

The Legal Regulation of Banking Activities

Abstract

The subject of this diploma thesis is the legal regulation of the activities of banks. Emphasis is placed on newly regulated areas and topical areas in respect to legislative changes. The primary aim of the thesis is to analyse areas related to the activities of banks and to assess the suitability and sufficiency or redundancy of the legal regulation of the selected areas in terms of the scope and depth of regulation. In this context, the work is complemented by proposals *de lege ferenda*.

The first section is devoted to the subjects of banking regulation. Within this part, the term “bank” is defined, including the assessment of online banks. After that, supervisors, namely the Czech National Bank and the European Banking Authority, are presented together with an outline of their functions.

The following section covers the general basis of the regulation of bank activities. The sources of regulation are described, and the objectives and reasons for and against regulation are outlined. A description of processes for entering and exiting the banking sector are included, with a more detailed analysis of procedures for obtaining a banking license.

The third section contains an analysis of the selected obligations of banks arising from the legislation regulating measures against money laundering. The obligation of customer identification is the first investigated area. Firstly, the current legislation is analysed. A comparative overview of the legal regulation in other states in the European Union is included, specifically focusing on differences and similarities between the regulations in these states and in the Czech Republic. The obligations related to suspicious transactions, especially regarding their suspension, are then covered.

The fourth section focuses on the remuneration policies and practices of bank employees. Firstly, the legal framework and the reasons for introduction of this relatively newly regulation are defined. Following on from this, a set of individual principles is described, of which more space is devoted to the principle of the maximum ratio between the variable component and the fixed component of the total remuneration.