

Abstract

The thesis is focused on the conflict of interest issue with relation to the management of business corporations, adjusted especially in the Business Corporations Act. The conflict of interest has been codified in a more detailed way after the recodification of the private law and this new codification brought up questions concerning practical application. The aim of the thesis is an analysis of the effective conflict of interest rules, providing proposals on how to solve some uncertainties which may appear and showing opinions of experts. The aim is also to show concrete examples of non-legislative adjustment in the conflict of interest area, especially through the corporate governance codices.

The first chapter contains general information on conflict of interest, because the private law is not the only branch of law, where it can be found. In Czech public law, for example, is effective Conflict of Interest Act. Unfortunately, due to limited extent of the thesis it is not possible to analyse even the whole conflict of interest topic in private law, therefore the scope of the thesis is restrained on the general issues contained in the Sec. 54 and following of Business Corporations Act. The second chapter provides a short preview of the basic principles, which must be obeyed by the members of the corporation and by the members of the corporation's management. This preview is important for the following text. The third chapter is focused on the duty of notification as the essential duty of the person in the conflict of interest; the question whether the duty of notification applies also on the members of the corporation is solved in this part. Then, in the chapter are described potential impacts of the violation of the conflict of interest rules, possibility to suspend execution of the function and possibility to prohibit the signing of the contract, both these possibilities has preventive function and are new in the Czech law. Issues of guaranteeing or confirming debts of the body's member by the corporation and contracts concluded in the ordinary course of business (on which some of the rules are not applied) are also included in the third chapter. The last, fourth chapter, then provides examples of non-legislative rules concerning conflict of interest, either on international and national level or on the level of certain individual corporations. The most crucial interpretation problems solved in the thesis are mentioned in the conclusion, as well as the brief summary of the thesis. Finally, the conclusion includes the evaluation of the compliance with the aims of the thesis.