

RESUMÉ

The thesis deals with the board of directors of a joint stock company in the Czech Republic. The main purpose I tried to reach is to present structured and scientific legal discourse about the statutory body of a joint stock company founded under the Czech commercial law. It is objectively not possible to solve every aspect of this relatively wide problem. This is why I focused especially on the questions I consider to be the most important and most discussed on the present.

The content of the thesis is divided into six chapters generating two basic thematic spheres. The first thematic sphere (chapters one – three) provides an outline of questions dealing with the board of directors itself. Next three chapters are connecting to previous chapters and introducing the role of members of the board of directors as the basic element of the body.

If we summarize the facts and look at the problem through the internal structure of a joint stock company, the board of directors is holding the widest competency of all company bodies. We can tell that board of directors is basically the only real holder of executive power in the company. While the general meeting, the company's supreme body is determining the principle of company politics (general aims and principles, upon which the company is built), the board of directors concretize it and put it into action. Activity of the board of directors is supervised by the third obligatory body of a joint stock company – the supervisory board.

The Czech Commercial Code makes general meeting entitled to create different regulations of body of directors' competency through the articles of association of a company. As the basic normative act, the articles of association are very effective instrument for shareholders to influence the board of directors and it is also creating the rules to meet company's needs. It can generate motivating company's remuneration system, determine specific requirements for candidates for membership in the board of directors and give extraordinary attention to procedure of internal rules creation and approval.

The incumbency contract is of cardinal importance to commercial relationship of the member of the board and company. The contract gives contracting parties

a show to set up their correlations without encroaching of third parties and it also enables them to effective and advanced cooperation. Regarding opinions presented above I voice the combination of balanced incumbency contract and well-done articles of association is able to improve the fighting power and overall results of board of directors' activity.

I consider the current legal regulation of rights and duties of the members of the board of directors is acceptable. Because of abstract and general character, the Commercial Code does not specify the duties explicitly. It can be deduced from meaning and purpose of the Code. Within the context of members' right to remuneration, there is a need to appreciate legislator's effort not to intervene in this legal area but let company create its remuneration policy. The legislator *de facto* declares the company itself has the widest knowledge what are its needs and how to meet it.