

## **Abstract**

Within this thesis, I analyze my knowledge of the bill of exchange, especially the development of the bill of exchange and the current law in action practise. The main part of this thesis is devoted to the security function of the bill of exchange, which is currently the dominant. But I also paid attention to other bill of exchange instruments. The thesis is divided into five chapters. In the first chapter I discuss the historical development of the bill of exchange, focusing on the development in the Czech lands, with emphasis on the period 1918-1938, called The First republic. The second chapter is devoted to the characteristics of bills of Exchange law and its status in the legal system of the Czech Republic. The third chapter deals with the individual bill of exchange functions. The major part of this chapter is being devoted to the security function, which is recently the most frequent in action. Here I describe the effect and purpose for which they are issued, following the features of the bill of Exchange. Nescience of those features often results to the duty to fulfill the debt two times, however there is no substantive basis for such an action. This chapter also contains the proceeding of crooked endorsement, accompanied by jurisprudence in this matter. In conclusion, I complete the mentioned interpretation with the practical application problems in the context of the bill of exchange, which I have encountered during my legal practice. I also qualify the unlawful actions committed in the context of the bill of exchange in the level of criminal law. Then I also deal with the payment function as well as with other bill of exchange functions.

Bill of exchange is a very problematic legal instrument. Its long tradition and the current legal rigidity on our territory, in contrast to the dynamic development of the 21st Century, makes it an incomprehensible instrument for laymen. The basic civil law principles are in bill of exchange law applied only in a limited way.

The aim of this dissertation is to clarify the meaning, purpose and circumstances under which the bills of exchange was created and how it has evolved up to date. With a subsequent legal analysis of the case law from the period of First republic to the present, it is possible to understand the bill of exchange law in whole complex level. It neither allows to interpret bill of exchange act correctly, nor to predict the case law in potential future disputes. The aim of this thesis is not to explain exhaustively all matters of bill of exchange law, but to discuss about the bill of exchange at a complex level, that means to comprehend the bill of exchange in contrast to its historical background, as well as in the contrast of the bill of exchange case law, which is accompanied by the whole content of this dissertation.