

The limited liability company is the most used form of company in the Czech Republic. The share of the limited liability company is the most important instrument of the company. The member of the limited liability company participates in a business of the company through the share. If the company is successful in business, the member can obtain not a little amount of money from the share of a profit. That's why the shares are objects of the business interests of natural persons and legal entities.

This work is devoted to a contract for the transfer of the share in the limited liability company and a transfer of the share in the limited liability company. The legal regulation is in the part two of the Commercial Code and it's very concise. Because of the conciseness there is a lot of questions that stay without answers. Judicial decisions give many answers about a contract for the transfer of the share in the limited liability company and the transfer of the share in the limited liability company in recent years.

At the beginning of the work the author focuses on defining the object of a contract for the transfer of the share in the limited liability company. She determines the qualitative and quantitative aspects of the share. The share includes rights and duties which result from the participation in a company. The size of the share shows how big the participation of the member is in a company. The share can be transferred, inherited, divided and also jointed. Member of the limited liability company can have only one share in the company. If he buys another one, these shares will be jointed.

In the following chapter the author pays attention to a term transfer of the share in the limited liability company and a legal regulation of the transfer of the share in the Commercial Code. The share can be transferred to another member of a company or to the third persons. The transferability of the shares can be the subject to the consent of general meeting. The Commercial Code entitles members of a company to restrict or forbid the transferability of the shares in the Memorandum of Association.

The next chapter deals with a contract for the transfer of a share in the limited liability company. The contract is regulated as a separate contractual type. The Commercial Code sets an essential element of the contract, which must be met. The contract must be in writing. The signatures of the parties are next element of the contract. Signatures have to be authenticated. The memorandum of accession to the Memorandum of Association is the next essential element. This essential element is required if a transferee is not yet a member of the company and also if a company has got only one member and this single-member transfers his share. There is another necessary essential element of a contract which arises from judicial decisions. In the contract there have to be an agreement about purchase price of the share or free share. If the Memorandum of Association establishes another requirements, they will have to be also fulfilled. The contract without all of the essential elements is invalid.

It's results from judicial decisions that also withdrawal from a contract for the transfer of a share in the limited liability company has to be in written form and the signatures have to be authenticated.

The contractual transfer of the share is connected though a lot of other questions. Such as transfer of the share which has more than one owner, the transfer of a part of the share, the transfer of the share between husband and wife. These topics are considered separately in the fifth chapter.

In the end of the work the author comes to the conclusions that results some important conclusions from judicial decisions which should be implemented into the Commercial Code. The valid legal regulation about transfer of the share and about contract for the transfer of the share in the limited liability company is easy and entitle to regulate transferability of the shares by members of a company on the other hand contractual parties must have good knowledge about the Commercial Code and the Civil Code and they must reflect conclusions of judicial decisions.