

# **Abstract**

## **Holding company as matter of fact**

In the 19<sup>th</sup> century the concept of artificial legal persons as independent legal entities separate from their shareholders was created. The joining of companies into corporate groups is in contradiction with the abovementioned concept. Nevertheless, corporate groups are a reality and every legislator had to deal with this issue and create sufficient legislation, considering the protection of minority shareholders on the one hand and the possibilities of the evolution of corporate groups on the other hand.

Current Czech legislation regarding corporate groups is more than 10 years old and yet there are still contradictions in the interpretation of the basic provisions of the law of corporate groups amongst experts. My thesis is divided into two parts: the first part consists of the interpretation of the basic provisions of the Commercial Code regarding corporate groups. I used all the basic methods of interpretation, especially the comparison of different expert opinions to provide complex and clear interpretation. The goal of the first part was to point out the abovementioned contradictions and offer my own point of view to readers.

In the second part of the thesis, I focused on the option of the holding company to force the controlled company to enter into an agreement, or to take an action, which causes a loss of the controlled company. Then the holding company is obliged to cover the loss. In my opinion the abovementioned duty is the most important duty of the holding company in the Commercial Code and it is significant protection for the controlled company against the influence of the holding company.

The Czech legislator has already passed a new law concerning corporations which is not in force yet and therefore I had to deal with this new legislation, to emphasize the differences between the current and new legislation. Nevertheless, I would like to mention that the new law on corporations is based on the current legislation from which it differs just in several cases.

The goal of this thesis was not just to point out unsettled questions of the law of corporate groups, but to provide a reasonable and sufficient solution and a well-arranged insight into the law of corporate groups.