

Legal regulation of liability insurance

Abstract

This thesis aims to give a comprehensive and logically structured interpretation of the subject of the regulation of liability insurance in private law of the Czech legislation, placing special emphasis on its practical application in the context of the current judicial decision-making practice. Although being one of the most popular insurance products on the Czech insurance market, liability insurance is given relatively little attention in specialized literature with the exception of the specific area of motor vehicle liability insurance. Therefore, this thesis focuses in particular on the general regulation of liability insurance stipulated in Sec. 2861 – 2867 of the Czech Civil Code. In this thesis, liability insurance is considered to be primarily an obligation relationship, with the thesis structure adjusted accordingly: one by one, it discusses the establishment, subjects, object, subject-matter and finally the termination of the legal relation. The main part of the thesis looks at the subject-matter of the liability insurance legal relation with a detailed analysis of the basic rights and obligations of its parties. A separate part of the thesis specifically covers the entitlement of the insured to sue in terms of the procedural implementation: a matter not widely discussed in Czech specialized literature, whose solution has been indicated by a recent decision of the Supreme Court. A number of partial aspects of the legal regulation of liability insurance which prove to be of essential importance for the application practice are discussed in detail; be it insurable interest, the insurer's reimbursement obligation, sanctioning rights and recourse, the insurer's obligation to reimburse the insured for costs of proceedings, statutory bar on liability insurance rights, the application of interim provisions of the Civil Code or the most significant procedural connections of the legal institute in question. The conclusion outlines a few *de lege ferenda* suggestions to eliminate obvious terminology inadequacies of the current legal regulation as well as to point out certain insufficiently stipulated aspects: a vague regulation of the insurer's obligation to reimburse the insured for costs of proceedings, or an inconsistent regulation of the possibility of withdrawal from and revocation of compulsory insurance by the insurer.

Keywords: insurance, liability, liability insurance