

## **Consumer creditworthiness assessment**

### **Abstract**

This thesis deals with the pre-contractual obligation of consumer credit providers to assess the consumer's creditworthiness. The concept of creditworthiness is thoroughly and critically analyzed in four chapters focusing on assessing creditworthiness for consumer credit other than for housing purposes. The main objective of the thesis is supplemented by sub-questions set out in the introduction. These sub-questions reflect contentious issues arising from the case law of the ordinary courts, the European Court of Justice, and the Financial Arbitrator. An essential part of the thesis is therefore an extensive case law analysis, which helps to interpret many vague legal terms in national and European legislation. The thesis seeks to find solutions to interpretative ambiguities related to the topic.

The opening chapter defines the concept and main purpose of implementing a creditworthiness institution. It also outlines the limits of the temporary restriction on the consumer's life (social conditions) when concluding a credit agreement. The end of the chapter concerns the requirement of due professional care and how to ensure its compliance by providers. The second chapter focuses on income, expenditure and means of meeting any existing debts - the criteria for assessing creditworthiness. It also presents the requirements for the scope of credit information and its verification arising from EU law, national legislation, and relevant case law. Emphasis is placed on defining the sufficiency and proportionality of the information, as well as the impact of the total amount of credit on the scope of the verification obligation.

The core of the thesis is the third chapter, which is dedicated to verifying specific income and expenditure using documents and statistical data or models. The role of public registers and credit registers is taken into account. The fourth chapter subsequently describes the consequences of creditors' failure to comply with its pre-contractual obligation to assess the consumer's creditworthiness (in particular the issue of absolute and relative invalidity).

**Keywords: creditworthiness, consumer credit, sufficient information, verification of income and expenditure**