

## **Abstract**

Money laundering and terrorist financing are serious problems that may not only disrupt the stability and reputation of financial institutions, but also affect a wide range of individuals. Therefore, this kind of conduct can be punished as a crime, including the active involvement of banks in money laundering. However, the diploma thesis focuses mainly on preventive measures introduced by the provisions of administrative law. The role of a well-functioning banking system is essential for the effective suppression of money laundering and financing of terrorism. Banks are the most frequent reporters of suspicious transactions and the bank services are used by wide range of persons. The role of banks is mainly determined by their designation as obliged entities by the Act no. 253/2008 Coll., on certain measures against the legalization of proceeds of crime and terrorist financing. The obligations arising out of this act are put into context with the Czech Banking Act and with regulations governing payments and implementation of international sanctions, including directly applicable laws of the European Union. The importance of the bank services is also caused by the regulation of cash payments. In connection with the activities of banks, the thesis reflects selected changes that will be introduced by transposition of the Fourth AML Directive.

The diploma thesis deals with the provisions of the Banking Act that are related to the AML issue, especially with the regulation of bank secrecy. When analysing the obligations of banks arising from the Act no. 253/2008 Coll., the thesis focuses on some areas in more detail. Question of liability for damage caused by unjustified postponement of a transaction may be crucial from the perspective of a bank customer. The thesis finds the link between AML measures and measures under the Act no. 69/2006 Coll., on the implementation of international sanctions, unclearly solved under the Czech law. The thesis also focuses on the difficulties of banks to identify the beneficial owner of a legal entity and on the special rules applicable on the correspondent relationship between banks. On detected cases of two European banks, the thesis illustrates the effects of an intentional involvement of a bank in money laundering and the difficulty of its prosecution.