

Abstract

Remuneration of members of the governing bodies of joint stock companies

The goal of this thesis is to analyze the law regarding remuneration of members of the governing bodies of joint stock companies. The topic is a timely one, since high bonuses were one of the causes of the financial crisis. The thesis primarily devotes its attention to the law contained in the Commercial Code. The amendments to the Act on Business on the Capital Market are also mentioned. The recommendations of the European Commission and Directive of the European Parliament and Council are then subjected to analysis. Basic issues are addressed in the introduction to the thesis. The governing body of a joint stock company is the Board of Directors and deciding on its remuneration falls within the competence of the General Meeting. Frequently members of the Board of Directors also hold concurrent office in the company as employees. The difference between claimable and non-claimable bonuses and fixed and variable bonuses is explained. A member of the Board of Directors is in principle entitled to at least the usual bonus for performing his or her office according to the average use of the mandate contract. If the parties so agree or the law so stipulates, performance of the office is not paid. The actual declaration of the bonus can be carried out by an agreement on performance of office, internal regulation or decision of the General Meeting. This is also discussed in detail. Individual types of bonuses are also examined. The Board of Directors can be remunerated for performance of office in many ways. Individual tools include monetary bonus, directors' fees, stock options, golden parachute or non-monetary benefits, such as a cell phone, car, etc. The thesis provides a thorough description of these tools. The final part of the thesis deals with an efficiently configured bonus system. The requirements of the European Commission for regulation of bonus policies, regular publication of information regarding such policies and specific bonuses are analyzed. The committee on bonuses and its application in society is also discussed. Part of the commentary is devoted to the recommendations of the European Commission regarding remuneration in financial and credit institutions. Czech law in the area of appropriate configuration of bonuses also receives due attention.

Key words: remuneration, board of directors, stock options