



Legal update

September 2025

Weinhold Legal

Contents

Legislative new

[New Act to the Capital Markets Act](#)

[New Cyber Security Act](#)

Case law updates

[Report on relations](#)

[Non-compete clause](#)

The information contained in this bulletin is presented to the best of our knowledge and belief at the time of going to press. However, specific information related to the topics listed in this bulletin should be consulted before any decisions are made.

Banking, Finance & Insurance:

Daniel Weinhold, Václav Štraser, Ondřej Tejnský

Competition Law / EU Law:

Tomáš Čermák

Dispute Resolution: Milan Polák, Zbyšek Kordač, Michaela Koblasová, Michal Švec

ESG – Environment, Social, (corporate) Governance:

Daniel Weinhold, Tereza Hošková

Family Office:

Milan Polák, Zbyšek Kordač, Michaela Koblasová

Insolvency and Restructuring:

Zbyšek Kordač, Jakub Nedoma

IT, Media & Telecommunication:

Martin Lukáš, Jakub Nedoma, Michal Przewczek

Labour Law: Eva Procházková, Daša Aradská, Ondřej Tejnský

Mergers and Acquisitions:

Daniel Weinhold, Václav Štraser

Personal Data Protection:

Martin Lukáš, Tereza Hošková, Daša Aradská

Public Procurement & Public Sector:

Martin Lukáš, Tereza Hošková, Monika Švaříčková

Real Estate:

Pav Younis, Václav Štraser

Regulatory and Government Affairs:

Daniel Weinhold

Start-ups, Venture Capital and Cryptocurrency:

Pav Younis, Martin Lukáš, Jakub Nedoma, Michal Švec, Ondřej Tejnský

Legislative news

New Act to the Capital Market Business Act

On the 29th July 2025, a new version of the Capital Market Business Act was published in the Collection of Laws under No. 259/2025 Coll., amending Act No. 256/2004 Coll., on Capital Market Business (the „CMBA“). The new law will take effect on the 29th September 2025.

The amendment transposes the changes adopted in Directive (EU) 2024/790 of the European Parliament and of the Council from the 28th February 2024 (revision of MiFID II), amending Directive 2014/65/EU on markets in financial instruments (the “Directive”). This Directive is closely related to Regulation (EU) 2024/791 of the European Parliament and of the Council from the 28th February 2024 (revision of MiFIR), amending Regulation (EU) no. 600/2014 as regards increasing data transparency, removing barriers to the emergence of consolidated tape services, optimizing trade obligations, and prohibiting the acceptance of payments for order flow (“Regulation”).

Both the Regulation and the Directive are part of the Capital Markets Union project, which seeks to promote the use of capital markets as an alternative to bank financing.

The aim of these EU regulations is to increase the transparency of trading data, remove barriers to the creation of consolidated trade information services, and to optimize trading obligations. The new legislation also reduces the scope of mandatory disclosures, particularly those that are not used in practice (e.g. pre-trade information on bonds or derivatives).

This amendment further refines the definition of a systematic internalisers (an investment firm which executes client orders OTC or off exchange on its own account on a frequent, systematic and substantial basis) and narrows it down to capital instruments only. These are defined in Article 3 of MiFIR as shares, securities, and other similar financial instruments traded on a trading system.

Furthermore, the Directive, and subsequently the amendment to the law, extends the information obligation on commodity derivatives and introduces an obligation to suspend trading in the event of an emergency involving significant price movements. The amendment to the CMBA now grants the Czech National Bank the power to suspend or restrict trading on a regulated market in extraordinary situations if the regulated market operator is inactive.

New Cyber Security Act

On the 4th August 2025, Act No. 264/2025 Coll., on cyber security, was published in the Collection of Laws and will come into effect on the 1st 2025. Details can be found [here](#).

Case law updates

Report on relations

(Judgment of the Supreme court, file no. 27 Cdo 2745/2024)

In their motion to initiate proceedings, delivered to the court of first instance on the 19th July 2023, the petitioners sought the appointment of an expert to review the report on the relations of a company for 2021, which was prepared on the 28th March 2022 (“the original report on relations”) and filed in the Collection of documents on the 3rd October 2022.

The original report on relations did not allow shareholders to determine whether the company had suffered damage as a result of control, as such information was either missing or insufficient.



Legal update

September 2025

Weinhold Legal

The Company revised and amended the alleged defects in the original report on relations, thereby changing the content of the contested parts of the original report on relations. The revised report on relations was subsequently filed in the collection of documents.

The court of first instance considered the merits of the motion and concluded that there were serious grounds for appointing an expert to review the original report on relations with the meaning of Section 85 (1) Act No. 90/2012 Coll., on Commercial Companies and Cooperatives (the “**Commercial Code**”). However, the court of first instance did not appoint an expert to review the original report on relations and justified its decision by stating that the defectiveness of the original report on relations was obvious and unambiguous and therefore, in accordance with the principle of proportionality, there was no reason for it to be reviewed by an expert, as this would not lead to any conclusion other than that the original report on relations was defective.

The applicants appealed against the decision of the court of first instance. The appellate court stated that the merit of the proceedings was not a review of the revised report on relations, but only the original report on relations, which was obviously defective. Although the revised report on relations amended the defects, the Court of Appeal stated that the revised report on relations does not (automatically) replace the original report on relations and that it was therefore possible to review the original report on relations by an expert, whom it subsequently appointed.

The Company appealed against the decision of the appellate court to the Supreme Court, which emphasized that **the revision of the report on relations does not create a new report on relations, as it is still a report on relations for the same period, only supplemented or corrected**. The Company had the right to revise, correct, or supplement the defective original report on relations, even after its original version has been filed in the Collection of documents or discussed by the general meeting (Section 84 of the Commercial Code). If the shareholders were given the opportunity to familiarize themselves with the revised version, then it is necessary to take these correction or additions into account when considering its proper preparation. The Supreme Court did not agree with the conclusion of the appellate court, which was based solely on the defects of the original report on relations and did not take into account the changes made in the revised report on relations.

Non-compete clause

(Judgment of the Supreme court, file no. 127/2024)

The plaintiff filed an action with a court of first instance and sought a payment of 2 000 000 CZK plus interest as a benefit to be surrendered by the defendant as a result of a breach of the non-compete clause under Section 5 (1) of the Commercial Code.

The court of first instance dealt primarily with the issue of the defendant’s passive legal standing and based its decision on the facts that the plaintiff and the defendant carry out similar business activities, that Mr. R. M. was the sole managing director of the defendant and also a partner in the defendant, and later also became the managing director of the plaintiff without the consent of all plaintiff’s partners pursuant to Section 199 (1) of the Commercial Code, as amended, effective until the 31st December 2020.

The court of first instance stated on the issue of passive legal standing that it is the entity that violates the prohibition of competitive conduct. The defendant did not violate this prohibition, and the plaintiff did not even claim that the defendant benefited from this conduct or that the rights arising from it were transferred; the defendant is therefore not their acquirer within the meaning of Section 5 (1) of the Commercial Code, and the court therefore concluded that the defendant does not have passive legal standing in the matter and dismissed the action. The Court of Appeal agreed with this conclusion.

The Supreme Court agreed with the conclusion of the Court of Appeal that the defendant does not have passive legal standing in the dispute, as it did not violate the non-compete clause and did not derive any benefit from it.

It further states that the meaning and purpose of Section 5 (1) of the Commercial Code is to enable a commercial corporation to claim the return of any benefit acquired in violation of the non-compete clause or the transfer of rights arising therefrom (e.g. remuneration or other benefits in monetary or non-monetary form). It would therefore be possible to claim the return of the benefit under Section 5 (1) of the Act from the person who violated the non-compete clause, either from the violator themselves or from the acquirer to whom this benefit was transferred by the violator’s legal action and who was not acting in good faith (good faith is presumed under Section 7 of Act no. 89/2012 Coll., the Civil Code).

If the plaintiff wanted to obtain monetary compensation from the defendant, they could have sought damages under Section 432 (3) of the Commercial code instead.

© 2025 Weinhold Legal
All rights reserved

The information contained in this bulletin should not be construed as an exhaustive description of the relevant issues and any possible consequences, and should not be fully relied on in any decision-making processes or treated as a substitute for specific legal advice, which would be relevant to particular circumstances. Neither Weinhold Legal, s.r.o. advokátní kancelář nor any individual lawyer listed as an author of the information accepts any responsibility for any detriment which may arise from reliance on information published here. Furthermore, it should be noted that there may be various legal opinions on some of the issues raised in this bulletin due to the ambiguity of the relevant provisions and an interpretation other than the one we give us may prevail in the future.

Please send your comments to:
vuminhthuong.pham@weinholdlegal.com or contact the person you are usually in touch with. To unsubscribe from publications:
office@weinholdlegal.com