

Abstract

This diploma thesis deals with the regulation of the duty of due managerial care of members of a governing body of a limited company. The aim is to evaluate Czech national law with respect to the relevant British law rules. Another objective is to propose *de lege ferenda* amendments to current state of law. The thesis is divided into three chapters

The first chapter defines the duty of due managerial care and the content of duties imposed on members of a governing body of a company in Great Britain. Judicial decisions of both jurisdictions reveal that directors are not expected to have a knowledge possessed by a specialist. However, good general knowledge is required. Subsequently, the dual objective / subjective standard is introduced. Lord Hoffmann borrowed the test set by the Insolvency Act 1986 and stated that such a test should not just apply during insolvency.

The second chapter is dedicated to fiduciary duties and the position of duty of loyalty within the scope of due managerial care. The aim is to present the subjective test covering acts exercised to promote the success of a company. The standard rests upon the idea that directors must exercise their discretion bona fide in what they consider, not what the court may consider, is in the interest of the company. Another field of interest is the doctrine of post – contractual loyalty, on the basis of which directors cannot avoid liability by resigning to do what would have been a breach of duty if they had not resigned.

The third chapter deals with the principle of Business Judgment Rule and the courts' approach to not interfere with the directors' decisions taken in the course of business activities. The objective is not to describe the whole doctrine of Business Judgment Rule. The aim is to set the rules in the context of previously proposed *de lege ferenda* amendments and to introduce the principle's roots.