

## **Abstract**

### **Acquisition of shares by employees of a joint stock company**

This master thesis deals with the issue of preferential acquisition of shares by employees of a joint stock companies. It studies Czech legislation in this area as well as legislation of the United Kingdom of Great Britain and Northern Ireland, especially whether it might be a source of inspiration for the Czech Republic. This thesis focuses on motivational potential of transferring shares to employees under preferential conditions regarding current legislation which is subsequently evaluated.

At the beginning, it briefly describes historical development of the employee participation in the Czech Republic primarily regarding the privatisation and possibilities of employee participation it has brought. Afterwards, it examines the regulation of the employee shares in the Commercial Code, its limits and foundations.

The next part concerns the legislation of the United Kingdom of Great Britain and Northern Ireland, the development of British joint stock companies and the reasons leading to their significant growth. Then, this thesis distinguishes direct and indirect participation of employees. Regarding the direct participation, it studies mainly the share option plans, their nuances, benefits and tax impacts. Besides it mentions the possibility of indirect ownership through employee ownership trusts.

Finally, this thesis deals with the regulation arising from the Czech Business Corporations Act detailing forms of preferential treatment, be it in the form of ordinary shares or shares created as a special type. Furthermore, it reflects the specifics of option-based acquiring of shares, which is closely connected to share option plans. After that this thesis assesses employee ownership trust and shadow shares as an alternative to direct employee participation. At the end it provides a short summary about tax impacts of shares acquired by employees.

**Key words:** preferential acquisition of shares in the Czech Republic– employee share ownership – share option plans