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Legal Liability of Forex Signal Providers In Ensuring Consumer Protection In Indonesia

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ABSTRACT

Digital platforms have enabled the growth of commercial forex signal services, raising questions about the legal status and accountability of providers who offer transaction-specific recommendations. This study examines the legal responsibilities of forex signal providers and the adequacy of consumer protection in Indonesia, using a normative legal method with statutory, conceptual, and comparative approaches. The analysis distinguishes general market commentary from paid recommendations concerning particular derivative transactions. Under Indonesian law, a provider's activity may fall within the Futures Advisor regulatory framework where its actual functions meet the statutory elements; payment or the use of a digital platform alone does not determine licensing status. Depending on the facts and applicable legal elements, liability may arise under contract law, the law on unlawful acts, and consumer protection legislation. The comparative analysis of the United States and the United Kingdom indicates that regulatory treatment depends on the nature of the service, the financial instrument, and whether the activity constitutes regulated advice or a financial promotion. The study recommends clarifying activity-based thresholds, disclosure duties, conflicts-of-interest rules, supervision, and accessible redress mechanisms while preserving proportionate treatment of general financial information.

Keywords: forex signal providers; Legal Liability; Consumer Protection; Legal Reformulation; Comparative Law.

1. INTRODUCTION

The development of information and communication technology has brought fundamental changes to the structure and mechanisms of economic activity, particularly in the financial services sector, which is increasingly integrated with digital systems. This transformation has not only changed the way people conduct financial transactions but also created various new forms of legal relationships between businesses and consumers through the use of internet-based technology. The presence of financial technology has expanded public access to various investment instruments previously dominated by conventional financial institutions and groups of investors with relatively high capital and knowledge. This phenomenon demonstrates a shift in the characteristics of financial markets from a system dependent on conventional intermediaries to an electronic trading system that allows people to conduct transactions independently without being limited by space and time. However, this ease of access to investment activities is not always accompanied by an increase in public understanding of the characteristics of financial instruments, transaction risks, or the legal consequences arising from these activities. This situation poses challenges for the national

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legal system, particularly in ensuring that the development of financial innovation continues to align with the principles of legal certainty, justice, and protection of consumer interests. Therefore, technological developments in the financial services sector need to be viewed not only as an economic phenomenon but also as a legal issue requiring regulation regarding the status, rights, obligations, and responsibilities of parties involved in digital-based transactions.

One form of economic activity that has experienced significant growth due to the digitalization of the financial sector is foreign exchange (forex) trading. Forex trading is a transaction activity related to changes in currency exchange rates and can be conducted through various trading mechanisms, including derivative transactions conducted in futures trading systems. The development of electronic trading platforms allows people to access price information, analyze market movements, and execute transactions via computers or mobile phones. This convenience encourages public involvement as retail traders who participate directly in foreign exchange trading activities. However, forex trading is characterized by complex risks due to the influence of various economic factors, including monetary policy, changes in interest rates, geopolitical conditions, and the dynamics of international currency supply and demand. The use of leverage in forex derivative transactions can also increase potential profits while increasing the possibility of losses in a relatively short period of time. In the context of Indonesian law, it is necessary to distinguish between general foreign exchange trading and foreign exchange derivative contracts, which fall under the scope of commodity futures trading regulations. This distinction is important because it determines the regulatory regime, the authority of supervisory agencies, and the form of legal protection that can be provided to the public. Thus, the increasing involvement of the public in forex trading requires an adequate understanding of the legal aspects of transactions and protection for parties who use services supporting these trading activities.

The increased accessibility of forex trading is not always directly proportional to the public's ability to understand trading mechanisms and rationally manage investment risks. Some retail traders enter the foreign exchange market without adequate knowledge of technical analysis, fundamental analysis, capital management, or transaction risk control. This limited knowledge can lead to dependence on information and recommendations provided by others perceived as having professional expertise in analyzing market price movements. With the development of digital trading practices, the need for such information has led to the emergence of various services offering analytical assistance and transaction recommendations to the public. Such services have developed through social media, internet sites, and electronic communication applications, enabling the rapid delivery of trading information to a large number of users. However, the relationship between trading information providers and their service users raises legal issues when

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the information provided does not reflect actual conditions, contains misleading claims, or is provided without due regard for reasonable standards of care. These issues are further complicated by the fact that consumers generally lack the ability to assess the quality, methodology, and reliability of the recommendations they receive. Therefore, the imbalance in information control between service providers and consumers is one of the important factors behind the need for legal accountability regulations in forex trading information provision activities.

The growing demand for trading information has given rise to a business model in the form of foreign exchange signal providers, or forex signal providers, who offer transaction recommendations to service users. Forex signals are essentially information derived from market movement analysis delivered in the form of recommendations to buy or sell a specific currency pair. This information is generally accompanied by a determination of the transaction entry point, stop-loss limit, and take-profit target, which can be used as considerations in making trading decisions. In practice, signal providers can use technical analysis, fundamental analysis, or a combination of both to generate recommendations for consumers. These services are often marketed through Telegram, WhatsApp, Discord, or other digital platforms, with payment mechanisms including subscription fees, premium memberships, or payments for access to specific recommendations. These characteristics of this activity demonstrate that trading information has evolved into a commercial transaction object with economic value and is traded among the public. Unlike the delivery of general economic information, commercial forex signal providers are characterized by providing more specific transaction recommendations that can directly influence consumers' economic decisions. Therefore, the activity of providing forex signals needs to be analyzed as a legal relationship between business actors who provide information services and consumers who use and pay for these services.

The legal relationship between a forex signal provider and a consumer is essentially formed through an agreement to provide trading information services in exchange for a specific payment. This relationship can be qualified as a contractual relationship as long as it meets the elements of an agreement as stipulated in Article 1320 of the Civil Code, namely, mutual agreement, capacity to enter into a contract, a specific matter, and a lawful cause. Based on this relationship, the signal provider is obligated to provide services in accordance with the agreement, while the consumer is obligated to fulfill the agreed payment. However, the characteristics of forex signal services differ from those of general service transactions because the service object is information or recommendations, the final results of which are influenced by dynamic market conditions and not entirely within the control of the service provider. This situation raises questions regarding the limits of the signal provider's obligation to provide accurate, honest

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information based on accountable analytical methods. On the one hand, consumers have the right to receive services in accordance with the information and promises provided by the business actor. On the other hand, signal providers cannot absolutely guarantee the success of each recommendation due to the market risks inherent in foreign exchange trading. Thus, it is necessary to distinguish between the obligation to provide services professionally and the obligation to guarantee the results of transactions, so that legal liability is not solely based on the occurrence of losses, but also on whether or not there is a violation of legal obligations by the service provider.

From the perspective of Indonesian positive law, the provision of information and recommendations in futures trading is related to the provisions regarding Futures Advisors as stipulated in Law Number 32 of 1997 concerning Commodity Futures Trading, as amended by Law Number 10 of 2011. Article 1 number 11 of Law Number 10 of 2011 essentially regulates Futures Advisors as parties who provide advice to other parties regarding the sale and purchase of commodities based on futures contracts, sharia derivative contracts, and/or other derivative contracts for a fee. Based on these characteristics, there is an overlap between the activities of commercial forex signal providers and the activities of Futures Advisors, especially if the recommendations provided relate to foreign exchange derivative transactions and are made for a fee from the service user. However, these similar characteristics cannot automatically be used as a basis to equate all forex signal providers with Futures Advisors because determining legal qualifications must take into account the substance of the activity, the object of the transaction, the nature of the recommendations, and the applicable licensing provisions. Forex signal providers who only sell general trading information may have a different legal standing from those who professionally provide futures trading advice, based on the characteristics of their activities as defined by law. This difference raises questions about the legal boundaries between providing commercial information and providing advice, which falls within the scope of futures trading regulations. Therefore, a normative analysis is necessary to determine the legal standing of forex signal providers and the consequences of liability arising from the characteristics of their business activities.

The legal standing of forex signal providers becomes increasingly important when linked to the licensing regulations for Futures Advisors, as stipulated in Article 34 of Law Number 10 of 2011. This provision essentially stipulates that business activities as a Futures Advisor may only be conducted by parties licensed by the Commodity Futures Trading Regulatory Agency (Bappebti), taking into account requirements for professional competence, business reputation, and financial integrity. This regulation demonstrates that lawmakers have positioned the provision of advice in futures trading as a professional activity requiring supervision and specific requirements to protect

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the interests of those using the services. However, licensing regulations do not, by themselves, provide a complete answer to all legal issues arising between trading recommendation providers and consumers, particularly in the context of commercial forex signal services provided through digital platforms. Issues that need to be examined include the standards of information required to be provided, risk disclosure obligations, the use of claims of trading success, and the limits of liability if the recommendations provided result in losses for consumers. Furthermore, it is necessary to analyze whether the provisions regarding Futures Advisors can be applied to forex signal providers based on the substance of their activities, or whether more specific regulations are needed to accommodate the characteristics of digital-based trading information services. This situation indicates the need to examine the adequacy of applicable legal regulations, particularly in ensuring certainty regarding the rights, obligations, and responsibilities of signal providers to consumers.

The unclear regulation of the characteristics and responsibilities of forex signal providers can be analyzed through the concept of incomplete legal norms, which is a situation where an activity is subject to applicable legal provisions, but the regulations do not provide sufficiently specific guidance on specific legal issues. In the context of forex signal provision, this issue cannot be interpreted as a complete absence of legal regulations, as there are a number of provisions in contract law, futures trading, and consumer protection that could potentially be applied. The more fundamental problem lies in the unclear relationship between these provisions in determining the legal standing of signal providers, the standards of business actors' obligations, and the extent of errors that can give rise to legal liability. The development of digital business models allows services that initially consisted of simply providing information to evolve into recommendations for commercial transactions that directly influence the economic decisions of service users. Meanwhile, general legal norms do not necessarily provide sufficiently detailed operational parameters to assess the characteristics of these activities. The mismatch between the development of digital economic practices and the level of specificity of legal regulations can create uncertainty in the application of norms, particularly when determining whether an action constitutes a breach of contractual obligations, an unlawful act, or a violation of consumer protection provisions. Thus, research on forex signal providers is not only directed at identifying applicable regulations, but also at examining whether the existing legal framework is capable of providing adequate legal protection for consumers.

From a consumer protection law perspective, commercial forex signal providers need to be examined based on the principle of protecting users of goods and/or services, as stipulated in Law Number 8 of 1999 concerning Consumer Protection. Article 4 of this law grants consumers a

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number of rights, including the right to comfort, security, and safety when using goods and/or services, the right to receive correct, clear, and honest information, and the right to compensation or redress if the goods and/or services received do not comply with the agreement or are not as intended. These rights are relevant to the relationship between forex signal providers and service users, as consumers make payments based on information regarding the characteristics, benefits, and quality of the services offered by the provider. In this relationship, signal providers, as business actors, are obligated to provide information that is not misleading and to perform services in accordance with the agreement and applicable legal provisions. However, the application of consumer protection provisions to forex signal services requires further analysis, as losses experienced by consumers can stem from various factors, including changes in market conditions, the consumer's own transaction decisions, or the service provider's actions in violation of its legal obligations. Therefore, legal protection for consumers cannot be interpreted as a guarantee that every forex transaction will result in a profit, but rather as a guarantee that consumers receive proper information, fair treatment, and a mechanism for accountability if there is a violation of rights that can be proven legally.

In addition to regulations regarding consumer rights, Law Number 8 of 1999 concerning Consumer Protection also stipulates obligations and prohibitions for businesses relevant to the marketing practices of forex signal services. Article 7 essentially requires businesses to act in good faith in conducting their business activities and to provide true, clear, and honest information regarding the conditions and guarantees of goods and/or services. Furthermore, Article 10 prohibits businesses from offering, promoting, or advertising goods and/or services by making false or misleading statements regarding aspects specified in these provisions. In the practice of providing forex signals, consumer protection issues can arise if service providers promote unverifiable transaction success rates, make exaggerated profit claims, conceal the risk of loss, or misrepresent the actual quality of the service. The use of terms such as guaranteed profit, high accuracy, or claims of a certain transaction success rate can influence consumers' decisions to purchase services, making the veracity and substantiation of such claims crucial from a legal perspective. While consumer protection regulations provide general principles prohibiting misleading information, an analysis of the information standards that forex signal providers should meet remains necessary, including analysis methodology, performance history, risk disclosure, and the limitations of recommendations. Therefore, legal issues in forex signal providers relate not only to transaction outcomes that harm consumers, but also to the appropriateness of the information offered, the business's obligations, and the actual services received by users.

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Consumer protection issues in forex signal provision are also related to the information asymmetry between service providers and users. Signal providers generally have greater control over analytical methods, information sources, trading strategies, and the basis for developing recommendations offered to consumers. Conversely, service users often receive only the final results in the form of transaction instructions without adequate explanation of the analysis process and the underlying risk levels. This imbalance can lead to consumer dependence on the signal provider's professional judgment, particularly when the service is promoted through claims of expertise, trading experience, or a high success rate. In such contractual relationships, the principle of freedom of contract, as reflected in Article 1338 of the Civil Code, must be understood alongside the obligation to perform the agreement in good faith. The parties' freedom to determine the content of the agreement cannot be used as a basis for justifying actions that violate legal provisions or eliminate consumer rights protected by law. Therefore, this information asymmetry needs to be considered when determining transparency obligations and standards of conduct for forex signal providers, particularly when the information provided significantly influences consumer transaction decisions. This analysis is important for assessing the extent to which the law can create a balance between the freedom to conduct business activities and the obligation to protect consumer interests in digital-based financial services transactions.

The urgency of regulating the legal liability of forex signal providers is increasingly apparent when linked to various practices involving digital trading and investment services that cause harm to the public. The development of social media and electronic communication applications has made it easier for businesses to offer subscription services, form trading communities, and provide transaction recommendations to large numbers of users. However, this ease also opens the door to the misuse of information, manipulation of trading track records, false profit claims, and the use of identities or professional qualifications that cannot be accounted for. A number of illegal investment cases related to the use of automated trading technology, such as DNA Pro and Net89, highlight serious issues regarding information transparency, the legality of business activities, and the protection of the public using technology-based trading services. While these cases cannot be directly equated with forex signal providers due to their distinct characteristics and business mechanisms, their existence can serve as context for understanding the potential legal risks in marketing digital trading services. These differences in characteristics highlight the importance of determining appropriate legal qualifications to prevent all trading information provision activities from being considered illegal. Thus, research on forex signal providers needs to be directed at identifying concrete actions that can give rise to legal liability,

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such as providing misleading information, breaching service agreements, abusing consumer trust, or other actions that meet the elements of a violation under applicable law.

One of the most fundamental legal issues in the relationship between forex signal providers and consumers is determining the boundary between losses arising from market risk and losses caused by errors or breaches of service provider obligations. Foreign exchange trading is characterized by price fluctuations influenced by various external factors, so a transaction recommendation formulated based on specific analysis does not always generate the expected profit. Therefore, the failure of a signal to generate profit cannot automatically be used as a basis for declaring the service provider to have committed a breach of contract or an unlawful act. Legal liability must be determined by considering the content of the agreement, the obligations to be fulfilled, the form of the service provider's actions, and the causal relationship between the violation and the loss suffered by the consumer. In civil law, Article 1243 of the Civil Code can be used as a basis for assessing claims for compensation due to failure to fulfill contractual obligations, while Article 1365 can be used to examine liability for unlawful acts as long as its elements are met. Furthermore, the provisions regarding business actors' responsibilities in Article 19 of the Consumer Protection Law also need to be analyzed based on the scope of their application to the services being studied. The issue becomes more complex when signal providers include a limitation or disclaimer of liability clause stating that all trading risks are the consumer's responsibility. In this context, it is necessary to examine the clause's compliance with the provisions regarding standard clauses in Article 18 of the Consumer Protection Law, so that the signal provider's liability can be determined proportionally without ignoring the market risks that consumers should reasonably understand.

Based on these various issues, it is clear that the legal challenges facing forex signal providers lie not solely in the existence or absence of regulations regarding futures trading activities, but rather in the adequacy of the legal framework in determining the service provider's status, standards of obligation, and accountability mechanisms towards consumers. The provisions concerning Futures Advisors in Law Number 10 of 2011 provide a normative basis for futures trading advisory activities, while Law Number 8 of 1999 concerning Consumer Protection establishes general principles regarding consumer rights and business actors' obligations. However, the relationship between these two regulatory regimes still requires further study when applied to commercial forex signal providers operating through digital platforms. Issues that need to be addressed include the criteria for determining the legal status of signal providers, the limits of the application of Futures Advisor provisions, the obligation to provide information and disclose risks, and the extent of errors that can form the basis for liability claims. Furthermore, it is necessary to

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examine how legal protection mechanisms can be implemented through a preventative approach in the form of information transparency and certainty of business actors' obligations, as well as a repressive approach in the form of dispute resolution and restitution of the rights of consumers who suffer losses due to legal violations. Such a study is necessary to avoid two equally undesirable situations: unprotected consumers due to unclear service provider obligations and disproportionate responsibility imposed on signal providers for any losses that are actually market risks. Therefore, a legal framework is needed that can provide certainty regarding the rights and obligations of the parties while simultaneously achieving a balance of interests in forex signal provision activities in Indonesia.

2. RESEARCH METHODS

This study uses a normative juridical research method that aims to analyze legal regulations, legal principles, and legal doctrines related to the legal liability of forex signal providers in realizing legal protection for consumers in Indonesia. Normative legal research is used to identify and examine positive legal provisions governing the legal status of forex signal providers, the legal relationship between service providers and consumers, and the forms of legal liability that can be imposed in the event of a breach of obligation that results in losses for service users. This study uses three approaches: a statutory approach, a conceptual approach, and a comparative legal approach. The legal approach is conducted through a review of various relevant legal provisions, particularly Law Number 10 of 2011 concerning Amendments to Law Number 32 of 1997 concerning Commodity Futures Trading, Law Number 8 of 1999 concerning Consumer Protection, and Government Regulation Number 40 of 2014 concerning the Implementation of Commodity Futures Trading. A conceptual approach is used to examine the concepts of legal liability, consumer legal protection, contractual relationships, and the characteristics of forex signals as objects of trading information service transactions. Meanwhile, a comparative legal approach is conducted by comparing regulations in Indonesia with the legal frameworks of the United States and the United Kingdom, specifically provisions in the Code of Federal Regulations Title 17, the Commodity Futures Trading Commission (CFTC) regulations, the National Futures Association Compliance Rules, and the Financial Services and Markets Act 2000 in the United Kingdom. This comparison is conducted to identify similarities and differences in regulations regarding the activities of providing trading recommendations, service provision requirements, and legal accountability mechanisms for service users as a basis for formulating recommendations for strengthening consumer protection in Indonesia.

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The legal materials used in this study consist of primary legal materials, secondary legal materials, and tertiary legal materials. Primary legal materials include Indonesian laws and regulations relating to commodity futures trading and consumer protection, specifically Article 34 of Law Number 10 of 2011, Articles 4 and 10 of Law Number 8 of 1999, and Articles 60 to 64 of Government Regulation Number 40 of 2014, along with provisions of United States and United Kingdom law relevant to the activities of providing trading advice or recommendations. Secondary legal materials include law books, scientific journal articles, previous research results, opinions of legal experts, and court decisions relating to the liability of business actors and consumer protection in digital-based financial transactions. Tertiary legal materials include legal dictionaries, legal encyclopedias, and other reference sources used to clarify legal definitions and terminology. The legal materials were collected through library research, exploring legal literature and documents from the Legal Documentation Center of the Faculty of Law, Brawijaya University, the Central Library of Brawijaya University, and electronically available databases of laws and scientific publications. All legal materials obtained were then classified and analyzed qualitatively using prescriptive analysis methods using grammatical and systematic interpretation. Grammatical interpretation is used to understand the meaning of legal provisions based on the language formulations in the laws and regulations, while systematic interpretation is conducted by linking various legal provisions as a unified regulatory system. The results of the analysis were then reviewed comparatively to assess the adequacy of legal regulations in Indonesia and to formulate a legal framework for forex signal providers that can provide legal certainty, balance rights and obligations, and effective legal protection for consumers.

3. RESULTS AND DISCUSSION

Legal Relationship and Legal Liability of forex signal providers

The development of foreign exchange trading activities through digital platforms has given rise to a new form of legal relationship between trading information providers and consumers who use that information as a basis for making transaction decisions. One such growing activity is the provision of foreign exchange signals (forex signal providers), a service that offers trading information or recommendations based on analysis of the price movements of specific currency pairs. Generally, this information includes buy or sell recommendations, transaction entry points, stop-loss limits, and take-profit targets, delivered to consumers electronically. The characteristics of this service indicate that forex signal providers do not merely convey general economic information but can also provide specific trading recommendations that influence consumers' transaction decisions. In commercial practice, the relationship between signal providers and

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consumers is generally based on the payment of a subscription fee or premium membership, thus creating a legal relationship containing rights and obligations for each party. From a civil law perspective, traded trading information can become the object of a contractual relationship as long as it meets the requirements for a valid contractual object. Although the information is intangible, its economic value arises from the service provider's ability to generate and distribute recommendations that consumers deem useful. Therefore, the position of forex signal providers needs to be analyzed based on the substance of their activities, not solely on the terms or service forms used in marketing activities. Determining these characteristics is crucial to ensuring that the legal relationship between signal providers and consumers is clearly regulated, particularly regarding information obligations, limits of liability, and protection for consumers who suffer losses due to breaches of service provider obligations.

In the Indonesian legal system, the position of forex signal providers is related to the provisions regarding Futures Advisors as stipulated in Law Number 32 of 1997 concerning Commodity Futures Trading, as amended by Law Number 10 of 2011. Article 1, number 11 of Law Number 10 of 2011, essentially defines a Futures Advisor as a party that provides advice to other parties regarding the sale and purchase of commodities based on futures contracts, sharia derivative contracts, and/or other derivative contracts for a fee. Based on this definition, there are overlapping characteristics between the activities of Futures Advisors and commercial forex signal providers, particularly when the recommendations provided relate to foreign exchange derivative transactions and are made for payment from the service user. However, these similar characteristics cannot automatically be used as a basis for equating all forex signal providers with Futures Advisors, because the legal qualification of an activity must be determined based on the substance of the activity, the object of the transaction, the nature of the recommendation, and applicable licensing provisions. Article 34 of Law Number 10 of 2011 stipulates that business activities as a Futures Advisor may only be conducted by parties who have obtained a business license in accordance with applicable regulations. This provision indicates that providing advice in futures trading is subject to certain legal requirements, including professional competence, business reputation, and financial integrity. Meanwhile, forex signal providers who sell trading information through digital media must first be analyzed to determine whether the substance of their activities meets the requirements of a Futures Advisor or whether they fall within the scope of providing general commercial information. Therefore, the legal issue that arises is not solely about the existence or absence of a business license, but rather about the clarity of the legal boundaries between the provision of trading information and the provision of advice, which are specifically regulated under the commodity futures trading regime.

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The unclear boundaries between forex signal providers and Futures Advisors raises issues of legal certainty in determining the obligations and responsibilities of business actors to consumers. Regulations regarding Futures Advisors essentially provide a legal framework for providing futures trading advice, but their application to digital forex signal services still requires interpretation that takes into account the characteristics of actual business activities. In this context, the issue of incomplete norms can be understood as the inadequacy of regulations that specifically define the operational standards and limits of liability of commercial forex signal providers, rather than as a complete absence of law. This is because the legal relationship between signal providers and consumers can still be related to provisions of contract law, futures trading, and consumer protection. The problem becomes further complicated when signal providers offer trading recommendations under the guise of educational activities, but in practice provide specific transaction instructions to service users. The distinction between educational information and trading recommendations needs to be determined based on the nature of the information, the purpose of the delivery, the form of the commercial relationship, and the recommendation's influence on consumer transaction decisions. Furthermore, signal providers affiliated with brokerage firms may face conflict of interest issues if they derive economic benefits from consumer transaction activities. If these affiliated relationships are not disclosed openly, consumers may potentially receive information without being aware of any commercial interests that could influence the objectivity of recommendations. Based on the principle of good faith as reflected in Article 1338 paragraph (3) of the Civil Code, the implementation of contractual relationships should be carried out honestly and with due regard for the interests of the parties. Therefore, clear regulations are needed regarding the classification of activities, transparency of affiliated relationships, and the obligation to provide information so that the legal standing of forex signal providers can be determined objectively and provide legal certainty for consumers.

From a legal protection perspective, consumers in forex signal provision tend to face an imbalance in information control compared to service providers. Signal providers generally possess knowledge of analytical methods, trading strategies, and the basis for developing recommendations, while consumers often only receive the final results in the form of transaction instructions without adequate explanation of the analytical process used. This situation can create information asymmetry that impacts consumers' ability to assess the quality and reliability of services before making payments or using trading recommendations. Based on Philipus M. Hadjon's thinking on legal protection, protection for legal subjects can be achieved through preventive and repressive instruments to ensure respect for legally granted rights. In the context of forex signal provision, preventive protection can be achieved through mandatory information

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transparency, clarity of provider identity, disclosure of trading risks, and explanations regarding the limitations of recommendations provided. Meanwhile, repressive protection is necessary when a violation of legal obligations results in losses for consumers, including through complaint mechanisms, dispute resolution, and compensation claims in accordance with applicable regulations. Article 4 of Law Number 8 of 1999 concerning Consumer Protection provides the basis for protection in the form of the right to correct, clear, and honest information, as well as the right to receive advocacy and appropriate dispute resolution. Therefore, forex signal providers who qualify as business actors remain obligated to respect consumer rights even if their activities are not specifically regulated as a separate business category. Therefore, legal protection for consumers must be considered an integral part of determining the status and characteristics of forex signal providers within the Indonesian legal system.

The legal relationship between a forex signal provider and a consumer is essentially formed through an agreement to provide trading information services in exchange for a specific payment. This agreement can be formalized electronically through an internet site, communication application, or other digital platform. Under Article 1320 of the Civil Code, the validity of an agreement is determined by the fulfillment of the elements of agreement, the competence of the parties, a specific matter, and a lawful cause. In the case of forex signal providers, the object of the agreement is the provision of information or trading recommendations agreed upon by the parties, while payment of the subscription fee is a mandatory achievement for the consumer. However, establishing an agreement through electronic media can create problems if the consumer provides consent based on false or misleading information. For example, a signal provider might display a manipulated trading history to create the perception of a certain level of accuracy, thus inducing the consumer to make a payment based on information that does not reflect the actual situation. In such circumstances, the validity of the agreement can be examined based on provisions concerning defects of will, specifically Articles 1321 and 1328 of the Civil Code, which deal with error, coercion, and fraud. If fraud is proven to be a determining factor in consumer consent, this circumstance may constitute grounds for annulment of the agreement in accordance with applicable legal mechanisms. Therefore, the contractual relationship between a forex signal provider and a consumer must not be solely assessed based on the existence of a formal electronic agreement; the quality of the information and the circumstances under which the agreement was formed must also be taken into account.

Forex signal subscription agreements generally use standard clauses unilaterally drafted by the service provider and offered to consumers through an electronic agreement mechanism. In such relationships, consumers often only have the option to accept or reject all established provisions

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without the opportunity to negotiate the terms of the agreement. The use of standard clauses is not prohibited in principle as long as they do not conflict with applicable legal provisions, but can cause problems if used to illegally shift the business actor's responsibility. One clause that requires attention is the statement that all trading losses are the consumer's responsibility and that the signal provider is exempt from all forms of legal action. Such clauses must be distinguished between explanations of the market risks naturally inherent in forex trading activities and provisions aimed at eliminating the provider's responsibility for breaches of its own legal obligations. Article 18 paragraph (1) of Law Number 8 of 1999 concerning Consumer Protection prohibits the inclusion of certain standard clauses, including clauses stating the transfer of business actor responsibility, while Article 18 paragraph (3) stipulates the legal consequences of clauses that violate these provisions, namely the nullity of law. Furthermore, Article 1339 of the Civil Code stipulates that agreements are not only binding on matters expressly stated, but also on anything that, by its nature, is required by propriety, custom, or law. Based on this provision, freedom of contract cannot be used as a basis for justifying the elimination of all obligations of a signal provider if its actions violate the law. Therefore, the applicability of a limitation of liability clause must be assessed proportionately, taking into account the characteristics of the trading risks, the content of the agreement, and the protection of consumer rights.

The rights and obligations of the parties in a forex signal provision relationship are crucial for determining the balance of the contractual relationship and the basis for liability in the event of a breach. Signal providers are, in principle, entitled to receive payment for the information and trading analysis services provided in accordance with the agreement, while consumers are entitled to receive services as promised in the offer or subscription agreement. The provider's right to obtain economic benefits must be balanced with the obligation to provide accurate, clear, honest, and non-misleading information, as reflected in Article 7 of the Consumer Protection Law. In marketing activities, signal providers must ensure that claims regarding accuracy, trading success history, and analytical capabilities are based on a justifiable basis. Furthermore, providers are obligated to explain the risk characteristics of forex trading, including the potential loss of some or all of their capital due to changes in market prices and the use of leverage. The obligation to disclose risks is crucial because consumers do not always have sufficient knowledge to understand the economic consequences of each recommendation they receive. Furthermore, consumers are obligated to fulfill payments as agreed, provide the necessary information accurately, and use the service with due regard for the principle of prudence in making transaction decisions. However, the consumer's obligation to understand market risks does not automatically absolve the provider of liability if proven to have provided false information or acted in violation of legal obligations.

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Therefore, a balance of rights and obligations must be achieved through the implementation of agreements based on the principles of good faith, information transparency, and a division of responsibility commensurate with the contribution of each party's actions to the resulting losses.

In addition to obligations regarding information accuracy and risk disclosure, forex signal providers also need to consider the reliability of the electronic systems used to provide their services. The rapidly changing nature of forex trading makes timely information delivery a crucial aspect of the quality of service offered to consumers. Delays in signal delivery can result in discrepancies between the recommended price and the price available at the time the consumer makes a transaction, potentially impacting trading results. If a provider promises to distribute recommendations immediately or within a specified timeframe, this obligation should be assessed as part of the contractual obligations that must be fulfilled. However, not every technological disruption automatically qualifies as a breach of contract, as liability assessments must consider the cause of the disruption, the provider's controllability, and the applicable contractual provisions. In addition to service reliability, signal providers also need to consider the security of consumers' personal data obtained through the registration process and use of the service. Information such as identity, telephone numbers, email addresses, and user activity data requires protection in accordance with relevant legal provisions, including Law Number 27 of 2022 concerning Personal Data Protection. In this regard, providers need to ensure that personal data processing is conducted on a lawful basis and accompanied by adequate security measures. If a breach of data management obligations results in losses for consumers, liability must be determined based on legal provisions and demonstrable facts. Therefore, a forex signal provider's obligations extend beyond providing trading recommendations to ensuring the quality of digital services and protecting consumers' legal interests throughout the contractual relationship.

The legal liability of forex signal providers in their relationships with consumers can be analyzed through provisions regarding breach of contract when contractual obligations are not fulfilled as agreed. In civil law, breach of contract essentially relates to situations where an obligated party fails to perform, improperly performs, or fails to fulfill obligations in accordance with the terms of the agreement. Article 1243 of the Civil Code provides the basis for compensation for costs, losses, and interest resulting from non-fulfillment of an obligation, taking into account legally determined requirements. In the context of forex signal provision, breach of contract can occur if the provider fails to provide recommendations in accordance with the promised quantity or service period, terminates signal distribution before the subscription period ends without a valid basis, or fails to fulfill other obligations expressly included in the agreement. However, the failure of recommendations to generate profits cannot automatically qualify as

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breach of contract if the provider is only obligated to perform analysis and provide information based on reasonable efforts. This relates to the distinction between the obligation to endeavor (inspanningsverbintenis) and the obligation to achieve a specific result (resultaatsverbintenis), which must be assessed based on the substance of the agreement and the characteristics of the service. If a provider explicitly promises a specific result, the content of that promise must be analyzed in conjunction with legal provisions regarding misleading information and the obligations of business actors. If a contractual breach is proven, consumers can demand fulfillment of obligations, termination of the contractual relationship, refund of payment, or compensation in accordance with applicable law. Therefore, determining liability based on breach of contract must be based on identifying the promised performance, the form of the breach, and any losses that are causally related to the failure to fulfill the obligation.

In addition to liability based on breach of contract, forex signal providers can also be held liable through a tort suit if their actions meet the elements stipulated in Article 1365 of the Civil Code. This provision provides the basis for liability for parties who, through their fault, commit an unlawful act and cause harm to another party. In the context of forex signal providers, torts can be assessed in terms of actions such as manipulating profit history, providing false success statistics, providing misleading information, or concealing affiliate relationships relevant to consumer decisions. The assessment of these actions must consider the elements of the tort, fault, loss, and the causal relationship between the provider's actions and the consumer's loss. The concept of liability proposed by HLA Hart can be used as an analytical framework, specifically regarding causal responsibility to assess the relationship between actions and their consequences, and liability responsibility to determine the basis for imposing legal responsibility. In practice, the fact that the signal provider does not directly manage consumer funds does not necessarily eliminate the possibility of liability if the information provided is proven to be unlawful and contributed to the loss. However, trading capital losses cannot be entirely attributed to the provider simply because consumers use the recommendations, as trading outcomes are also influenced by market conditions and consumer transaction decisions. Therefore, proving a causal relationship is crucial to distinguishing losses resulting from market risk from losses arising from the unlawful actions of the signal provider. Therefore, liability based on unlawful acts must be applied proportionately to provide redress to injured consumers without placing the service provider as the sole bearer of all foreign exchange trading risks.

From a consumer protection law perspective, the liability of forex signal providers can be analyzed based on the provisions of Law Number 8 of 1999 concerning Consumer Protection, provided that the relationship between the parties qualifies as a business-consumer relationship.

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Article 19 of this law regulates the responsibility of business actors to provide compensation for consumer losses arising from the use of goods and/or services produced or traded. In the context of forex signal services, this provision can serve as a basis for assessing the provider's liability if a consumer experiences losses due to services that do not comply with legal obligations or promised information. However, the application of Article 19 still requires an assessment of the characteristics of the service, the nature of the loss, and the relationship between the provider's actions and the consumer's losses. Furthermore, provisions regarding the burden of proof need to be differentiated based on the type of case filed. Article 22 of the Consumer Protection Law deals with proving the element of fault in criminal cases as stipulated by the law, and therefore cannot be directly treated as a basis for reversing the burden of proof in all consumer civil disputes. In the context of claims for compensation, other relevant provisions, including Article 28 of the Consumer Protection Law, need to be considered according to the scope of their application. Consumer protection also relates to the prohibition on the inclusion of standard clauses that transfer business actors' responsibilities, as stipulated in Article 18. Therefore, signal providers cannot simply use a waiver of liability to avoid all liability in the event of a legally proven violation. Therefore, the application of the Consumer Protection Law to forex signal providers requires a systematic analysis that links consumer rights, business actors' obligations, the prohibition on standard clauses, and mechanisms for accountability and recovery of losses.

The liability of forex signal providers can also be related to administrative and criminal law if their activities violate futures trading provisions or other laws and regulations. In the administrative realm, the primary issue that needs to be analyzed is whether the forex signal provider's activities fall into the category of business activities requiring a Futures Advisor license or fall into another classification based on the substance of the services provided. If a provider meets the elements of a Futures Advisor activity, the licensing obligations stipulated in Article 34 of Law Number 10 of 2011 must be met in accordance with applicable provisions. Conversely, licensing obligations cannot be automatically applied solely based on the use of the term "forex signal provider" without first assessing the characteristics of the activities undertaken. In the criminal realm, the provisions of Article 71 of the Commodity Futures Trading Law must be analyzed based on the formulation of the offense, the elements of the act, and their relationship to the licensing obligations stipulated by law. The application of criminal sanctions must adhere to the principle of legality so that an activity cannot be punished by analogy, which expands the elements of the crime beyond the formulation of applicable legal provisions. Furthermore, if the signal provider's activities involve the transmission of false information or fraudulent acts, the potential application of other criminal provisions should be examined based on the facts and

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elements of the crime that can be proven. If the activity is conducted through a business entity, the liability of the company and its management should be analyzed based on the legal standing, involvement, and basis of each party's responsibility. Therefore, administrative and criminal liability should be distinguished from civil liability because each has different objectives, requirements, and legal consequences, even though they may relate to the same set of actions.

Legal protection for consumers using forex signal services is determined not only by the existence of provisions regarding rights and obligations, but also by the availability of effectively accessible dispute resolution mechanisms. In digital commerce, consumers may encounter obstacles when filing complaints because the provider's identity is unclear, communications are conducted through electronic accounts, or agreement documents are only available in digital messages. This situation highlights the importance of regulations regarding the transparency of business actors' identities, transaction documentation, and the storage of information that can be used as evidence in the event of a dispute. Under Law Number 8 of 1999 concerning Consumer Protection, dispute resolution can be conducted through available mechanisms in accordance with the authority and requirements of each institution. The Consumer Dispute Resolution Agency (BPSK) can be an alternative dispute resolution outside the courts if the disputes arise within its jurisdiction. Furthermore, consumers can pursue legal channels to file claims based on breach of contract or unlawful acts, taking into account the basis of the claim and the necessary evidence. If a number of consumers experience losses based on similar facts and legal basis, a class action mechanism can be considered as long as it meets the requirements of applicable procedural law. In the context of digital services, developing an online dispute resolution mechanism can also be a policy alternative to facilitate complaint filing, document submission, and communication between parties. Therefore, the effectiveness of legal protection depends not only on substantive provisions regarding the responsibilities of signal providers, but also on the availability of redress mechanisms that provide consumers with a real opportunity to assert their rights.

Based on an analysis of the legal standing, contractual relationships, and forms of liability of forex signal providers, a review is needed to strengthen regulations that can accommodate the characteristics of digital-based trading recommendation services. This strengthening does not have to be interpreted as creating an entirely new legal regime, but can be achieved through an assessment of the adequacy of existing provisions and the need to refine norms that do not provide adequate operational guidance. In the context of futures trading, regulations regarding Futures Advisors can serve as a starting point for assessing the characteristics of commercially provided trading recommendations. However, the implementation or development of these provisions must take into account the scope of the supervisory agency's authority and the distinction between

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providing general information and providing trading advice, which requires a license. Aspects that need to be considered in strengthening regulations include clarity of business activity classification, transparency of provider identity, risk disclosure obligations, standards for providing performance information, and transparency regarding affiliated relationships with brokerage firms. Furthermore, providing a complaint mechanism and provisions regarding the refund of service fees in the event of contractual breaches can be part of strengthening consumer protection. If a provider uses algorithms or artificial intelligence to generate trading recommendations, liability should still be analyzed based on the obligations of the party developing, operating, or overseeing the system. The use of technology does not automatically eliminate legal liability for business actors, but the application of certain forms of liability, including strict liability, still requires an appropriate legal basis. Therefore, regulatory development should be directed at establishing proportionate standards of liability and limits of responsibility to increase legal certainty while avoiding the imposition of responsibilities that are inconsistent with the risk characteristics of forex trading.

Based on the overall analysis, the legal liability of foreign exchange signal providers in the Indonesian legal system can essentially be constructed through the interrelationship between commodity futures trading provisions, contract law, consumer protection law, and other legal provisions relevant to the characteristics of the business activities undertaken. The status of forex signal providers must be determined based on the substance of the services provided, so that the sale of trading information cannot be automatically equated with the activities of Futures Advisors without first examining the applicable legal elements. In relations with consumers, signal providers are obligated to fulfill their obligations in accordance with the agreement, provide accurate and honest information, and refrain from actions that violate consumer rights. If these obligations are violated and result in losses, liability can be analyzed through provisions on breach of contract, unlawful acts, or business actor liability under the Consumer Protection Law, in accordance with their respective elements and legal basis. On the other hand, losses arising solely from changes in market conditions cannot be automatically attributed to signal providers because forex trading inherently involves risks that must be considered by all parties. This distinction is crucial to strike a balance between consumer protection and legal certainty for business actors. The analysis also shows that the main issues in regulating forex signal providers relate to the need to clarify activity classifications, information standards, liability limits, and accountability mechanisms in line with the development of digital services. Therefore, strengthening legal protection needs to be directed at preventive measures through information transparency and regulatory certainty, as well as repressive measures through dispute resolution and consumer rights restoration based on applicable legal mechanisms. This construction is expected to form the basis for developing regulations that

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provide legal certainty, ensure a balance in contractual relationships, and realize effective and proportional legal protection for consumers using forex signal services in Indonesia.

Reformulation of Forex Signal Provider Regulations to Ensure Legal Protection for Consumers

The development of information technology in the financial sector has transformed the characteristics of commodity futures trading activities, particularly in the provision of foreign exchange transaction recommendation services (forex signal providers) through various digital platforms. In the Indonesian legal system, the provision of trading advice and recommendations is essentially regulated by Law Number 32 of 1997 concerning Commodity Futures Trading, as amended by Law Number 10 of 2011, particularly through regulations concerning Futures Advisors. The provisions of Article 1 number 11 and Article 34 of the Commodity Futures Trading Law indicate that providing advice on futures trading transactions for a fee is an activity subject to specific licensing requirements. However, the proliferation of forex signal providers through social media, e-trading communities, and automated algorithmic systems raises questions about the suitability of these regulatory frameworks to the characteristics of digital services. This issue relates to the unclear boundary between the provision of general trading information and the provision of commercial transaction recommendations that qualify as Futures Advisor activities. This lack of clarity also impacts the determination of licensing requirements, information transparency standards, and accountability mechanisms for consumers. Therefore, the identified problem is not the complete absence of legal regulations, but rather indications of incomplete norms in addressing the characteristics and risks of digital-based forex signal providers. This situation requires further analysis of the interrelationships between futures trading provisions, consumer protection laws, and contract law to determine the limits of service providers' obligations. Therefore, regulations for forex signal providers need to be developed based on an approach that emphasizes the substance of business activities, the characteristics of trading recommendations, and the protection of consumers who use these services as a basis for transaction decisions.

The incomplete regulations governing forex signal providers in Indonesia can be analyzed through the limited operational standards specifically governing the delivery of trading recommendations via digital media, particularly regarding the transparency of performance track records, risk disclosure, and potential conflicts of interest between signal providers and brokerage firms. In commercial practice, signal providers may offer services by displaying transaction success rates, profit history, or claims regarding the ability to generate consistent profits. This information influences consumers' decisions to make payments and use trading recommendations.

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However, if performance information is not accompanied by clear and verifiable measurement methods, consumers may have difficulty assessing the reliability of the services offered. The issue becomes even more complex when signal providers receive commissions from brokerage firms through an Introducing Broker scheme, as this economic relationship can give rise to conflicts of interest if not disclosed openly to consumers. According to Law Number 8 of 1999 concerning Consumer Protection, the obligation to provide accurate, clear, and honest information is a fundamental principle that must be met by business actors. However, the application of this general principle to the technical characteristics of forex signal providers still requires more operational elaboration to ensure compliance standards are understood and consistently applied. Based on Philipus M. Hadjon's legal protection theory, this situation demonstrates the importance of preventative legal protection aimed at preventing violations before consumers suffer losses. Therefore, strengthening regulations cannot simply rely on enforcement against activities proven to violate the law. It also needs to be directed at establishing transparency standards, verifying performance information, disclosing affiliations, and monitoring mechanisms tailored to the characteristics of digital services.

From a comparative legal perspective, the United States provides a relevant regulatory model through the concept of the Commodity Trading Advisor (CTA) under the Commodity Exchange Act (CEA), which is implemented under the oversight framework of the Commodity Futures Trading Commission (CFTC) and the National Futures Association (NFA). Under Section 1a(12) of the Commodity Exchange Act, the activity of providing trading advice for compensation or profit may fall within the definition of a CTA, including if the advice is delivered through publications, writing, or electronic media and relates to instruments covered by the provision. This formulation demonstrates that the use of digital technology does not in itself eliminate the possibility of an activity being qualified as trading advice subject to special regulation. However, determining CTA status must still consider the scope of the activity, the characteristics of the recommendation, and the exceptions stipulated in United States law. The provisions of Section 4m of the Commodity Exchange Act principally regulate the registration obligation for CTAs that fall within the scope of regulation, while CFTC Regulation 4.14 provides certain exceptions in accordance with applicable requirements. Therefore, not all providers of trading information or signals are automatically required to have CTA registration. In addition to legal aspects, US regulations also address business behavior through provisions prohibiting fraud in Section 40 of the Commodity Exchange Act and standards for communications and promotional materials under NFA Compliance Rule 2-29. These regulations are relevant for assessing the presentation of profit claims, the use of hypothetical trading results, and promotional information that could potentially

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mislead consumers. When analyzed through HLA Hart's legal liability theory, this framework demonstrates the importance of clarifying role-responsibility and liability-responsibility for parties providing trading advice. Therefore, the US regulatory experience can be used as a reference for Indonesia in clarifying the classification of forex signal providers, distinguishing general information activities from specifically regulated trading recommendations, and developing proportional transparency and accountability standards.

UK regulations also provide an important comparative perspective through the Financial Services and Markets Act 2000 (FSMA), particularly regarding authorization requirements for certain financial services activities and restrictions on investment promotion to the public. Section 19 of the FSMA establishes the principle of general prohibition, prohibiting the conduct of activities categorized as regulated activities without meeting the applicable authorization or exemption requirements. Meanwhile, Section 22 of the FSMA provides the basis for determining activities that fall into the regulated activity category, taking into account the type of activity and the instruments that constitute the object of the activity. In the context of forex signal providers, both provisions become relevant if the substance of the service provided meets the characteristics of regulated investment activities, so that authorization requirements cannot be determined solely based on the use of the term forex signal or the existence of a subscription fee. Furthermore, Section 21 of the FSMA regulates restrictions on communications containing invitations or encouragement to engage in investment activities, taking into account the exceptions and requirements stipulated by law. These provisions demonstrate the importance of promotional aspects in consumer protection, as decisions to use a financial service are often influenced by information received before a contractual relationship is established. In terms of liability, Section 23 and Section 24 of the FSMA regulate the consequences for certain violations of authorization and claims of authorized status, while Section 26 of the FSMA provides civil consequences for certain agreements made in carrying out activities that violate the general prohibition, including the possibility of repayment and compensation in accordance with applicable legal requirements. Based on Philipus M. Hadjon's theory of legal protection, this construction shows the relationship between preventive protection through authorization and promotion regulations with repressive protection through law enforcement and restoration of the rights of injured parties. Thus, the UK regulation provides a lesson that effective consumer protection requires a clear link between the legality of activities, the obligation to provide information, the consequences of violations, and the mechanism for redressing losses.

A comparison of the legal systems of Indonesia, the United States, and the United Kingdom reveals differences in their approaches to determining the legal status of trading

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recommendation providers, standards for conducting business activities, and the legal consequences for breaches of obligations. Indonesia uses the concept of Futures Advisor as one of the bases for regulating futures trading advisory activities, while the United States recognizes the category of Commodity Trading Advisor, and the United Kingdom applies a classification of regulated activities based on the characteristics of the activity and the instruments that are the object. The fundamental similarity of these three systems lies in the recognition that providing certain trading advice or recommendations can give rise to legal obligations for those who carry them out. The differences are primarily evident in the form of activity classification, licensing or registration mechanisms, regulations on promotional communications, and the relationship between breaches of obligations and the restoration of service users' rights. Within the United States, CTA regulations and promotional standards provide the basis for overseeing businesses within the regulatory scope, while the United Kingdom places the legality of activities and promotional restrictions as a key component of the financial services oversight system. Based on these comparisons, regulatory development in Indonesia needs to be directed toward refining standards that differentiate educational activities or general publications from trading recommendations that substantively meet the elements of regulated activities. This analysis can be developed through Alan Watson's legal transplantation theory, which provides a conceptual foundation for studying and adapting legal institutions or mechanisms from other legal systems. However, legal transplantation cannot be achieved through the direct transfer of norms without considering institutional structures, market characteristics, and national legal principles. Therefore, the registration mechanisms, promotional standards, risk disclosure obligations, and consumer redress instruments developed in the United States and the United Kingdom need to be assessed for their suitability with the futures trading system and consumer protection in Indonesia. Therefore, the results of the legal comparison indicate that strengthening consumer protection does not merely require additional sanctions, but also requires clarity in the classification of activities and the establishment of effectively enforceable standards.

Based on the results of the normative analysis and comparative law, the reformulation of regulations for forex signal providers in Indonesia can be directed at strengthening the legal framework for Futures Advisors by considering the characteristics of digital-based trading recommendation activities. One alternative that can be explored is the development of a specific category or regulation for Digital Futures Advisors, provided that the establishment of such a category is necessary after an assessment of the adequacy of existing legal provisions. Such regulations can be aimed at clarifying the qualifications of legal entities engaged in commercial trading recommendation activities, whether through subscription services, electronic

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communication platforms, or the use of algorithmic systems. However, it should be emphasized that the use of technology or the acceptance of payments does not automatically equate every trading information provider with a Futures Advisor. Licensing obligations need to be determined based on the actual characteristics of the activity and the level of risk posed to consumers. If a more adaptive licensing mechanism is needed, a risk-based licensing approach can be considered while still adhering to the principles of proportionality, legal certainty, and the supervisory capabilities of authorized institutions. Aspects that can be part of this regulatory strengthening include competency requirements, provider identity transparency, disclosure of affiliate relationships, standards for delivering performance information, and the obligation to provide clear risk warnings to consumers. Furthermore, the use of trading history as promotional material must be accompanied by a credible presentation method, including the possibility of implementing an independent verification mechanism for specific performance claims. Strengthening regulations regarding standard clauses is also necessary, taking into account Article 18 of the Consumer Protection Law, to prevent providers from using limitation of liability clauses to waive compelling legal obligations. Therefore, regulatory reform should be directed toward establishing standards that prevent misleading practices and conflicts of interest, while also providing certainty regarding the limits of signal providers' liability for trading risks beyond their control.

Ultimately, reformulation of forex signal provider regulations needs to be placed within the framework of developing a consumer protection system that integrates prevention, supervision, law enforcement, and proportional loss recovery. From the perspective of Philipus M. Hadjon's legal protection theory, preventative protection can be realized through clear activity classifications, appropriate licensing requirements, provider identity transparency, risk disclosure obligations, and oversight of potentially misleading promotional information. Meanwhile, repressive protection can be realized through the application of sanctions for proven violations, dispute resolution, and compensation mechanisms based on applicable legal provisions. Developing cross-sectoral supervisory coordination also needs to consider the division of authority between institutions authorized to oversee futures trading activities, electronic system implementation, and consumer protection in the financial sector. In addition to strengthening enforcement against unlawful activities, providing an electronic dispute resolution mechanism can be an alternative policy to expand consumer access to justice, particularly when disputes relate to digital services that are not geographically restricted. Based on HLA Hart's theory of legal liability, clarity of the signal provider's role and obligations is the basis for determining when a violation can result in legal consequences. Therefore, the imposition of responsibility must remain based on the relevant act, fault, or basis of liability, losses, and a demonstrable causal relationship. Alan

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Watson's legal transplant theory provides the perspective that national legal reform can leverage the regulatory experience of the United States and the United Kingdom while still adapting to the characteristics of the Indonesian legal system. Therefore, the results of this study indicate that the primary need for regulating forex signal providers is not simply the creation of additional administrative obligations, but rather the development of a legal framework that clarifies the provider's status, establishes accountable standards of behavior, and ensures the availability of mechanisms for protecting and redressing consumer rights. This reformulation is expected to achieve a balance between freedom to conduct business activities, legal certainty for service providers, and effective protection for consumers in the development of digital-based foreign exchange trading in Indonesia.

4. CONCLUSION

The legal status of forex signal providers in Indonesia is related to the regulation of Futures Advisors as stipulated in Law Number 10 of 2011 concerning Commodity Futures Trading. However, these regulations still show incomplete norms in accommodating the characteristics of digital-based signal providers. The legal relationship between signal providers and consumers gives rise to rights and obligations that must be implemented based on the principle of good faith and consumer protection provisions. If a violation occurs that results in losses, the signal provider can be held accountable through mechanisms of default, unlawful acts, or consumer protection provisions, as long as the elements of responsibility are met. Therefore, clarity on the legal status and limits of responsibility of signal providers is needed to ensure legal certainty and proportional consumer protection.

The results of a legal comparison with the United States and the United Kingdom demonstrate the importance of clear regulations regarding activity classification, licensing requirements, information transparency, and accountability mechanisms for forex signal providers. Therefore, regulatory reform in Indonesia needs to be directed at improving provisions for Futures Advisors, developing risk-based licensing, mandating disclosure of risks and affiliated relationships, and strengthening supervision and online dispute resolution. These reforms align with Philipus M. Hadjon's theory of legal protection, HLA Hart's theory of legal liability, and Alan Watson's theory of legal transplantation. Therefore, legal reformulation is expected to address incomplete norms while achieving legal certainty, balanced contractual relationships, and effective consumer protection in digital-based foreign exchange trading.

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