

ABSTRACT

The private limited liability company, as the most frequently used type of business corporation in the Czech Republic, has recently undergone significant changes concerning its legal regulations due to the recodification of private law. This thesis focuses on the share in the limited liability company and the equity instrument (the share certificate), by which the share can be represented, along with the transfer of the share.

The treatise aims to identify interpretational disputes arising from the recently enacted civil and corporation codes and, while using resources available at the moment, attempts to adumbrate possible outcomes and solutions.

The work itself is divided into five chapters. First chapter provides general description of the notion of the share in the limited liability company and defines its nature. Further, possible variations of issue of shares in the limited liability company such as issue of different classes of shares and the option of ownership of multiple shares in one company are examined.

In the second chapter, the concept of the share as a thing in itself (personal property) and the selected implications of this concept are discussed. The focus is aimed on topics, which appear to be highly questionable.

Third chapter introduces the institute of the equity instrument (the share certificate) as an optional form of share. The chapter describes basic attributes of the share certificate and conditions of its issue.

In the fourth chapter, the most prevalent disposition occurring in relation to the share, i.e. the transfer of thereof, is analyzed. This chapter scrutinizes specifically the transfer of the share, which is not represented by the share certificate. The discourse includes description of the difference between the transfer to a shareholder and to a third party, as well as possible conditions and drawbacks of such transfers. Further, the formal requirements and consequences of the share purchase agreement are discussed.

The final fifth chapter of the thesis is concerned with the transfer of share represented by the share certificate, its principles and particularities.