

458**ACT**

of 19 December 2016

**amending Act No 90/2012 on commercial companies and cooperatives
(Business Corporations Act)**

The Parliament has resolved to pass this Act of the Czech Republic:

Article I

Act No 90/2012 on commercial companies and cooperatives (Business Corporations Act) is amended as follows:

In Section 448 paragraphs 1 and 2 read:

“(1) Unless the statutes stipulate otherwise, the supervisory board has three members. The number of supervisory board members must be divisible by three if the enterprise employs more than 500 employees.

(2) Supervisory board members are elected and dismissed by the general assembly unless this Act or other legislation stipulates otherwise. If the enterprise employs more than 500 employees, two-thirds of the supervisory board members shall be elected by the general assembly and one-third by the enterprise’s employees. The statutes may specify a higher number of supervisory board members elected by employees, but this number may not be greater than the number of members elected by the general assembly; they may also specify that the employees elect supervisory board members with a smaller number of employees.”.

2. In Section 448 new paragraphs 3 and 4 are added after paragraph 2, which read:

“(3) Only staff members who are in employment relations with the enterprise have the right to elect supervisory board members.

(4) A supervisory board member elected by the employees may be dismissed by the employees. The provisions of paragraph 3 shall apply mutatis mutandis to the dismissal of an employee from the supervisory board.”.

The existing paragraphs 3 to 5 are numbered as paragraphs 5 to 7.

Article II**Transitional provisions**

An enterprise employing more than 500 employees shall bring the provisions of its statutes and the composition of the supervisory board into line with this Act within 2 years of the effective date of this Act. If it fails to do so, the court of registration shall ask it to do so and provide it with a reasonable period to fulfil this obligation in that request; otherwise the court may wind up the enterprise of its own volition and order its liquidation.

Article III**Applicability**

This Act comes into force on the fifteenth day after the date of declaration.

Hamáček own hand

Zeman own hand

Sobotka own hand