

Abstract

This thesis deals with the legal regulations of the capital market in the broker firm's point of view. It focuses on its position and activities on the capital market as well as on providing of investment services to customers. The purpose of the thesis is to analyze important changes of the legal regulation of the capital market especially in the Czech Republic and in the European Union and to describe their impact on broker firms. The thesis is not only a summary of legal issues but the topic is set into an economic context in connection with the economic crisis and with the stress on practical issues of the entrepreneurship of the investment services provider.

The thesis is composed of five chapters. The first one is introductory and defines the basic terminology, e.g. the financial market. It describes its functions and points out its necessity in the economy.

Chapter Two follows development of relevant Czech legislation concerning the law of the capital market. It consists of three parts describing period of transformation, stabilization and admission of the Czech Republic to the European Union.

Chapter Three is the main part of the thesis. It concerns with changes of the capital market legislation connected with position and activities of the broker firm. It places emphasis on the categorization of clients, providing of investment services and financial instruments.

Chapter Four provides a practical study of previous matters. It lays stress on providing investment services to retail clients in a bank operating in the Czech Republic.

Chapter Five deals with the economic crisis and with the situation on the global financial markets. It provides an analysis of the sources and a development of the crisis and the proposals of the relevant legislation.

The thesis summarizes the most important changes of the capital market legislation and refers to the necessity of taking specific legal actions.