Securities Regulation
Course Syllabus
Spring Semester 2016

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Required Reading:
The case book (CB) we will use is Securities Regulation: Cases and Analysis, Third Edition, Choi and Pritchard and the Statutory Supplement thereto.

We will make extensive reference to the Securities Act of 1933 (SA) and the Securities Exchange Act of 1934 (SEA) and rules and regulations under both. These are all public documents and are available free of charge on the web (for example http://taft.law.uc.edu/CCL/33Act/)

Securities law is a dynamic area. We reserve the right to make changes to the syllabus to reflect developing issues in securities law. Such changes will only be made with adequate advance notice to allow student to properly prepare.

Office Hours:
Immediately following class or another time by request. Feel free to email any questions.

Course Description:
This is an introductory course to securities regulation. This securities course will introduce students to a range of important areas of concern for today’s securities lawyer including but not limited to: the role of the five Commissioners at the SEC; the impact of regulations and exemptions on securities offerings; regulated entity and regulated individual compliance issues; the challenge of regulating the markets, including market structure; and strategies for approaching securities law issues. The course will discuss legal theories and the practical application of those theories in real world scenarios. Class participation is required.

We may supplement our lectures by having top practitioners in securities law come to class to lecture on developing topics.

Grading:
A final exam will be administered that will test the students on the topics covered during the semester. Students may be tested on both topics covered in class and topics addressed in the reading assignments (text and articles). The final examination will count for approximately 95% of your grade. Class participation will count for approximately 5% of your grade (one grade adjustment).
If you plan to miss a class for whatever reason (illness, family, job interview, personal reason), please email one of us in advance and simply let us know that you will not be present. You do not need to provide a reason.

**Visual or Audio Recording Class:**
Visual and/or audio recording of class is not permitted unless a student submits a written request and receives prior permission from the professors.

**Disclaimer:**
The SEC, as a matter of policy, disclaims responsibility for any private publication or statement by any of its employees. The views expressed during the course are our own personal views, and they do not necessarily reflect the views of the SEC, any Commissioners, or of our colleagues on the staff of the SEC.

**Closing Thoughts:**
We are passionate about the practice of law, and in particular securities law. We hope to instill that same passion in students through non-pressured, but lively, class discussions about cutting-edge issues in securities regulation. Our goal is to create a fun and stimulating learning environment in which friendly debate is welcomed graciously. This will not be your normal, everyday law school class. We hope that you will enjoy the class as much as we will enjoy teaching it.

We welcome your comments on the class during the semester. If you have any constructive criticism, please email us. Also, if you have read any articles that you think may be of interest to the entire class, please let us know.

It is an honor and a pleasure to teach this class, and we hope this will be an intellectually rewarding and fun class for you.

**Week 1** January 11 and 13  **Introduction**
CB Chapter One
Monday: pp. 1-17  
Wednesday: pp. 17-47, Supp. 1

**Week 2** January 18 and 20  **Materiality**
CB Chapter Two
Monday: MARTIN LUTHER KING DAY OBSERVED NO CLASS  
Wednesday: SEA Rules 10b-5, 12b-20p. 48-98 Reg S-K Item 103, 401,403 404,406

**Week 3** January 25 and 27  **What is a “security”?**
CB Chapter Three
Monday: pp. 98-120 SA Section 2 (a)(1) 3(a)(3), SEA 3(a)(10)  
Wednesday: pp. 120-167

**Week 4** February 1 and 3  **Disclosure and Accuracy**
<table>
<thead>
<tr>
<th>Week 5</th>
<th>February 8 and 10</th>
<th>Public Offerings</th>
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<tbody>
<tr>
<td>CB Chapter 7</td>
<td>Monday: pp. 391-417, SA Sec. 2(a)(3),(10)(11);5;10</td>
<td>Wednesday: pp. 391-435</td>
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<td>Twitter 2013 IPO Registration Statement (including Prospectus)</td>
<td><a href="http://www.sec.gov/Archives/edgar/data/1418091/000119312513390321/0001193125-13-390321-index.htm">http://www.sec.gov/Archives/edgar/data/1418091/000119312513390321/0001193125-13-390321-index.htm</a></td>
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<tr>
<th>Week 6</th>
<th>February 15 and 17</th>
<th>Public Offerings (continued)/ Exempt Offerings</th>
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<tr>
<td>CB Chapter 9</td>
<td>Monday: pp. 417-449</td>
<td>Wednesday: pp. 539-579</td>
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<tr>
<th>Week 7</th>
<th>February 22 and 24</th>
<th>Rule 10b-5 Anti-Fraud</th>
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<tr>
<td>CB Chapter 5</td>
<td>Monday: pp. 207-248</td>
<td>Wednesday: pp. 248-293</td>
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<th>Week 8</th>
<th>February 29 and March 1</th>
<th>Rule 10b-5 (continued)</th>
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<tr>
<td>Monday: pp. 293-318</td>
<td>Wednesday: pp. 318-335</td>
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<tr>
<th>Week 9</th>
<th>March 7 and 9</th>
<th>SPRING RECESS</th>
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<tr>
<th>Week 10</th>
<th>March 14 and 16</th>
<th>Insider Trading</th>
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<th>Week 11</th>
<th>March 21 and 23</th>
<th>Gatekeepers and Ethical Responsibilities of Counsel</th>
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<th>Week 12</th>
<th>March 28 and 30</th>
<th>Enforcement SEC Remedies</th>
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<td>Discussion of the various remedies available to the SEC, including injunctions, cease-and-desist orders, officer and director bars, administrative sanctions, civil penalties, disgorgement, Section 21(a) reports and stop orders.</td>
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Required Reading:
Securities Exchange Act Section 27
Securities Exchange Act Section 29

Optional:
CB Chapter 13 (skim)
Ralph Ferrara and Philip S. Khinda, “Overview of an SEC Enforcement Proceeding”

Week 13  April 4 and 6  Listed Markets: The Operation of Capital Markets
These classes will provide an overview of capital market structure and discuss its application to regulated market professions such as broker-dealers and registered exchanges. We will review various developments in market structure including the impact of Regulation NMS and topical issues such as high frequency trading. We will discuss the self-regulatory model and whether this is an effective model in the 21st century.

Monday:  No CB assignment  
SEA Sections 6, 15(a), 15A

Wednesday:  Concept Release on Equity Market Structure: 34-61358

Class 14  April 11 and 13  New products, new registrants, new strategies
These classes will discuss the regulation of derivatives, such as securities based swaps and examine new entities required to register under the Exchange Act, including swap dealers, swap execution facilities, and swap data repositories. The second part of the class will introduce the students to various strategies of equity trading, including high frequency and algorithmic models.

Watch 60 minutes piece on High Frequency Trading
https://www.youtube.com/watch?v=dHUWD_cs Hv4

Read 60 minutes piece on Bucket Shops
http://www.cbsnews.com/news/the-bet-that-blew-up-wall-street/

Watch Frontline piece on Brooksley Born
http://www.pbs.org/wgbh/pages/frontline/warning/view/

Week 15  April 18, 20, and 21 (Thursday)  REVIEW