

## **Abstract**

The rising availability of consumer loans causes an increase of debtors who aren't able to carry out all their monetary obligations. They get into financial problems which often end in several current executory proceedings. For debtors this situation is apparently hopeless and many of them try to solve it by using bridging loans. This leads to deepening of their personal financial crisis. The Insolvency Act No. 182/2006 Sb. which contains the regulation of the Discharge of Debts brings a solution for such debtors.

Discharge of Debts as one of the ways of sanitation of debts in Czech law represents modern trends of European and American Insolvency law that joins the debtor back into the economic life. Discharge of Debts represents a possibility to solve the debtor's unbearable financial situation and to keep at least partially his living standards. For creditors it can be a way how to obtain at least part of their claims by the legal procedure.

This text deals with actual Czech regulation of Discharge of Debts and compares it with foreign German regulation. In the first two chapters the basic terms and admissibility of Discharge of Debts are clarified and generally compared with Discharge of residual debts by the German law. Subsequently the author reports on single phases of insolvency proceedings and compares them with appropriate regulation included in German law.

Then the author focus' on explanatory and application problems during the Discharge of Debts, especially on Discharge of Debts of people who have obligations from their business and on Discharge of Debts of spouses. She analyses and evaluates those areas.

In the last part of this work the author concentrates on possibility and legal consequences of usage of German Discharge of residual debts to a person with Czech nationality as a reaction to a modern trend in the area of rendering legal services during the Discharge of debts of human beings who are or were entrepreneurs.