

Acquisition in Own Shares and Financial Assistance

Abstract

This thesis called „Acquisition in Own Shares and Financial Assistance” deals with the phenomenon of trading in own shares and financial assistance using a comparison of legal requirements on trading in own shares by the relatively “private” company and by the public company with listed shares with relation to the practical needs of different nature of both the types of companies and using the same sort of comparison with relation to the same sort of needs of the same types of companies in the business transactions involving financial assistance. The thesis focuses at European law approach to the phenomenon seeking to describe either the particular characteristics of the legislation either overall concept. The thesis provides with a critical evaluation of European law approach to the phenomenon based on the criticism of relative ignoring the practical characteristics and needs of the public companies with listed shares differing significantly from the practical characteristics and needs of the relatively “private” companies.

Particularly, the first part of thesis deals with the market instrument – open market repurchases. It seeks to formulate fundamental characteristics including related risks to the fairness of markets. The thesis deals with a conception of “the safe harbor” rule and enumerates either identical either different characteristics of the safe harbor rule in Europe and United States. The second part of thesis deals with the phenomenon of financial assistance in meaning of a company advancing either directly or indirectly, funds or make loans or provide security, with a view to the acquisition of its shares by a third party. The thesis seeks to stress out the fundamental issues under the financial assistance, it examines European legislative on this phenomenon, its implementation to the Czech law, and in the end of thesis a reader is provided with several considerations on “agency problems” theory as the recourse to financial assistance regulation.

Shares. Repurchases. Assistance.