

Enforcement of the dominant entity's influence in the concern and its consequences

Abstract

The purpose of this rigorous thesis is to give insight into the internal functioning of the corporate groups, especially in connection with enforcement of the influence of the dominant entity in the concern, to analyse the tools of enforcing the influence of the dominant entity, assess their efficiency and set their limits with emphasis on the Czech legislation. In modern society, the enforcement of the influence on the controlled entities has inevitably legal consequences, which are manifested by the liabilities of the controlling entity and members of elected bodies, especially in relation to potentially caused harm to the controlled entity. Therefore, the attention is paid also to the consequences associated with the enforcement of the influence of the controlling entity.

The aim of the thesis is presented at the beginning, the following part of the thesis provides a brief general insight into the issue of concerns being a type of groups of companies.

The third chapter looks at the single management, which is a defining feature of the concern and within which the influence of the dominant entity is enforced and describes features of the single management.

The next section analyses in detail the tools, that dominant entity has at its disposal and thanks to which it can enforce its influence in the corporate group. A special attention is paid to the instructions of the dominant entity because it is a basic and effective tool of single management. The matter of the originator and addressee of the instruction, its content, form and binding nature are described, as well as numerous limits for their application.

The fifth chapter focuses on the consequences of the influence enforcement within the corporate group. The general liability mechanisms applied for the simple influence, the advantages of the concern structure, the role of the group declaration, the liability of individual actors and the specifics of possible settlement of the damage within the concern are analysed there.

The conclusions of the research are drawn in the last chapter.

Key words: corporate group, instruction, settlement of damage