



## The Validity of Unilateral Termination of Insurance Contracts After the Constitutional Court Decision No. 83/PUU-XXII/2024: A Study on Jasindo Insurance

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### ABSTRAK

Penelitian ini mengkaji persimpangan antara hukum perjanjian asuransi, kebijakan perlindungan konsumen, dan kepatuhan regulasi di sektor keuangan. Tujuannya adalah menganalisis implementasi Putusan Mahkamah Konstitusi No. 83/PUU-XXII/2024 dalam membatasi hak pemutusan sepihak perjanjian asuransi serta strategi Asuransi Jasindo dalam mitigasi risiko konflik pasca-putusan tersebut. Topik ini dipilih karena signifikansi putusan tersebut dalam mereformasi hukum perasuransian, urgensi mitigasi konflik di Jasindo sebagai BUMN, serta adanya kesenjangan literatur terkait implementasinya. Penelitian menggunakan metode yuridis normatif dengan pendekatan kualitatif, melalui analisis bahan hukum primer, termasuk putusan MK, serta data lapangan dari wawancara untuk mengkaji penerapannya pada Asuransi Jasindo. Hasil penelitian menunjukkan bahwa putusan tersebut telah memberikan kepastian hukum bagi konsumen, namun implementasinya di Jasindo masih menghadapi tantangan akibat ketidakselarasan antara ketentuan putusan dan praktik bisnis yang ada. Temuan utama mengindikasikan bahwa implementasi belum optimal karena adanya ketidaksesuaian klausul polis, potensi sengketa, serta perlunya strategi adaptasi berbasis kepatuhan. Penelitian ini berkontribusi dalam pengembangan hukum perasuransian dengan menawarkan rekomendasi teoritis dan praktis guna menyeimbangkan perlindungan konsumen dan kepatuhan pelaku usaha. Kesimpulan menegaskan pentingnya putusan tersebut dalam reformasi hukum asuransi serta perlunya kerangka solutif dalam implementasinya di Asuransi Jasindo.



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## ABSTRACT

*This study examines the intersection of insurance contract law, consumer protection policy, and regulatory compliance in the financial sector. It aims to analyze the implementation of Constitutional Court Decision No. 83/PUU-XXII/2024 in limiting the right of unilateral termination of insurance contracts, as well as the strategies adopted by Jasindo Insurance in mitigating post-decision conflict risks. This topic is selected due to the significance of the decision in reforming insurance law, the urgency of conflict mitigation within Jasindo as a state-owned enterprise, and the existing gap in the literature regarding its implementation. This research employs a normative juridical method with a qualitative approach, combining the analysis of primary legal materials, including the Constitutional Court decision, with field data obtained through interviews to assess its application within Jasindo Insurance. The findings indicate that the decision has enhanced legal certainty for consumers; however, its implementation within Jasindo faces challenges due to inconsistencies between the ruling and existing business practices. The study reveals that implementation remains suboptimal due to discrepancies in policy clauses, potential disputes, and the need for compliance-based adaptive strategies. This research contributes to the development of insurance law by offering theoretical and practical recommendations to balance consumer protection and business compliance, while emphasizing the importance of a solution-oriented framework for effective implementation within Jasindo Insurance.*

### 1. Introduction

According to the World Risk Report 2024, Indonesia is identified as the country with the highest disaster risk level in Asia.<sup>1</sup> This is explained by Indonesia's location along the Pacific Ring of Fire, which is characterized by a volcanic belt in the southern and eastern regions of the country. This geographical position exposes Indonesia to various types of natural disasters, including earthquakes, volcanic eruptions, tsunamis, landslides, floods, droughts, and other hazards. These natural disasters can lead to significant losses, including loss of life, infrastructure damage, financial losses, and a decline in the overall welfare of the population.

According to the National Disaster Management Agency (BNPB), a total of 3,472 disaster events occurred across Indonesia in 2024.<sup>2</sup> However, in 2024, the Financial Services Authority (OJK) reported that general insurance protection remained stagnant at a penetration rate of only 1.9%, despite the National Disaster Management Agency (BNPB) recording economic losses from natural disasters reaching up to IDR 23 trillion in just the first four months of 2024.<sup>3</sup> Ironically, the burden of these losses fell directly on business actors, largely due to the lack of insurance coverage. This reflects a systemic failure in conventional risk mitigation mechanisms.

The Annual Report from the General Insurance Association of Indonesia (AAUI) notes that insurance penetration in Indonesia remains relatively low compared to other ASEAN countries. The ratio of premiums to Gross Domestic Product (GDP) was recorded at only around 2.5% in 2023. Low financial literacy and a lack of trust in insurance companies—

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<sup>1</sup> Bündnis Entwicklung Hilft & Ruhr University Bochum – Institute for International Law of Peace and Conflict, 2024, World Risk Report 2024. <https://weltrisikobericht.de/worldriskreport>, hal. 106.

<sup>2</sup> Badan Nasional Penanggulangan Bencana, 2024, Infografis Bencana Tahun 2024 oleh Badan Nasional Penanggulangan Bencana. <https://www.bnpb.go.id/infografis/infografis-bencana-tahun-2024>.

<sup>3</sup> Otoritas Jasa Keuangan, 2024, Laporan Kinerja Triwulan I - 2024, <https://www.ojk.go.id/id/data-dan-statistik/laporan-triwulanan/Documents/Laporan%20Triwulan%20I-%202024.pdf>

particularly due to the practice of unilateral policy cancellations—are among the main challenges hindering the growth of the insurance industry in Indonesia.<sup>4</sup>

Insurance plays a highly crucial role in ensuring the financial stability of individuals and businesses, as well as in maintaining national economic resilience.<sup>5</sup> Within society, insurance functions as a safety net against various risks, including health issues, accidents, and property losses. Moreover, insurance contributes significantly to the mitigation of operational and investment risks faced by corporations. In the aftermath of the COVID-19 pandemic—which has intensified economic vulnerabilities and increased the frequency of natural disasters—the presence of an inclusive and transparent insurance system has become vital to support long-term economic recovery and ensure the achievement of sustainable development goals.<sup>6</sup>

Insurance is a form of risk transfer, whereby the potential for loss is shifted from one party to another by distributing the financial burden through a fair and equitable system of premium payments.<sup>7</sup> The Indonesian Commercial Code (Kitab Undang-Undang Hukum Dagang or KUHD) defines insurance as a form of indemnity within an agreement, in which the insurer binds itself to the insured—upon receipt of a premium—to provide compensation for a loss, damage, or expected profit that may be suffered due to an uncertain event.<sup>8</sup> Based on the aforementioned definitions, it can be concluded that insurance is a form of contract or agreement between two parties—namely, the insurer (insurance company) and the insured (policyholder)—in which the insured pays a certain amount of premium to the insurer in exchange for a guarantee of protection against potential losses, damages, or deprivations that may arise from uncertain future events.

Insurance contracts in Indonesia contain several essential elements to be considered as legally valid agreements. These elements include: two parties, premium, uncertain event, insurable interest, utmost good faith, and indemnity. According to Article 1320 of the Indonesian Civil Code, a contract (including an insurance agreement) is valid if it meets four legal requirements: consent (consensus), legal capacity, a specific object, and a lawful cause. If any of these conditions are not fulfilled, the contract may be subject to annulment.<sup>9</sup>

The increasing incidence of policyholders failing to fulfill their contractual obligations has prompted insurance companies to unilaterally terminate insurance policies. This condition is referred to as an insurance policy lapse, which occurs when a policy becomes inactive due to the non-fulfillment of obligations by the insured or the policyholder. The unilateral deactivation of policies by insurers, coupled with the rejection of insurance claims, ultimately became the impetus for the issuance of Constitutional Court Decision No. 83/PUU-XXII/2024, which involved a judicial review of Article 251 of the Indonesian Commercial Code (*Kitab*

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<sup>4</sup> Asosiasi Asuransi Umum Indonesia, 2024, Laporan Tahunan Asuransi Umum dan Reasuransi Tahun 2023. <https://aaui.or.id/wp-content/uploads/2024/04/Analisa-Q4-23-book-ver-PUBLIC.pdf>

<sup>5</sup> Saleh Seff, Alfarisi Hamdani. 2024. "Harmonization Of Investment Business Sector Regulations (Law No. 11 of 2020 and Presidential Regulation No. 49 of 2021)". *DE'RECHTSSTAAT* 10 (2):252-62. <https://doi.org/10.30997/jhd.v10i2.10815>.

<sup>6</sup> Gede Wirabuana Putra, 2024, Analysis of The Relationship Between Risk Management, Economic Situation, Customer Behavior And Insurance Business Growth, *Innovative: Journal Of Social Science Research*, Vol. 4 (3) hal. 4.

<sup>7</sup> Ganie, A. J., & Se, S. H., 2023, *Hukum Asuransi Indonesia*. Sinar Grafika.

<sup>8</sup> Kitab Undang-undang Pasal 246

<sup>9</sup> KUHPer, Pasal 1446

*Undang-Undang Hukum Dagang/KUHD*).<sup>10</sup> The Constitutional Court ruled that insurance companies are not permitted to unilaterally cancel insurance policies. This decision is intended to provide enhanced protection for policyholders in response to the increasing number of cases involving unilateral policy terminations.<sup>11</sup> Insurance companies are expected to tighten the underwriting process for policyholders and clarify the clauses within the insurance policy. This measure is necessary to prevent potential future lawsuits related to policy cancellations resulting from the insured party's failure to fulfill obligations as stipulated in the insurance contract.

Insurance companies have carried out unilateral cancellations of insurance policies due to the increasing number of policyholders failing to fulfill their premium payment obligations. The issuance of the Constitutional Court Decision raises questions regarding the validity of such widespread policy cancellations within the insurance industry. The validity of a contract, including insurance agreements, is based on the fulfillment of the four essential elements stipulated in Article 1320 of the Indonesian Civil Code (KUHP): mutual consent, legal capacity, a specific object, and a lawful cause.<sup>12</sup> The term "keabsahan" (validity) originates from the Dutch word "rechtmatig", which literally means "in accordance with the law." In English, this concept is referred to as "legality," which denotes compliance with the law or conformity to legal provisions. Validity refers to the extent to which an action or decision aligns with the applicable legal norms and regulations.

In response to the Constitutional Court Decision, the General Insurance Association of Indonesia (AAUI), as the official association of general insurance companies in Indonesia, has issued a recommendation urging all insurance companies nationwide to conduct an in-depth review within their respective organizations.<sup>13</sup> AAUI responded positively to the Constitutional Court's decision and issued a specific note urging insurance companies to promptly discuss and follow up on the policy implications of the ruling. As a member of AAUI, Asuransi Jasindo immediately took action to implement the Constitutional Court's decision.

In response to AAUI's recommendation regarding the Constitutional Court Decision, Asuransi Jasindo acted promptly by conducting an in-depth internal review following the issuance of Constitutional Court Decision No. 83/PUU-XXII/2024. This reflects the company's swift responsiveness and strong commitment to regulatory compliance.

This journal aims to examine and analyze Asuransi Jasindo's efforts in implementing Constitutional Court Decision No. 83/PUU-XXII/2024, including the internal dynamics associated with the process.

The research questions addressed in this study are as follows:

1. How is the regulation concerning the unilateral termination of insurance contracts governed after the issuance of Constitutional Court Decision No. 83/PUU-XXII/2024?

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<sup>10</sup> Agustinus Yoga Primantoro, Januari 2025, Putusan Mahkamah Konstitusi Terkait Klaim Asuransi Sepihak, Industri Asuransi Harus Berbenah, Kompas.id, diunduh dari <https://www.kompas.id/artikel/putusan-mahkamah-konstitusi-terkait-klaim-asuransi-sepihak-industri-asuransi-harus-berbenah>, tanggal 22 April 2025.

<sup>11</sup> *Ibid.*

<sup>12</sup> Subekti. (2005). Hukum perjanjian. PT Intermasa.

<sup>13</sup> Arief Wahyudi, Januari 2025, AAUI Keluarkan Pernyataan Resmi Terkait Putusan MK, Media Asuransi New

2. What are the risk mitigation measures undertaken by Asuransi Jasindo in response to Constitutional Court Decision No. 83/PUU-XXII/2024?

## 2. Methods

This study employs a normative juridical research method with a qualitative approach, focusing on the analysis of legal norms and their application in the insurance industry following Constitutional Court Decision No. 83/PUU-XXII/2024. The research is descriptive-analytical in nature, aiming to describe legal facts and clarify the implications of the decision on the object of study, namely Jasindo Insurance. Data sources include primary data obtained from interviews with the Risk Management and Compliance Group, Legal Group, Policy Administration Unit, Research and Product Development Unit, and Receivables Unit at Jasindo Insurance regarding policy changes. Legal materials include primary legal sources (the Indonesian Civil Code, the Commercial Code, Constitutional Court Decision, and the Indonesian General Insurance Standard Policy), secondary sources (journals, books, and official documents), and tertiary sources (legal dictionaries).

Data collection was conducted through library research involving literature and document studies, as well as legal clarification to align theoretical findings with field practices. Data were analyzed using a qualitative method, which involved interpreting legal texts, comparing regulations, and synthesizing interview results. The research was conducted with the study site located at PT Asuransi Jasa Indonesia (Jasindo Insurance).

## 3. Results and Discussion

This research was conducted to develop a legal analysis utilizing both primary and secondary data sources. These data types were employed to gain a clearer understanding of the actual conditions that occurred within Asuransi Jasindo following the issuance of Constitutional Court Decision No. 83/PUU-XXII/2024. Primary data were obtained through interviews with several authorized and responsible Units and Groups within Asuransi Jasindo, who are directly involved in reviewing and implementing the Constitutional Court's decision. Meanwhile, secondary data were collected through the examination of various legal sources and previous research studies relevant to the subject matter.

### 3.1. Results

#### **Regulation of Unilateral Termination of Insurance Contracts Following Constitutional Court Decision No. 83/PUU-XXII/2024**

Prior to the enactment of Constitutional Court Decision No. 83/PUU-XXII/2024, the unilateral termination of insurance contracts in Indonesia was governed under Article 1320 of the Indonesian Civil Code (KUHPer), which outlines the legal requirements for contract validity. Insurance companies frequently relied on standard clauses granting them the unilateral right to terminate insurance policies without the consent of the insured. This practice was justified under the principle of freedom of contract as stated in Article 1338 of the Civil Code, although it often conflicted with the principle of utmost good faith. As a result, many policyholders were harmed by policy cancellations carried out without clear or reasonable justification.

The Constitutional Court's decision firmly declared that unilateral termination clauses in insurance agreements are inconsistent with the 1945 Constitution, particularly Article 28D concerning legal certainty. The Court emphasized that insurance companies may not

terminate contracts without legitimate reasons and due process. Furthermore, the ruling reinforced consumer protection as stipulated in both the Consumer Protection Law and the Insurance Law, thereby providing greater legal certainty for policyholders who had been vulnerable to arbitrary practices by insurers.

The decision requires insurance companies to revise all policy clauses that contain unilateral termination provisions. Companies must now develop new, more transparent mechanisms that involve prior communication and consultation with policyholders before any termination takes place. This shift affects company operations, necessitating adjustments in policy design and internal systems. On the other hand, the ruling enhances public trust in the insurance industry, fostering a more equitable business environment.

Constitutional Court Decision No. 83/PUU-XXII/2024 provides concrete legal protection to policyholders through three main aspects. First, policyholders are entitled to receive a clear and detailed written explanation if the insurer intends to terminate the policy. Second, insurers are required to grant the policyholder an opportunity to present a defense or clarification. Third, termination can only occur following mediation or other lawful dispute resolution procedures. These provisions ensure a balanced distribution of rights and obligations between insurance companies and their clients.

The ruling also reinforces the application of the principle of utmost good faith in the insurance sector. Insurers are required to exercise greater transparency in disclosing the reasons for terminating contracts, while policyholders remain obligated to provide honest and complete information at the time of policy initiation. The implementation of this principle is expected to promote a healthier and more equitable insurance ecosystem.

This principle of *uberrimae fidei* (utmost good faith) is also a foundational element in insurance law in various jurisdictions. In South Africa, for example, the ruling in *Mutual & Federal Insurance Co Ltd v Oudtshoorn Municipality* emphasized that failure to disclose material information can constitute valid grounds for policy cancellation. Similarly, in the case of *Jerrier v Outsurance*, the court acknowledged that the insured's dishonesty—such as the failure to report previous accidents—affects risk assessment and may justify contract termination.<sup>14</sup> This indicates that contract termination is only valid if it is based on a significant breach.

In Pakistan's legal system, the Insurance Ordinance 2000 strictly regulates the mechanism for policy cancellation. In cases involving fraudulent claims, the insurer is required to submit an application for cancellation to the Insurance Tribunal. The process must include prior notification to the policyholder and approval by the tribunal before the cancellation becomes effective. This reflects strict regulatory oversight to prevent arbitrary or unilateral termination of insurance policies.<sup>15</sup>

In Pakistan, the Securities and Exchange Commission of Pakistan (SECP), as the regulatory authority, is empowered to impose sanctions on insurance companies that engage in unfair policy cancellations. In certain cases, courts have emphasized that disputes related to policy termination must be resolved through specialized tribunals rather than ordinary civil

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<sup>14</sup> Rosidi, A., Zainuddin, M., & Arifiana, I. (2024). Metode dalam penelitian hukum normatif dan sosiologis (field research). *Journal Law and Government*, 2(1), 50.

<sup>15</sup> Hanif, M., & Iqbal, A. M. (2017). An evaluation of Takaful insurance: Case of Pakistan. *Journal of Islamic Economics, Banking and Finance*, 13(1), 121–146

courts. This approach aligns with the direction of Indonesian legal policy, which emphasizes procedural justice and consumer protection.

The Constitutional Court's decision represents a progressive step toward aligning national insurance practices with international legal principles that uphold trust and accountability. In the long term, this ruling is expected to guide the Indonesian insurance industry toward best practice standards. Insurance companies will be more cautious in drafting contractual clauses and will enhance the quality of their services. Conversely, policyholders will enjoy a stronger bargaining position in contractual relationships. This transformation is also anticipated to contribute to improved public insurance literacy and foster more sustainable industry growth.

The Court's ruling constitutes a form of legal protection for consumers within the insurance sector. The theory of legal protection emphasizes the need to maintain a balance of rights and obligations between business actors—namely, insurance companies—and consumers. The Constitutional Court serves as a guardian of justice, preventing unilateral practices that could potentially harm the insured. This decision is in line with legal principles that guarantee certainty and protection for the weaker party.

Legal protection must encompass not only substantive aspects, but also how such rules are applied fairly and consistently. The government, as the representative of public interest, bears the responsibility to ensure that laws are enforced in the pursuit of collective welfare. Through effective legal protection, the public can feel secure knowing that their rights are recognized and safeguarded by the state. The essence of a *Rechtsstaat* (rule of law) lies not only in the existence of legal norms, but also in their equitable implementation oriented toward the public interest.<sup>16</sup>

According to Satjipto Rahardjo, legal protection must encompass the safeguarding of human rights, particularly in preventing violations that may harm others. Such protection is intended to ensure that individuals can fully enjoy their rights in accordance with the prevailing legal norms. Beyond that, the law should not only be reactive (adaptive and flexible), but also proactive (anticipatory and predictive) in responding to social dynamics. The function of law becomes increasingly crucial for vulnerable groups, whether economically, socially, or politically, in ensuring the realization of social justice.

The element of legal protection embedded in the Constitutional Court's decision also reflects the principle of proportionality, wherein insurance companies must not act in a dominant position over consumers. This theory emphasizes the right of consumers to obtain guarantees for the rights stipulated in the insurance contract. The Court's ruling reinforces the position of consumers as legal subjects equal to insurance providers, aligning with the broader objective of law to achieve substantive justice in insurance transactions.

A positive impact of this decision is the increased public trust in the insurance industry, which correlates with the legal protection theory as an instrument to enhance public welfare. Clear and enforceable legal safeguards are likely to boost insurance literacy and encourage greater public participation in insurance products. Insurance companies are now required to operate with greater transparency and accountability. Ultimately, the Constitutional Court's

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<sup>16</sup> Astomo, P. (2018). Prinsip-prinsip negara hukum Indonesia dalam UUD NRI Tahun 1945. *Jurnal Hukum Unsulbar*, 1(1), 11.

decision is expected not only to protect consumers, but also to promote the equitable growth of the insurance industry.

### **Risk Mitigation Measures Undertaken by Asuransi Jasindo Following Constitutional Court Decision No. 83/PUU-XXII/2024**

Following the issuance of Constitutional Court Decision No. 83/PUU-XXII/2024, various units within Asuransi Jasindo have undertaken carefully measured risk mitigation efforts to address potential legal and operational vulnerabilities. Although the Financial Services Authority (OJK) has not yet released formal regulatory guidelines, the company has proactively begun assessing the end-to-end impact of the decision, particularly concerning insurance contract arrangements. The Legal Unit, through the Corporate and Litigation Group, has been actively providing recommendations to the Risk Management Group in order to map potential legal exposures, with the ultimate goal of preventing disputes that could escalate to litigation and damage the company's reputation.

As part of concrete mitigation steps, the Compliance Team has collaborated with internal experts and consultants to draft revisions of key documents. This includes the General Insurance Application Form (SPAU) and the redesign of policy clauses, even though these revisions have not yet been formally implemented. These measures are taken as preventive actions to ensure that policy contents do not violate the principle of utmost good faith, as emphasized by the Constitutional Court. In addition, the Business Legal Group has highlighted the importance of caution in executing new policies to ensure alignment with prevailing regulations.

The Receivables Group has also reviewed the previous policy of automatically writing off outstanding balances. The Court's ruling has effectively altered this scheme, requiring that such outstanding amounts be treated as long-term receivables. In response, the group is currently drafting a new Standard Operating Procedure (SOP) in collaboration with the Legal Group to ensure that the management of non-performing receivables remains lawful and efficient. The mitigation process involves reviewing existing SOPs and developing a new system rooted in prudential principles.

On the operational side, the Policy Administration Unit and the Product Research and Development Unit have adopted a wait-and-see approach, refraining from modifying existing policy clauses until receiving official instructions from upper management. This strategy aims to maintain administrative consistency and avoid actions that lack a legal or internal policy basis. While recognizing the urgency for reform, these units remain committed to formal procedures and are prepared to implement adjustments when appropriate. This approach reflects the company's dedication to good corporate governance.

The Legal Group and the Risk Management Group play a central role in advising the company on the implications of the Court's decision. They have proactively analyzed potential legal vulnerabilities and recommended anticipatory measures. Additionally, both groups ensure that any policy changes are in full compliance with applicable legal principles. Through these actions, the company aims to minimize exposure to regulatory sanctions and legal claims in the future.

While awaiting an official directive from the OJK, Asuransi Jasindo continues its internal preparations by drafting revised documents and evaluating existing policies. The company is

committed to immediately adjusting its operations once clear regulatory guidance is issued. These efforts demonstrate Jasindo's readiness to navigate regulatory change while upholding the principles of transparency and accountability. The company's approach reflects not only legal compliance but also a broader commitment to building stakeholder trust.

In light of H.C. Kelman's theory of legal compliance, the company's good faith actions—and those of its policyholders—represent a form of normative internalization, the highest level of legal adherence. This occurs when individuals comply with laws not merely out of fear of sanctions (compliance) or to maintain relationships (identification), but because they genuinely believe in the legitimacy, justice, and value of the law itself. When both insurer and insured fulfill their rights and obligations consciously, they elevate their conduct beyond mere formal obedience toward principled legal respect.<sup>17</sup>

The continental legal system posits that the principle of good faith ("utmost good faith") is a fundamental doctrine emphasizing the importance of fairness and honesty in contractual relationships. This principle is not only applicable at the time of contract signing but also extends to the pre-contractual or negotiation phase. By upholding the principle of good faith, it is expected that no party will suffer from defective consent, such as coercion, mistake, or fraud, during the formation of the agreement. Good faith serves as both a moral and legal safeguard, ensuring that all parties act with honesty, transparency, and integrity throughout the contractual process.<sup>18</sup>

John Rawls' theory of justice is also highly relevant in this context. Rawls emphasizes that no individual should exploit their social status or natural advantages unfairly when entering into agreements. This principle demands equality of legal standing between insurance companies and policyholders. All parties are expected to demonstrate law-abiding behavior grounded in genuine awareness, thereby fostering a fair and ethical insurance system. Such conscious compliance serves as the foundation for balanced contractual relationships, prevents rights violations, and reinforces public trust in the insurance industry.<sup>19</sup>

Overall, Asuransi Jasindo's risk mitigation efforts have been carried out through a collaborative and integrated approach across various internal units. The company prioritizes the principle of prudence, supported by strong internal coordination and a clear awareness of the urgency to adapt to legal changes. Each unit views the Constitutional Court's ruling as an opportunity to strengthen contractual and operational systems, making them more equitable and accountable. While awaiting formal guidance from the regulator, proactive measures have been taken, including the preparation of revised documents and the evaluation of existing policies.

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<sup>17</sup> Lesli, L., Saidin, S., & Mulhadi, M. (2024). Pelindungan hukum terhadap pemegang polis akibat pelanggaran prinsip utmost good faith yang dilakukan oleh perusahaan asuransi dalam penutupan polis asuransi jiwa (Studi Putusan Nomor 135/Pdt.G/2022/PN Jkt.Sel). *Socius: Jurnal Penelitian Ilmu-Ilmu Sosial*, 2(5), 31.

<sup>18</sup> Firmansyah, D. A. (2023). Meninjau konsepsi asas itikad sangat baik (utmost good faith) dalam perjanjian asuransi. *Media Keadilan: Jurnal Ilmu Hukum*, 14(2), 183.

<sup>19</sup> Nst, S. B. A., & Siregar, M. F. (2024). Kedudukan hukum pemegang polis asuransi dan tanggung jawab moral dan hukum perusahaan asuransi terhadap konsumen. *Innovative: Journal of Social Science Research*, 4(3), 19.

#### **4. Conclusion**

Jasindo Insurance has taken various mitigation measures that demonstrate a proactive and cautious response to Constitutional Court Decision No. 83/PUU-XXII/2024. The company has comprehensively analyzed the impact of the ruling on its business operations, particularly in terms of policy agreements and the rights of policyholders. This decision aims to protect customers from the power imbalance often present in insurance contracts. Jasindo understands that the ruling does not entirely eliminate the company's right to cancel a policy. The imposed limitation only applies to violations of the principle of utmost good faith, allowing the company to act as long as it adheres to the principles of fairness and transparency.

In compliance with the Constitutional Court's ruling, Jasindo Insurance has going to adjust its policies by revising policy clauses to ensure alignment with the principle of utmost good faith. These changes were carried out through a thorough evaluation process involving legal, compliance, and risk management teams, aiming to minimize potential disputes in the future. The company also ensures that policy cancellations can still be executed, provided they are based on legitimate and transparent reasons. Jasindo not only fulfills legal obligations but also enhances protection for both the policyholders and the company.

Collaboration among various units within Jasindo—ranging from compliance, legal, receivables, product development, to policy administration—reflects a holistic approach in responding to the court's decision. This collaboration is not merely intended to mitigate legal risks but also to create a balance between consumer protection and sustainable business continuity. Each unit contributes within its scope, from contract clause evaluations to drafting new SOPs for receivables handling. This synergy ensures that all company policies remain consistent with the principles of prudence and regulatory compliance.

While awaiting official direction from the Financial Services Authority (OJK), Jasindo has taken anticipatory steps through a comprehensive evaluation of existing policies. The preparation of revised documents, including policy cancellation forms and new contract clauses, demonstrates the company's readiness to adapt to regulatory changes. The implementation of good corporate governance principles serves as the foundation during this transitional period, ensuring that every decision remains in accordance with the principle of utmost good faith. Jasindo is not only prepared to meet current legal demands but also to build a stronger foundation for its future business operations.

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