

bnt journal

CZECH REPUBLIC

■ WILL THE CZECH REPUBLIC TURN INTO A HUB FOR INVESTMENT FUNDS?

A new Act on Investment Companies and Investment Funds opens up numerous new possibilities and options for investors. For instance, investment funds may in the future take the form of a “SICAV” (an investment scheme comparable to open-ended mutual funds) or of trust funds. Also new is the division of roles between fund managers and fund administrators.

[More here](#)



■ ACCESSION OF EMPLOYEES TO THE 2ND PILLAR OF THE PENSION INSURANCE SYSTEM AND RELATED OBLIGATIONS OF THE EMPLOYER

■ Your employee notified you of the fact that they have joined the “2nd pillar” of the retirement pension system? That means a number of new obligations for you as their employer! [More here](#)

■ AS OF 1 JANUARY 2014, THE ADVANCE DISTRIBUTION OF PROFIT SHARES BECOMES POSSIBLE

■ The Corporations Act allows the payout of advances on dividends, provided that certain conditions are met (among them the insolvency test and the compilation of interim financial statements). With a view to certain gaps and uncertainties in the statutory language, it is advisable to stipulate more detailed rules in the memorandum of association / articles of association. [More here](#)

■ LIABILITY FOR DAMAGES BECAUSE ONE DID NOT ENTER INTO THE CONTRACT?

■ Effective as of 1 January 2014, the New Civil Code introduces the concept of what is known as pre-contractual liability. The pertinent rules punish e.g. “sham negotiations” on the conclusion of a contract, or the sudden abandonment of the contracting process. [More here](#)

LEGAL AND TAX NEWS

■ The amendment to the Commercial Code that laid down the maximum payment periods (due dates) in case of supplies of goods and services became effective on 1 July 2013. [More here](#)

■ The Minister of Finance relieved flood-stricken entrepreneurs and legal entities from payment of the income tax. [More here](#)

SELECTED JUDICATURE

■ Pursuant to the decision of the Supreme Court, it is admissible that an employee enters into more employment contracts with their employer or, as the case may be, into an agreement to perform a job or an agreement on work activities in addition to the employment contract. The only restriction for creation of another employment relationship is the condition that the work to be carried out by the employee in another employment relationship for the same employer must be of a different type than the work carried out in the original employment. [More here](#)

■ The Supreme Court also extended its judicial decisions as regards the reasonable scope of a contractual penalty. An inadequate amount of a contractual penalty can consist in the fact that in case of a delay with payment of the price for the work, the contractual penalty is calculated in accordance with the contract from the entire price of the work although a portion of the price for the work has already been paid. [More here](#)

■ According to the Supreme Court, constant and serious breaches of privacy of the owner or user of real property by taking photographs or filming can represent immission; this extends the potential for defence for the affected person. [More here](#)

FROM THE LIFE OF THE OFFICE

■ **STAFF NEWS:** The team of the Prague bnt branch was recently joined by a new colleague, **lawyer Lola Laštovičková**. Mgr. Laštovičková graduated from the Charles University Faculty of Law. During her studies she also attended the Management Center Innsbruck in Austria. She provides legal advisory services in Czech, German and English. (lola.lastovickova@bnt.eu).

■ **INVITATION:** bnt and the Institute for International Research would like to invite you to a three-day **Certified Manager in the Natural Gas Industry** seminar, which will also include a lecture by Mgr. Pavel Pravda covering contracts and protection of competition in the natural gas industry as well as a lecture by Mgr. Lukáš Havel on the liberalization of the natural gas market. [More here](#)

■ **TIP: Seminars for business people | Recodification of civic and commercial law**

DATE	LECTURE TOPIC	LECTURER
17. 09. 2013	What do you need to know about the new private law?	Mgr. Lukáš Havel, Associate Attorney bnt Ing. Jindřich Trupl, Partner TPA Horwath
24. 09. 2013	How to enter into contracts after January 1, 2014, and how to have your receivables settled?	Mgr. Libor Ulovec, Associate Attorney bnt

[More here](#)