

GEORGE MASON UNIVERSITY SCHOOL OF LAW

**SECURITIES LAW AND REGULATION
LAW 317-001
Spring 2009**

Instructor:

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Room #332, Hazel Hall

Mondays & Wednesdays, 8:00 - 9:15 p.m.

This is a survey course in securities regulation. The instructor will introduce you to the basic statutory, regulatory, and legal framework governing transactions in securities in the United States. You will become familiar with the fundamentals of the federal regulation of securities under the Securities Act of 1933, the Securities Exchange Act of 1934, and the Sarbanes-Oxley Act of 2002. The course materials will focus on the core concepts in securities law, including the securities registration process and requirements and the available exemptions from registration, liability for misstatements and omissions in the offering and sale of securities, securities fraud actions, insider trading liability, and the regulatory securities enforcement regime. You will also be introduced to the regulation of key securities markets participants including investment advisers, broker-dealers, and investment companies. The course will have regular reading assignments, some of which will be announced in advance of class, and will culminate with a three (3) hour examination on **May 5, 2009, beginning at 6:00 p.m.**

Text: Choi & Pritchard, *Securities Regulation: Cases and Analysis*, Second Edition 2008 (“C&P”)

Tentative Syllabus:

Class	Date	Topic	Assignment
1	1/7/09	Introduction Regulatory Background Types of Securities Economics of Securities Regulation Regulatory Structure	C&P: Skim 1-22 (parts I - IV); Read 22-43 (parts V - VI)
2	1/12/08	Introduction, continued; The Financial Crisis (the current unpleasantness)	<u>Mechanisms:</u> The Crash: What Went Wrong (3-Part Series) http://www.washingtonpost.com/wp-srv/business/risk/

			<p>Derivative (Finance) http://en.wikipedia.org/wiki/Derivative_(finance)</p> <p>Gary Gorton, The Panic of 2007 http://www.kc.frb.org/publicat/sympos/2008/gorton.08.04.08.pdf</p> <p><u>SEC Regulation:</u></p> <p>SEC Halts Short Selling of Financial Stocks to Protect Investors and Markets http://sec.gov/news/press/2008/2008-211.htm</p> <p>SEC Chief Has Regrets Over Short-Selling Ban http://www.reuters.com/article/newsOne/idUSTREA4BU3GG20081231</p> <p>Congressionally-Mandated Study Says Improve, Do Not Suspend, Fair Value Accounting Standards http://www.sec.gov/news/press/2008/2008-307.htm http://www.sec.gov/news/studies/2008/marktomarket123008.pdf</p> <p><u>Origins/Root Causes:</u></p> <p>Conventional View:</p> <p>Paulson Blames Global Imbalances for Credit Crisis: Report http://news.yahoo.com/s/afp/20090102/pl_afp/financeconomybritainuspaulson</p> <p>Greenspan's Monetary Policy in Retrospect: Discretion or Rules? David R. Henderson and Jeffrey Rogers Hummel http://www.cato.org/pubs/bp/html/bp109/bp109index.html</p> <p>Austrian Views of the Crisis and Origins:</p> <p>Did the Fed, or Asian Saving, Cause the Housing Bubble? Daily Article by Robert P. Murphy http://mises.org/story/3203</p> <p>Yes, Greenspan Did It Daily Article by Stefan Karlsson http://mises.org/story/3244</p>
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			<u>Scandals:</u> Bernard Madoff http://en.wikipedia.org/wiki/Bernard_Madoff
3	1/14/09	Materiality	C&P Ch. 2 45-67 (parts I-III).
	1/19/09	HOLIDAY - NO CLASS	
4	1/21/09	Materiality	C&P Ch. 2 67-87 (parts IV-V).
5	1/26/09	Definition of a Security	C&P Ch. 3 89-119 (parts I-II.C)
6	1/28/09	Definition of a Security	C&P Ch. 3 119-148 (parts II.D - V).
7	2/2/09	Disclosure Mandatory Disclosure and the Disclosure Regime; Public Companies; Forms 10-K, 10-Q; Regulation S-K and S-X Sarbanes-Oxley Certifications	C&P Ch. 4 149-174 (parts I-III)
8	2/4/08	Disclosure Disclosure Enforcement Actions Sarbanes-Oxley	C&P Ch. 4 174-208 (through part IV.C)
9	2/9/09	Disclosure Enforcement Actions Sarbanes-Oxley	Remainder of Ch.4
10	2/11/09	Rule 10b-5 & Antifraud	C&P Ch. 5
11	2/16/09	Rule 10b-5 & Antifraud	C&P Ch. 5
12	2/18/09	Rule 10b-5 & Antifraud	add: <i>In re Charter Communications, Inc., Sec Lit.</i> , 443 F.3d 987 (8 th Cir. 2006);

Release 1

13	2/23/09	Insider Trading	C&P Ch. 6
14	2/25/09	Insider Trading	C&P Ch. 6
15	3/2/09	Public Offerings	C&P Ch. 7
16	3/4/09	Public Offerings	C&P Ch. 7
	3/9/09	SPRING BREAK - NO CLASS	
	3/11/09	SPRING BREAK - NO CLASS	
17	3/16/09	Public Offerings (finish) Private Placements/Exempt Offerings (begin)	C&P Ch. 9
18	3/18/09	Private Placements/Exempt Offerings	C&P Ch. 9
19	3/23/09	Private Placements/Exempt Offerings - Private Funds	Additional Reading: TBA
20	3/25/09	'33 Act Civil Liability	C&P Ch. 8
21	3/30/09	'33 Act Civil Liability	C&P Ch. 8
22	4/1/09	Secondary Re-sales	C&P Ch. 10
23	4/6/09	Regulation of Shareholder Actions	C&P Ch. 11
24	4/8/09	Takeover Regulation and Reporting Section 13(d) and Schedules 13D and 13G	C&P Ch. 12
25	4/13/09	Advisers Act Regulation Investment Company Act Regulation	TBD
26	4/15/09	Blue Sky Regulation	TBD
27	4/20/09	Last Class - Review	
28	4/22/09	Make-up/Snow Day	