



Annual Report 2019



Dear Sir or Madam,

In your hands you are holding the 2019 Annual Report of Císař, Česka, Smutný law firm. It is not only our first historical annual report but also a unique step in the Czech bar. Law firms are not required by law to publish annual reports and are generally rather reserved as far as informing the public is concerned. Why have we decided to take this pioneering step?

Our law firm has become a significant institution with a broad range of activities, including outside the sphere of law. And we are well aware that such a position entails a lot of responsibility. In our Annual Report, we want to offer you a comprehensive view of our law firm in the entire scope of its activities.

We want to invite you inside.

We grow every year. However, 2019 has been a breakthrough year for our law firm in many respects. We grow with our clients. In the first half of the 1990 s, our law firm had just three attorneys and one assistant, and now – almost 27 years later – we are a team of over 80 people and a leading player in the Czech market. This year, we have strengthened management with the addition of new partners and made advances in increasing the efficiency of our internal structure. This new power is reflected in the work done; together, we have worked more than 77 thousand hours of legal services to our clients.

We want to share our results and success stories with you.

And be specific about it. In numbers, by key indicators and on some specific cases we have handled – more than 500 in total. We will make you familiar with selected key court decisions with respect to which the clients consented to disclosure. And we will present to you the economic results of our law firm available to us at the time of this Annual Report, which show that our success is a long term success and signifies continued growth.

We want to ensure transparency in the use of public funds.

About half of our legal services are provided to public sector clients. We have had a stable cooperation with the public sector since our inception. The long drawn out disputes, especially, have shown that it is worth it to defend public interest and public funds that belong to all of us. And, as recipients of public funds, we believe that citizens are entitled to know who provides legal services for the defence of public interest on their behalf and what specifically he or she does.

We want to show you the entire scope of our activities.

The year 2019 was also significant for us from the point of view of social responsibility, which is one of the cornerstones of our corporate culture. Ten successful years have passed since the foundation of our Bohemian Heritage Fund, which supports the best artistic projects representing our cultural and national heritage. We will keep looking for more ways of bringing benefit to society outside the legal profession. Our law firm is a long term partner of the Czech National Symphony Orchestra and the Prague Proms festival.

Our strategy for 2020 remains the same. Our main task is to fulfil the expectations of our clients who are used to receiving premium legal services with high added value. A new, challenging adventure awaits and I am looking forward to it.

JUDr. Jaromír Císař
Managing partner

Our success stories

In the last year, we earned or protected over 16 billion czech crowns for our clients in some of the largest court cases

Court cases

93 %

is our success rate in court disputes in which we represented our clients in 2019

Public contracts

17

key public contracts for which we provided counselling to our clients in 2019 with a total value of

CZK 15.4 billion

Contracts

127

contracts we prepared for our clients in 2019 with a total performance value of

CZK 4.9 billion

Legal Analyses

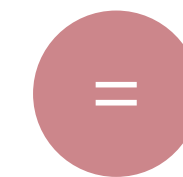
237

legal analyses we prepared for our clients in 2019

Foundations,
Institutes et al
12

non-profit entities we founded or advised on their restructuring in 2019

CZK 16 billion



25 000

annual teachers' salaries

1

annual budget of Brno

100

of new motorways

120

new trains

Work for clients

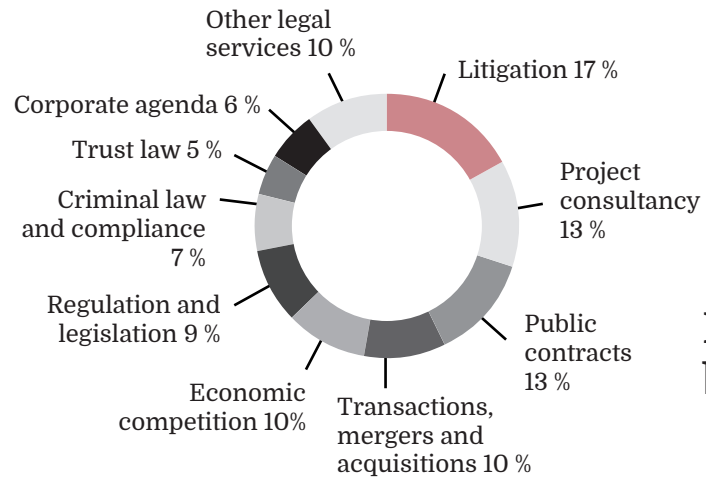
95
clients

532
cases

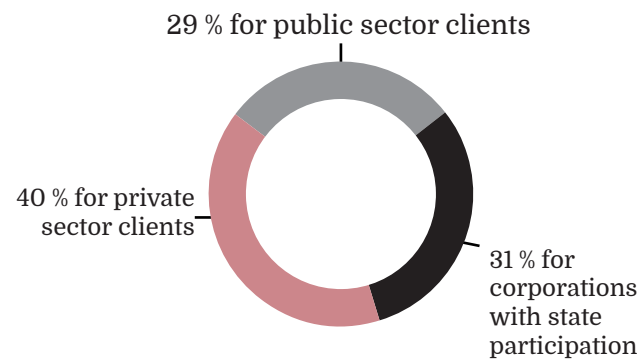
77 472
hours worked

CZK 174 million
estimated total revenues for 2019

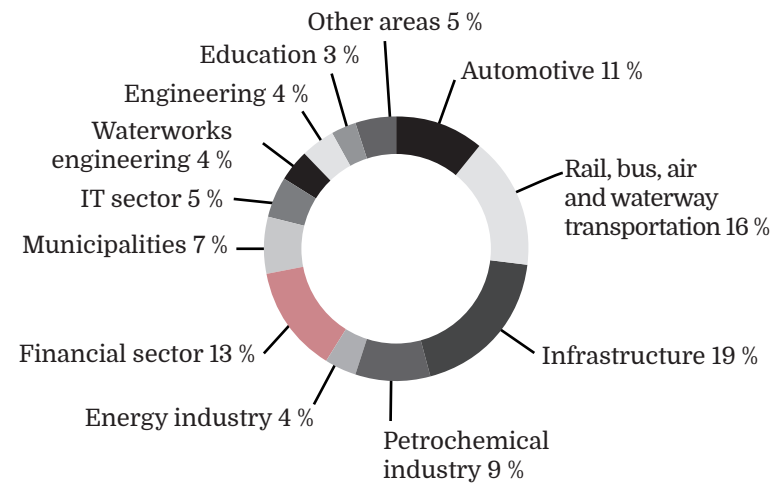
Areas of law



Hours worked in 2019 by client type



Our clients' areas of business



In 2019, we...



provided legal services for the conveyance of real estate with a value of

CZK 15 billion

designed the structure of an investment project with a value exceeding

CZK 5,5 billion

successfully completed the selection of the designer of a significant architectural work for

CZK 1,5 billion

provided legal services for the international purchase of a security system for over

CZK 3 billion

successfully defended a leading Czech company against a penalty claim of nearly

CZK 1 billion

Selected cases

In our activities, we are strictly bound by confidentiality (attorney-client privilege). Nevertheless, we present to you below several selected cases from last year of which we are allowed to talk.

ČEPRO

More than 15 years after the police prevented execution of a judgment against ČEPRO, we succeeded in obtaining a first instance court judgment in which the court dismissed the lawsuit brought by Lancelin, SE and decided that the claim of approximately CZK 2.6 billion was fictitious. This judgment of the Municipal Court of Prague again confirms that the claim is fabricated and stems from the criminal activities of Radovan Krejčíř and Martin Pechan. In a sense, the judgment is a symbolic victory not only for ČEPRO but also for the State.

České dráhy vs. Grandi Stazioni

We represent České dráhy [Czech Railways] in the dispute with the Italian company Grandi Stazioni on a long term basis. At the end of 2019, the Municipal Court of Prague upheld the judgment of the District Court of Prague 1 dismissing the lawsuit brought by Grandi Stazioni ČR for the payment of CZK 776.5 million augmented by high penalty claims amounting to nearly CZK 4 billion. Grandi Stazioni sought compensation of the cost of revitalisation of Prague Main Train Station from Czech Railways in spite of the fact that they failed to complete the reconstruction in time.

Diamo

We prepared a comprehensive solution for the State owned enterprise Diamo, enabling them to smoothly continue with the removal on one of the greatest environmental hazards in the Czech Republic – Ostrava oil lagoons. The solution, where the most limiting factor was the Public Procurement Act, included termination of the original performance contract, a settlement agreement between the parties, a repeat of the entire tender procedure on the basis of a framework agreement and the conclusion of a new performance agreement with a value of about CZK 400 million.

DPP vs. Rencar

We represent Dopravní podnik hl. m. Prahy (Prague Public Transit Company) in the dispute with Rencar. The District Court of Prague 9 dismissed Rencar's motion whereby Rencar sought a court declaration of validity of a lease agreement on the basis of which they would have been entitled to place advertisement on Prague Public Transit Company's property. Now, the performance under agreements concluded with transparently selected companies may finally begin, and the Prague Public Transit Company will receive CZK 137.6 million every year for the advertising spaces in Prague Metro alone.

Social responsibility and other activities

Bohemian
Heritage
Fund

Bohemian Heritage Fund (Energising Art)

Our activities in the fine arts are carried through the Bohemian Heritage Fund, which supports cultural projects and works to help create conditions in the Czech society conducive to increased art patronage in general. The partners of our law firm established it ten years ago. Besides financial support for cultural projects, we build and cultivate the patronage environment and bring together generous personalities with similar interests. Pavel Smutný, our law firm's Managing Partner, is the President of the Bohemian Heritage Fund. The Fund helps bring to life exceptional cultural projects that are representative of the Czech cultural heritage, often with the participation of public figures and other institutions and organizations. In 2019, BHF received more than CZK 5 million from patrons and used it to support about ten cultural projects.

ČESKO
IZRAELSKÁ
OBCHODNÍ KOMORA

Czech Israeli Mutual Chamber of Commerce

(We support business. We connect nations. We create values)

For ten years, Pavel Smutný has been the President of the Czech Israeli Mutual Chamber of Commerce, which patiently works to develop the relations between the two countries and helps facilitate unique opportunities for Czech and Israeli businesses. As has become a tradition, the Chamber awards the Arnošt Lustig Prize to individuals who embody these values: Courage, Bravery, Humanity and Justice. Last year, the Chamber again saw an increase in the membership to the total of 152 and held or participated in 33 events.

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