

# **Investment services and their regulation**

## **Abstract**

The main objective of this thesis is to provide a description of investment services and legal regulation of their provision. This description is not limited only to a legal point of view but is provided also from an economic point of view since the latter approach has never been provided in Czech legal papers although it may be useful to handle with issues regarding both the interpretation and application of legal rules governing the provision of investment services.

The first part of this thesis aims at defining some relating economic or financial terms like financial system, financial markets and explaining the concept of perfect and imperfect markets. It also emphasizes the influence of human heuristics and biases on investment decision making. In the second part, I described investment services in general including the economic reason of their existence and the reason of their provision. Then I followed with the review of legal system governing those services. The third part is dedicated to the main characteristics of some typical providers of investment services and their main differences *vis-a-vis* each other. Following part deals with rules of conduct especially with inducements and duty to assess the suitability or appropriateness of investment services or financial instruments sought. And final part analyses each type of investment services including so called ancillary services.

## **Key words**

Investment services, rules of conduct, providers of investment services.