Abstract

The thesis titled ‘Security interest in relation to insolvency proceedings’ aims to describe the legal institute of lien through its manifestation in insolvency proceedings. It is built on the assumption that the fundamental value of securing a payment of a debt using lien manifests primarily in a scenario when the debtor becomes insolvent and the insolvency proceedings are initiated. Out of all the methods of resolving insolvency present in the Czech legal system this thesis only deals with bankruptcy and it focuses on the lien granted over real estate.

Apart from the Introduction and the Conclusion, the thesis is divided into 4 chapters. The first chapter aims to give a general introduction into the law regarding security interests. The second chapter is dedicated to the fundamental principles of law relating to liens outside of the insolvency proceedings. It describes process of granting of a lien and its purpose. The third, essential chapter deals with the execution of a lien in the insolvency proceedings resolving bankruptcy. The main focus is put on the legal position of lienor in the bankruptcy proceedings. The fourth, final chapter presents statistics dealing with insolvency proceedings recovery rate in the Czech republic during the period of 2008-2012.