

ABSTRACT

Agreements refers to an activity that is very common in social life. An agreement is a form of legal relationship that is often carried out in daily life (sales and purchase, borrowing, business agreement, etc). The law of treaties in force in the Republic of Indonesia adheres to the principle of freedom of contract which means that freedom is given to everyone without exception to make agreements, with the content determined by the parties, as long as they do not violate any laws and regulations, public order and morality. In general, the agreement is made in writing between the parties involved in the agreement. The written agreement is intended to provide legal certainty for both parties if at any time there is a dispute between them. Agreement can be in oral form and can be written form. The conclusions of this study are: 1. That the Gentleman Agreement is legally valid because KUHPer provides legal protection to all parties who made an agreement or an agreement based on good intentions. Legal validity can be determined by the binding basis used by the parties that made it, because the positive law does not provide restrictions regarding a business agreement must be made and stated in written form, except certain agreements stipulated under law other laws which are derivatives or lex specialis from KUHPer. An oral agreement between two or more parties is considered valid if it has been made on the basis of good intentions and remains in the corridor of Article 1320 of the Indonesian Criminal Code. Such an agreement has the same legal force as a written contract, because it was based on Article 1338 of the Indonesian Criminal Code, which states that agreements entered into in writing must be faithfully executed (pacta sunt servanda), 2. The verification process for an oral agreement is basically that the Criminal Code does not specifically stipulate that the agreement must be made black and white. An unwritten agreement, proof of an agreement between the parties is the main objective in seeking formal truth. In practice, those who want to prove that an agreement has been made on an unwritten agreement is to submit witnesses who are considered to have known, witnessed and heard the incident first hand. In the process of listening to witness testimony, the parties still adhered to Unus Testis Nullus Testis—that is, one witness is not enough, and must be added with other evidence. Therefore all evidence must me considered together so as not to let any one piece of information sway one’s judgement. However, this principle can be applied only if there’s a good exchange betweet both parties, otherwise it would be considered a legal fiction rather than a binding contract.

Keyword: Contract, Gentleman Agreement, Busiiness