

## **Abstract**

This thesis focuses on the legal and economic aspects of the supervision of the credit union sector in the Czech Republic by the Czech National Bank (CNB). The central point of interest is the case study of the credit union WPB Capital, which in 2014 had its operating licence revoked for illegal operations, namely the acquisition of prohibited securities and the provision of financial assistance to acquire additional member deposits, contrary to the CNB's interpretation.

The work is based on the author's involvement in the case and uses authentic documents from the administrative proceedings and judicial review, as well as other relevant materials. The first part is devoted to the theoretical background of the financial market and credit unions. This is followed by an analysis of CNB supervision and a historical overview of the development of credit unions in the Czech Republic. The legal framework and instruments are then discussed in the context of the WPB Capital case study.

The aim of the paper is to assess the compliance of the activities of the examined entity with the law and European legislation and to evaluate the justification of the CNB's action. The thesis emphasises theoretical analysis and practical applications, including comparison with other credit unions and current case law. Based on this study, an attempt is then made to answer research questions assessing compliance with legal standards and the impact on moral hazard.

The overall aim of this thesis is to present credit unions and their activities as such on the one hand and the competences of the national regulator on the other hand, including the development of the legislation. This thesis also seeks to provide a comprehensive analysis of a significant case in the context of the sector

Specific emphasis is placed on issues of compliance of operations with the law and European legislation, particularly in relation to financial assistance and securities trading. These aspects are analysed in the context of the case study, discussing the possible implications for the stability of the financial sector and moral hazard. The paper then concludes with an analysis of the arguments on both sides, including sustainability in the current and future legal context. The thesis thus presents a comprehensive view of the supervision of credit unions in the Czech Republic, focusing on a specific case study as an important element in this issue.