Abstract

This thesis focuses on the insolvency proceedings of natural persons in the Czech Republic with the aim to examine the impact of the debt structure on the probability of being relieved of debts. For this purpose, the linear probability model and the logit model are used. The analyzed dataset consists of 269 insolvency proceedings for which the insolvency petition was filled between 2008 and 2017. We found that the debtor with a higher share of nonbank debt has a higher probability of being relieved of debts than the debtor with a higher share of bank debt. Moreover, the number of kids and the number of creditors negatively affect the probability of being relieved of debts.