one of the required elements (consent, capacity, object, etc.) is void or voidable (and hence non-binding), whereas a valid consensus automatically creates binding obligations.[77]

3. Common Law Tradition: Agreements and Contracts

In common-law systems, the term agreement likewise denotes a meeting of minds, but additional doctrines govern enforceability. A quintessential common-law definition is that a contract is "an agreement between parties creating mutual obligations that are enforceable by law" . Key elements are generally: (1) offer, (2) acceptance, (3) mutual assent, (4) consideration, (5) legal capacity, and (6) legality . In practice, the courts require that the parties not only agree on the essential terms (offer +

[76] Ibid.
[77] Bélot Malan & Associés, "Overview of French contract law" https://bmavocats.com/en/contract-law, Accessed June 2025.

acceptance) but also that each side gives or promises something of value (consideration) and intends the agreement to be legally binding. Without these, the "agreement" will not be enforced as a contract.

Thus, core requirements in common law include:

a) Mutual Assent (Offer and Acceptance): As in civil law, there must be a definite offer and an unqualified acceptance, reflecting assent to the same terms. Common-law rules (e.g. the "mailbox rule") determine when acceptance is effective.
b) Consideration: Unlike most civil-law systems, common law demands consideration – a bargained-for exchange or detriment – to make a promise enforceable. Gratuitous promises are generally unenforceable unless sealed or covered by estoppel.
c) Intention to Create LegalRelations: Courts presume that commercial agreements carry intent to bind; social or familial agreements usually do not. Thus, parties must manifest that the deal is legally enforceable.
d) Capacity and Legality: These operate similarly to civil law – parties must be competent and the contract's purpose lawful.

Binding versus non-binding in common law turns largely on these elements. An "agreement" that lacks consideration or clear intent (for example, a mere memorandum or gentleman's agreement) will be unenforceable. The U.S. Restatement and cases recognize that phrases like "subject to contract" or preliminary letters of intent often demonstrate that the parties did not mean to be bound yet . In effect, common law treats agreements as binding only when the formal requisites are met; absent them, the courts view the parties as non-committal. If all elements are

present, however, the agreement is a binding contract, with traditional remedies (damages and, in limited circumstances, specific performance) available.[78]

1. General Overview of Lease Agreements in Indonesian Civil Law

A lease agreement is a form of Agreement in civil law that is clearly regulated in the Civil Code (KUHPerdata) Articles 1548 to 1600. According to Article 1548 of the Civil Code:

"A lease is an agreement by which one party binds himself to provide another party with the enjoyment of an item, for a certain period of time and with the payment of a price that the latter party agrees to pay."[79]

A lease agreement is included in the type of consensual agreement, meaning that with the agreement of the parties, the agreement is considered valid and binding. However, to increase legal force and minimize the potential for disputes, a lease agreement should ideally be made in writing and supplemented with legal clauses that regulate the rights and obligations of each party.

2. Practices of Exhibition Stand Rental Agreement

In practice, the organization of trade exhibitions or bazaars involving MSMEs or other business actors is usually carried out with a stand rental system. The organizer provides stand facilities, electricity, promotions, and location permits. The lessee, usually a small business actor or brand owner, pays a rental fee for a certain period of time.

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[78] Cornell Law School "Contract" https://www.law.cornell.edu/wex/contract, Accessed June 2025.
[79] Article 1548 Civil Code

However, based on several case studies and interviews conducted in this study, a few problems were found that often occur in the implementation of exhibition stand rental agreements, including:

a) Stands are not provided according to the agreement (size, location, or facilities promised).
b) Violation of the rental duration clause or unilateral cancellation by the organizer.
c) The absence of a written and clear dispute resolution mechanism in the Agreement.

These problems indicate that many exhibitions stand rental agreements are not made with adequate legal formulation.

3. Ideal Formulation of an Exhibition Stand Rental Agreement

To ensure legal protection and legal certainty for the parties, the formulation of the exhibition stand rental agreement should contain the following elements:

a) Identity and Qualifications of the Parties. It is important to state the legal identities of the parties (organizer and tenant) in full and clearly, including the authority to act on behalf of the company or institution.
b) Leased Object. Must be explained in detail regarding the type of stand, size, location in the exhibition arena, facilities provided (electricity, tables, chairs, security, etc.).
c) Fees and Payment Methods. It is necessary to explain the amount of rental fees, payment terms, and sanctions or fines for delays.

d) Duration and Implementation Schedule. The agreement must stipulate the time of the exhibition, the time of use of the stand, and the time of dismantling.

e) Rights and Obligations of the Parties. The rights and obligations of the tenant and exhibition organizer need to be explicitly regulated so that each party knows and carries out its responsibilities.[80]

f) Force Majeure Clause. Anticipating force majeure (disaster, pandemic, riots, etc.) that cause one party to be unable to fulfill its obligations.

g) Dispute Resolution Clause. It is important to include dispute resolution mechanisms, starting from mediation, arbitration (for example through BANI), to litigation in a specific district court that is mutually agreed upon.[81]

The following is a draft of a complete exhibition stand rental agreement and refers to Indonesia's positive legal provisions, including protection for MSME actors such as IPAS members, as well as containing clauses to avoid potential disputes:

EXHIBITION STAND RENTAL AGREEMENT

Number: .....

On this day, [day, date, month, year], at [location], we the undersigned:

First Party (Exhibition Organizer):
Name : [Organizer Name]
Address : [Complete Address]
ID Card No. : [Number]

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[80] R. Subekti, *Hukum Perjanjian*, PT. Intermasa, Jakarta, 1995. p. 70
[81] M. Yahya Harahap, *Segi-Segi Hukum Perjanjian,* Alumni, Bandung, 1982. p. 35

Position : [Position]
Hereinafter referred to as the **FIRST PARTY**.

Second Party (Tenant / Exhibitor):
Name: [Organization/Individual Name]
Address: [Complete Address]
ID Card No.: [Number]
Position: [Owner / Representative of MSMEs]
Hereinafter referred to as the **SECOND PARTY**.

Both parties have agreed to bind themselves in an exhibition stand rental agreement with the following provisions:

ARTICLE 1
OBJECT OF THE AGREEMENT

THE FIRST PARTY rents to the SECOND PARTY an exhibition stand with the following specifications:
1. Location: [.....]
2. Stand Number: [.....]
3. Size: [.....] meters
4. Facilities: Tables, chairs, lights, electrical connections, cleanliness, security, etc. as agreed.

ARTICLE 2
TERM OF THE AGREEMENT

This Agreement is valid for [.....] days, starting from the date [.....] until [.....].

ARTICLE 3
RENTAL PRICE AND PAYMENT

1. The rental price of the stand is set at Rp [.....] (in words: [.....]) for the entire rental period.
2. Payment is made in the following manner:
   - Full up front / installments [.....] times.
   - Through the account [.....] in the name of [.....].
3. Proof of payment is an integral part of this agreement.

ARTICLE 4
RIGHTS AND OBLIGATIONS OF THE PARTIES

1. FIRST PARTY:
   - Submit the stand according to specifications at the specified time.
   - Provide facilities as stated in Article 1.
   - Guarantee the safety and comfort of the exhibition area during the implementation.

2. SECOND PARTY:
   - Use the stand according to its function and do not damage the facilities.
   - Maintain the cleanliness and order of the stand area.
   - Do not transfer or assign rental rights to other parties without written consent from FIRST PARTY.

ARTICLE 5
FORCE MAJEURE

If one party cannot fulfill its obligations due to force majeure such as natural disasters, epidemics, riots, etc., then:
1. The party must notify in writing no later than 3 (three) days from the incident.
2. Both parties agree to resolve through deliberation.

ARTICLE 6
VIOLATIONS AND COMPENSATION

1. If the FIRST PARTY cancels the event unilaterally, then the SECOND PARTY has the right to receive a full refund along with compensation of 10% of the rental value.
2. If the SECOND PARTY cancels unilaterally without any reason for force majeure, then the payment that has been made cannot be refunded.
3. If the stand is not available according to the agreement, the FIRST PARTY is obliged to provide an equivalent replacement stand or refund the rental fee in full.

ARTICLE 7
DISPUTE SETTLEMENT

1. Any dispute or disagreement arising from this agreement will be resolved first through amicable deliberation within 14 (fourteen) working days from the time the dispute arises.
2. If no consensus is reached, the parties agree to resolve the dispute through mediation at the local Cooperatives and SMEs Office or an institution appointed by the local government.
3. If mediation fails, the parties agree that the dispute will be resolved through litigation through the District Court [location of the event].
4. The parties agree that the legal domicile of this agreement is in the jurisdiction of the District Court [location], and all costs arising from the dispute will be borne by the losing party.

ARTICLE 8
MISCELLANEOUS

1. Matters that have not been regulated will be stated in the addendum to the agreement and are an integral part of this agreement.

2. This agreement is made in 2 (two) original copies with sufficient stamps and have the same legal force.

Thus this agreement is made in good faith and without any element of coercion from any party.

FIRST PARTY	**SECOND PARTY**
Signature here + Stamp Rp. 10.000	Signature here + Stamp Rp. 10.000
(.....Full Name.....)	(.....Full Name.....)

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4. Know IPAS

The AISYIYAH ENTREPRENEURS ASSOCIATION (IPAS or *Ikatan Pengusaha Aisyiyah)* Aisyiyah Bantul Regional Leadership is a forum for Small and Medium Enterprises / MSMEs whose members currently consist of 189 Women MSMEs with the types of businesses Catering, Fashion, Craft and Services.

Formed and inaugurated in September 2019, IPAS was formed in all regions including, among others, in Bantul Regency, Special Region of Yogyakarta. IPAS members are of course female entrepreneurs. IPAS members often take part in exhibitions/bazaars to increase their business and there are activities funded by the government and private parties, and some are paid, and some are free.

In terms of organizational structure, IPAS is fostered by the Aisyiyah Economic and Labor Council (MEK) which is also integrated with Bantul Regency, because IPAS is a forum for business actors with a Muslim

background, the author will also review the importance of the exhibition stand rental agreement in reviewing Islamic law.

Therefore, it is very appropriate when the author chooses IPAS as an object of research to get a clear picture of the importance of the practice of leasing agreements for this exhibition stand.

5. Research Object

In some cases, exhibition stand rental agreements give rise to disputes due to the imbalance in bargaining position between the organizer and the tenant. This is exacerbated by the absence of a penalty clause or legal sanction provisions for default.

Several Exhibition and Bazaar activities have been carried out by IPAS members. Here are some sources that the author has summarized in a table. Some of the questions asked are Name, Business field, Reason for attending the exhibition, Testimonial in attending the exhibition.

a) Source 1

Name	Dyah Heningtyas Noviani, SH.
Business Type	Food products
Purpose of attending exhibition	Market promotions and surveys
Testimony:	
1	**BANTUL JUOSH**
	The event was held by the Bantul Cooperative Service. There was no payment made, no agreement, just invitation letter and layout. Obstacles faced: the culinary stand is far from the main stage and is at the end of the area. The Office of Cooperatives also did not bring in the maximum number of visitors so the event was quiet. At that time, experienced a loss in operational costs during the exhibition.
2	**GEBYAR SIBAKUL**
	The event was held by the Bantul Cooperative Service. There was no payment made, no agreement, just invitation letter and layout. The event was very successful because it was crowded, namely in the city center at Malioboro Mall. There are quite a

	number of buyers, the infrastructure facilities are also well prepared by the Committee.
3	**BAZAR UKM PESPARAWI**
	Event in order to support the Ecclesiastical Choir Competition which was attended by 20,000 participants throughout Indonesia, by KEMENAG, PEMDA DIY and carried out by EO DIGSI. Paid Rp. 1.000.000,- for 3 days, no agreement, only proof of payment and technical meeting. The event was very detrimental because there were very few visitors, it was far from the venue for the Choir competition and there were no publications from the organizers.
4	**PASAR KANGEN**
	Event by the DIY Regional Government with EO from Taman Budaya Yogyakarta. Paid Rp. 350,000 as a replacement for the participant's T-shirt, and there is a simple agreement. The event was very successful because the organizers were able to bring visitors and buyers very enthusiastically
5	**BAZAR UKM MUSYWIL MUHAMMADIYAH AISYIYAH DIY**
	The event was organized by MEK Sleman. Paid Rp. 1.500.000,. for 3 days, without an agreement, only a technical meeting. The event was very detrimental because the organizers were unable to bring visitors.
6	**PASAR UNTUK RAKYAT**
	Organized by a Political Party although, It's free and there is a simple agreement. The event was very successful and the buyers were very enthusiastic

b) Source 2

Name	Rizky Rozanah
Business Type	Processed food products , and Batik Fashion
Purpose of attending exhibition	Market promotions and surveys
TESTIMONY:	
1	**BANTUL JUOSH**
	The event was held by the Bantul Cooperative Service. There was no payment made, no agreement, just invitation letter and layout. Obstacles faced: the culinary stand is far from the main stage and is at the end of the area. The Office of Cooperatives also did not bring in the maximum number of visitors so the event was quiet. At that time, experienced a loss in operational costs during the exhibition.
2	**GEBYAR SIBAKUL**
	The event was held by the Bantul Cooperative Service. There was no payment made, no agreement, just invitation letter and layout. The event was very successful because it was crowded, namely in the city center at Malioboro Mall. There are quite a number of buyers, the infrastructure facilities are also well prepared by the Committee.
3	**HALAL FOOD**
	Organized by the DIY Trade Office. There was no payment made, no agreement, just invitation letter and layout. Going well, sales are also good.
4	**PASAR KANGEN**
	Event by the DIY Regional Government with EO from Taman Budaya Yogyakarta. Paid Rp. 350,000 as a replacement for the participant's T-shirt, and there is a simple agreement. The event was very successful because the organizers were able to bring visitors and buyers very enthusiastically.

5	**BAZAR UKM SONGSONG MUKTAMAR**
	The event was organized by JSM and UAD. Paid Rp. 1.000.000,- for 3 days, with a simple agreement. There was Quite a lot of buyers though, the stand was flooded due to heavy rain and the Committee repaired it by providing wooden pallets so that the merchandise would not get wet.
6	**BAZAR UKM MUSYWIL MUHAMMADIYAH AISYIYAH DIY**
	The event was organized by MEK Sleman. Paid Rp. 1.500.000,. for 3 days, without an agreement, only a technical meeting. The event was very detrimental because the organizers were unable to bring visitors.

c) Source 3

Name	Siti Khotima
Business Type	Craft & Ecoprint 'Ngelak Craft'
Purpose of attending exhibition	Market promotions and surveys
Testimony:	
1	**BANTUL JUOSH**
	The event was held by the Bantul Cooperative Service. There was no payment made, no agreement, just invitation letter and layout. Obstacles faced: The Office of Cooperatives did not bring in the maximum number of visitors so the event was quiet. At that time, experienced a loss in operational costs during the

	exhibition.
2	**GEBYAR SIBAKUL**
	The event was held by the Bantul Cooperative Service. There was no payment made, no agreement, just invitation letter and layout. The event was very successful because it was crowded, namely in the city center at Malioboro Mall. There are quite a number of buyers, the infrastructure facilities are also well prepared by the Committee.
3	**BAZAR UKM PESPARAWI**
	Event in order to support the Ecclesiastical Choir Competition which was attended by 20,000 participants throughout Indonesia, by KEMENAG, PEMDA DIY and carried out by EO DIGSI. Paid Rp. 1.000.000,- for 3 days, no agreement, only proof of payment and technical meeting. The event was very detrimental because there were very few visitors, it was far from the venue for the Choir competition and there were no publications from the organizers.
4	**BAZAR UKM SONGSONG MUKTAMAR**
	The event was organized by JSM and UAD. Paid Rp. 1.000.000,- for 3 days, with a simple agreement. There was Quite a lot of buyers though, the stand was flooded due to heavy rain and the Committee repaired it by providing wooden pallets so that the merchandise would not get wet.
5	**BAZAR UKM MUSYWIL MUHAMMADIYAH AISYIYAH DIY**
	The event was organized by MEK Sleman. Paid Rp. 1.500.000,. for 3 days, without an agreement, only a technical meeting. The event was very detrimental because the organizers were unable to bring visitors.

d) Source 4

Name	Erna Herawaty, SH.
Business Type	Ecoprint 'ECONANA'
Purpose of attending exhibition	Market promotions and surveys
Testimony:	
1	**BANTUL JUOSH**
	The event was held by the Bantul Cooperative Service. There was no payment made, no agreement, just invitation letter and layout. Obstacles faced: The Office of Cooperatives did not bring in the maximum number of visitors so the event was quiet. At that time, experienced a loss in operational costs during the exhibition.
2	**GEBYAR SIBAKUL**
	The event was held by the Bantul Cooperative Service. There was no payment made, no agreement, just invitation letter and layout. The event was very successful because it was crowded, namely in the city center at Malioboro Mall. There are quite a number of buyers, the infrastructure facilities are also well prepared by the Committee.
3	**BAZAR UKM PESPARAWI**
	Event in order to support the Ecclesiastical Choir Competition which was attended by 20,000 participants throughout Indonesia, by KEMENAG, PEMDA DIY and carried out by EO DIGSI. Paid Rp. 1.000.000,- for 3 days, no agreement, only proof of payment and technical meeting. The event was very detrimental because there were very few visitors, it was far from the venue for the Choir competition and there were no publications from the organizers.
4	**BAZAR UKM SONGSONG MUKTAMAR**
	The event was organized by JSM and UAD. Paid Rp. 1.000.000,- for 3 days, with a simple agreement. There was Quite a lot of buyers though, the stand was flooded due to heavy rain and the Committee repaired it by providing wooden pallets so that the merchandise would not get wet.
5	**BAZAR UKM MUSYWIL MUHAMMADIYAH AISYIYAH DIY**
	The event was organized by MEK Sleman. Paid Rp. 1.500.000,. for 3 days, without an agreement, only a technical meeting. The event was very detrimental because the organizers were unable to bring visitors.

e) Source 5

Name	Sumarsih
Business Type	Craft ‘Sawung’
Purpose of attending exhibition	Market promotions and surveys
Testimony:	
1	**BANTUL JUOSH**
	The event was held by the Bantul Cooperative Service. There was no payment made, no agreement, just invitation letter and layout. Obstacles faced: The Office of Cooperatives did not bring in the maximum number of visitors so the event was quiet. At that time, experienced a loss in operational costs during the exhibition.
2	**GEBYAR SIBAKUL**
	The event was held by the Bantul Cooperative Service. There was no payment made, no agreement, just invitation letter and layout. The event was very successful because it was crowded, namely in the city center at Malioboro Mall. There are quite a number of buyers, the infrastructure facilities are also well prepared by the Committee.
3	**BAZAR UKM PESPARAWI**
	Event in order to support the Ecclesiastical Choir Competition which was attended by 20,000 participants throughout Indonesia, by KEMENAG, PEMDA DIY and carried out by EO DIGSI.

	Paid Rp. 1.000.000,- for 3 days, no agreement, only proof of payment and technical meeting. The event was very detrimental because there were very few visitors, it was far from the venue for the Choir competition and there were no publications from the organizers.
4	**BAZAR UKM SONGSONG MUKTAMAR**
	The event was organized by JSM and UAD. Paid Rp. 1.000.000,- for 3 days, with a simple agreement. There was Quite a lot of buyers though, the stand was flooded due to heavy rain and the Committee repaired it by providing wooden pallets so that the merchandise would not get wet.
5	**BAZAR UKM MUSYWIL MUHAMMADIYAH AISYIYAH DIY**
	The event was organized by MEK Sleman. Paid Rp. 1.500.000,. for 3 days, without an agreement, only a technical meeting. The event was very detrimental because the organizers were unable to bring visitors.

f) Source 6

Name	Siti Masrifah
Business Type	Hand-made Craft
Purpose of attending exhibition	Market promotions and surveys
Testimony:	
1	**BANTUL JUOSH**
	The event was held by the Bantul Cooperative Service. There was no payment made, no agreement, just invitation letter and layout. Obstacles faced: The Office of Cooperatives did not bring in the maximum number of visitors so the event was quiet. At that time, experienced a loss in operational costs during the

	exhibition.
2	**GEBYAR SIBAKUL**
	The event was held by the Bantul Cooperative Service. There was no payment made, no agreement, just invitation letter and layout. The event was a successful because it was crowded, namely in the city center at Malioboro Mall. There are quite a number of buyers, the infrastructure facilities are also well prepared by the Committee.
3	**BAZAR UKM PESPARAWI**
	Event in order to support the Ecclesiastical Choir Competition which was attended by 20,000 participants throughout Indonesia, by KEMENAG, PEMDA DIY and carried out by EO DIGSI. Paid Rp. 1.000.000,- for 3 days, no agreement, only proof of payment and technical meeting. The event was very detrimental because there were very few visitors, it was far from the venue for the Choir competition and there were no publications from the organizers.
4	**BAZAR UKM SONGSONG MUKTAMAR**
	The event was organized by JSM and UAD. Paid Rp. 1.000.000,- for 3 days, with a simple agreement. There was Quite a lot of buyers though, the stand was flooded due to heavy rain and the Committee repaired it by providing wooden pallets so that the merchandise would not get wet.
5	**BAZAR UKM MUSYWIL MUHAMMADIYAH AISYIYAH DIY**
	The event was organized by MEK Sleman. Paid Rp. 1.500.000,. for 3 days, without an agreement, only a technical meeting. The event was very detrimental because the organizers were unable to bring visitors.

g) Source 7

Name	Purbandini
Business Type	Hand-made Craft
Purpose of attending exhibition	Market promotions and surveys
Testimony:	
1	**BANTUL JUOSH**
	The event was held by the Bantul Cooperative Service. There was no payment made, no agreement, just invitation letter and layout. Obstacles faced: The Office of Cooperatives did not bring in the maximum number of visitors so the event was quiet. At that time, experienced a loss in operational costs during the exhibition.
2	**GEBYAR SIBAKUL**
	The event was held by the Bantul Cooperative Service. There was no payment made, no agreement, just invitation letter and layout. The event was a successful because it was crowded, namely in the city center at Malioboro Mall. There are quite a number of buyers, the infrastructure facilities are also well prepared by the Committee.
3	**BAZAR UKM PESPARAWI**
	Event in order to support the Ecclesiastical Choir Competition which was attended by 20,000 participants throughout Indonesia, by KEMENAG, PEMDA DIY and carried out by EO DIGSI. Paid Rp. 1.000.000,- for 3 days, no agreement, only proof of payment and technical meeting. The event was very detrimental because there were very few visitors, it was far from the venue for the Choir competition and there were no publications from the organizers.
4	**BAZAR UKM SONGSONG MUKTAMAR**
	The event was organized by JSM and UAD. Paid Rp. 1.000.000,- for 3 days, with a simple agreement. There was Quite a lot of buyers though, the stand was flooded due to heavy rain and the Committee repaired it by providing wooden pallets so that the merchandise would not get wet.
5	**BAZAR UKM MUSYWIL MUHAMMADIYAH AISYIYAH DIY**
	The event was organized by MEK Sleman. Paid Rp. 1.500.000,. for 3 days, without an agreement, only a technical meeting. The event was very detrimental because the organizers were unable to bring visitors.

h) Source 8

Name	Luthfi Herawati
Business Type	Hand-made Craft
Purpose of attending exhibition	Market promotions and surveys
Testimony:	
1	**BANTUL JUOSH**
	The event was held by the Bantul Cooperative Service. There was no payment made, no agreement, just invitation letter and layout. Obstacles faced: The Office of Cooperatives did not bring in the maximum number of visitors so the event was quiet. At that time, experienced a loss in operational costs during the exhibition.
2	**GEBYAR SIBAKUL**
	The event was held by the Bantul Cooperative Service. There was no payment made, no agreement, just invitation letter and layout. The event was a successful because it was crowded, namely in the city center at Malioboro Mall. There are quite a number of buyers, the infrastructure facilities are also well prepared by the Committee.
3	**BAZAR UKM PESPARAWI**
	Event in order to support the Ecclesiastical Choir Competition which was attended by 20,000 participants throughout Indonesia, by KEMENAG, PEMDA DIY and carried out by EO DIGSI. Paid Rp. 1.000.000,- for 3 days, no agreement, only proof of payment and technical meeting. The event was very detrimental because there were very few visitors, it was far from the venue for the Choir competition and there were no publications from the organizers.
4	**BAZAR UKM SONGSONG MUKTAMAR**
	The event was organized by JSM and UAD. Paid Rp. 1.000.000,- for 3 days, with a simple agreement. There was Quite a lot of buyers though, the stand was flooded due to heavy rain and the

	Committee repaired it by providing wooden pallets so that the merchandise would not get wet.
5	**BAZAR UKM MUSYWIL MUHAMMADIYAH AISYIYAH DIY**
	The event was organized by MEK Sleman. Paid Rp. 1.500.000,. for 3 days, without an agreement, only a technical meeting. The event was very detrimental because the organizers were unable to bring visitors.

i) Source 9

Name	Anggraeni
Business Type	Hand-made Craft
Purpose of attending exhibition	Market promotions and surveys
Testimony:	
1	**BANTUL JUOSH**
	The event was held by the Bantul Cooperative Service. There was no payment made, no agreement, just invitation letter and layout. Obstacles faced: The Office of Cooperatives did not bring in the maximum number of visitors so the event was quiet. At that time, experienced a loss in operational costs during the exhibition.
2	**GEBYAR SIBAKUL**
	The event was held by the Bantul Cooperative Service. There

	was no payment made, no agreement, just invitation letter and layout. The event was a successful because it was crowded, namely in the city center at Malioboro Mall. There are quite a number of buyers, the infrastructure facilities are also well prepared by the Committee.
3	**BAZAR UKM PESPARAWI**
	Event in order to support the Ecclesiastical Choir Competition which was attended by 20,000 participants throughout Indonesia, by KEMENAG, PEMDA DIY and carried out by EO DIGSI. Paid Rp. 1.000.000,- for 3 days, no agreement, only proof of payment and technical meeting. The event was very detrimental because there were very few visitors, it was far from the venue for the Choir competition and there were no publications from the organizers.
4	**BAZAR UKM SONGSONG MUKTAMAR**
	The event was organized by JSM and UAD. Paid Rp. 1.000.000,- for 3 days, with a simple agreement. There was Quite a lot of buyers though, the stand was flooded due to heavy rain and the Committee repaired it by providing wooden pallets so that the merchandise would not get wet.
5	**BAZAR UKM MUSYWIL MUHAMMADIYAH AISYIYAH DIY**
	The event was organized by MEK Sleman. Paid Rp. 1.500.000,. for 3 days, without an agreement, only a technical meeting. The event was very detrimental because the organizers were unable to bring visitors.

j) Source 10

Name	Inna Irada
Business Type	Hand-made Craft

Purpose of attending exhibition	Market promotions and surveys
Testimony:	
1	**BANTUL JUOSH**
	The event was held by the Bantul Cooperative Service. There was no payment made, no agreement, just invitation letter and layout. Obstacles faced: The Office of Cooperatives did not bring in the maximum number of visitors so the event was quiet. At that time, experienced a loss in operational costs during the exhibition.
2	**GEBYAR SIBAKUL**
	The event was held by the Bantul Cooperative Service. There was no payment made, no agreement, just invitation letter and layout. The event was a successful because it was crowded, namely in the city center at Malioboro Mall. There are quite a number of buyers, the infrastructure facilities are also well prepared by the Committee.
3	**BAZAR UKM PESPARAWI**
	Event in order to support the Ecclesiastical Choir Competition which was attended by 20,000 participants throughout Indonesia, by KEMENAG, PEMDA DIY and carried out by EO DIGSI. Paid Rp. 1.000.000,- for 3 days, no agreement, only proof of payment and technical meeting. The event was very detrimental because there were very few visitors, it was far from the venue for the Choir competition and there were no publications from the organizers.
4	**BAZAR UKM SONGSONG MUKTAMAR**
	The event was organized by JSM and UAD. Paid Rp. 1.000.000,- for 3 days, with a simple agreement. There was Quite a lot of buyers though, the stand was flooded due to heavy rain and the Committee repaired it by providing wooden pallets so that the merchandise would not get wet.
5	**BAZAR UKM MUSYWIL MUHAMMADIYAH AISYIYAH DIY**
	The event was organized by MEK Sleman. Paid Rp. 1.500.000,. for 3 days, without an agreement, only a technical meeting. The event was very detrimental because the organizers were unable to bring visitors.

k) Source 11

Name	Siti Masrifah
Business Type	Hand-made Craft
Purpose of attending exhibition	Market promotions and surveys
Testimony:	
1	**BANTUL JUOSH**
	The event was held by the Bantul Cooperative Service. There was no payment made, no agreement, just invitation letter and layout. Obstacles faced: The Office of Cooperatives did not bring in the maximum number of visitors so the event was quiet. At that time, experienced a loss in operational costs during the exhibition.
2	**GEBYAR SIBAKUL**
	The event was held by the Bantul Cooperative Service. There was no payment made, no agreement, just invitation letter and layout. The event was a successful because it was crowded, namely in the city center at Malioboro Mall. There are quite a number of buyers, the infrastructure facilities are also well prepared by the Committee.
3	**BAZAR UKM PESPARAWI**
	Event in order to support the Ecclesiastical Choir Competition which was attended by 20,000 participants throughout Indonesia, by KEMENAG, PEMDA DIY and carried out by EO DIGSI. Paid Rp. 1.000.000,- for 3 days, no agreement, only proof of payment and technical meeting. The event was very detrimental because there were very few visitors, it was far from the venue

	for the Choir competition and there were no publications from the organizers.
4	**BAZAR UKM SONGSONG MUKTAMAR**
	The event was organized by JSM and UAD. Paid Rp. 1.000.000,- for 3 days, with a simple agreement. There was Quite a lot of buyers though, the stand was flooded due to heavy rain and the Committee repaired it by providing wooden pallets so that the merchandise would not get wet.
5	**BAZAR UKM MUSYWIL MUHAMMADIYAH AISYIYAH DIY**
	The event was organized by MEK Sleman. Paid Rp. 1.500.000,. for 3 days, without an agreement, only a technical meeting. The event was very detrimental because the organizers were unable to bring visitors.

If we look at the IPAS member SMEs, although there are indeed some who make agreements, it turns out that most of the agreements are only about time and location mapping. IPAS, which often participates in bazaars/exhibitions, also pays very little attention to the importance of the Exhibition/Bazaar Stand Rental Agreement.

B. Legal Remedies Can IPAS Take for The Organizer's Non-Performance in The Lease Agreement

In carrying out business activities, especially in participating in exhibitions or bazaars, Micro, Small, and Medium Enterprises (MSMEs) such as members of the Aisyiyah Entrepreneurs Association (IPAS) often face legal problems related to the non-compliance of the implementation of stand rental agreements by event organizers. However, limited capital and access to legal services are challenges for MSMEs in seeking justice. Therefore, a simple, fast, and affordable dispute resolution solution is needed so that the rights of business actors remain protected without having to go through a costly and complex legal process. The following are legal remedies that can be taken by tenants (especially IPAS or MSMEs) who feel disadvantaged:

1. Internal or collective deliberation (Mediation)

Deliberation is the simplest and cheapest way to resolve disputes. MSMEs or IPAS members can negotiate directly with the organizer to convey objections or demands. If done collectively by several tenants at once, usually the organizer will be more open to resolving the problem. This method does not require costs and maintains good relations between tenants and organizers. Before taking the case to formal legal channels, the tenant can request mediation or renegotiate with the organizer. This is in line with the principle

of peaceful dispute resolution as encouraged in Article 6 of Law No. 30 of 1999 concerning Arbitration and Alternative Dispute Resolution.[82] This effort is suitable if the business relationship continue, or the losses are still tolerable. However, this is the easiest process carried out by IPAS.

2. Mediation through the Cooperatives and SMEs Service or regional non-formal institutions

   If the organizer does not carry out the obligations as written in the agreement, the tenant can sue for breach of contract/default.[83] Mediation can be done through government agencies such as the Cooperatives and SMEs Office or local business forums. Mediation is neutral, low cost or free, and solutions can be agreed upon voluntarily. This process is regulated in Supreme Court Regulation Number 1 of 2016 and is very suitable for SMEs who do not want to go to court.[84]

3. Report to the consumer protection agency or Ombudsman

   If the organizer breaks their promise, provides false information, or makes a unilateral cancellation, MSMEs can report their case to the Indonesian Consumer Foundation (YLKI) or the Ombudsman of the Republic of Indonesia, especially if the organizer is a government agency. This step is useful for providing administrative pressure so that the organizer is responsible. If the exhibition organizer commits a violation that is also detrimental to consumers in general (especially in exhibitions open to the public), then the business actor can report it to the National Consumer

[82] Article 6, Law Number 30 of 1999 concerning Arbitration and Alternative Dispute Resolution.
[83] Article 1243 Civil Code.
[84] Supreme Court Regulation Number 1 of 2016 concerning Mediation Procedures in Court.

Protection Agency (BPKN/ *Badan Perlindungan Konsumen Nasional*), the Indonesian Consumer Foundation (YLKI/ *Yayasan Lembaga Konsumen Indonesia*).[85]

4. Simple lawsuit to district court.

   If the loss is clear and proven, MSMEs can use the simple lawsuit mechanism in the local district court. This process applies to a maximum lawsuit value of 500 million rupiah, without complicated evidence, and can be carried out without a lawyer. This simple lawsuit is regulated in Supreme Court Regulation Number 4 of 2019 and is generally completed in less than one month.[86]

5. Avoiding arbitration (BANI)

   Although arbitration through BANI (Indonesian National Arbitration Board) is often chosen in business contracts, this procedure is not suitable for MSMEs due to the high cost and relatively complex process. Arbitration is more suitable for large companies.

Tenants have various legal channels to claim their rights if the organizer does not comply with the contents of the agreement. Legal remedies must be chosen based on the Value of the loss, the business relationship to be maintained, the existence of a dispute resolution clause in the contract. For effectiveness, the rental agreement should contain a detailed dispute resolution clause from the start.

[85] Law Number 8 of 1999 concerning Consumer Protection.
[86] Supreme Court Regulation Number 4 of 2019

CHAPTER IV

CLOSING

A. Conclusion

Based on the results of the discussion in the previous chapter, several things can be concluded as follows:

1. The legal responsibility of the exhibition organizer for default in the exhibition agreement is to provide fulfillment of the tenant's rights according to the contents of the agreement. In many cases, it is found that the absence of a written agreement causes the legal position of MSMEs to be weak when a violation occurs by the organizer. This violates the principle of pacta sunt servanda in Article 1338 of the Civil Code which states that the agreement applies as a law for the parties.
2. Legal efforts that can be taken by IPAS for default by the organizer are Negotiation or mediation amicably as the initial path to dispute resolution, Default lawsuit to the District Court based on Article 1243 of the Civil Code if the organizer does not fulfill its obligations after being declared negligent, Use of arbitration, if it has been stated in the agreement clause, Reporting to the consumer protection agency if the default causes communal losses to micro-business actors.

B. Recommendation

Based on the conclusions above, the author provides several suggestions as follows:

1. For Exhibition Organizers, it is recommended to draft a more professional booth rental agreement by referring to applicable civil law principles, and include a legal protection clause for both parties, including dispute resolution provisions.
2. For IPAS, it is important to read and understand the contents of the agreement before signing the contract. If necessary, IPAS can consult with legal counsel or related institutions so as not to get caught in a clause that is detrimental. The low legal awareness among UMKM actors and organizers makes the potential for disputes even greater. Therefore, an ideal contract formulation needs to be prepared as a preventive measure.

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