Introduction to Securities Regulation:  
Issues and Concerns Facing Today’s Securities Practitioners  
Course Syllabus  
Spring Semester 2014

Adjunct Professors:

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

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/)

Some student may prefer to purchase a compilation of the statute and rules

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 at 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 loopholes on securities offerings; regulated entity and regulated individual compliance issues; the challenge of regulating the markets, including market structure; and strategic. The course will discuss legal theories and the practical application of those theories in real world scenarios. The
course will feature several prominent speakers in the field of securities law. Class participation is required.

We will 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 duration of 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.

Given the dynamic nature of the subject, the syllabus is subject to change upon reasonable notice.

**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 duration of the semester. If you have any constructive criticism, please e-mail 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  Introduction  
CB Chapter One  
Monday: pp 1-17  
Wednesday: pp 17-47

Week 2  What is a “security”  
CB Chapter Three  
Monday: pp 99-148, SA Section 2(a)(1),  
Wednesday: pp141-167 SA Section 3(a)(3), SEA 3(a)(10)

Week 3  Materiality  
CB Chapter Two  
Monday: Martin Luther King Day, No Class  
Wednesday: pp 48-78, SEA Rules 10b-5, 12b-20  
pp. 78-98 Reg S-K Item 103, 401,403 404,406

Week 4  Materiality (continued); Disclosure and Accuracy  
CB Chapter Two  
Monday: pp 48-78, SEA Rules 10b-5, 12b-20  
CB Chapter 4  
Wednesday: pp 168-206, SEA Sections 12(a),13(a), 13(b), 15(d), 13a-14 Rule 12g-1

Week 5  Public Offerings  
CB Chapter 7  
Monday: pp 391-417, SA Sec. 2(a)(3),(10)(11);5;10  
Wednesday: pp 391-435  
Twitter 2013 IPO Registration Statement (including Prospectus)  
http://www.sec.gov/Archives/edgar/data/1418091/000119312513424260/d564001ds1a.htm

Week 6  Public Offerings (continued)/ Exempt Offerings  
Monday: pp 417-449  
CB Chapter 9  
Wednesday: pp. 539-579

Week 7  Gatekeepers  
CB Chapter 12  
Monday: pp. 702-742  

A.B.A. Model Rule of Professional Responsibility

Week 8  **Rule 10b-5 Anti-Fraud**
CB Chapter 5
Monday: pp.207-248
Wednesday pp. 248-293

Week 9  **Rule 10b-5(continued)**
Monday: pp.293-318
Wednesday: pp.318-335

Week 10  **Spring Recess**

Week 11  **Insider Trading**
CB Chapter 6
Monday: pp. 336-369
Wednesday: pp. 369-390

Week 12  **Secondary Market Transactions**
CB Chapter 10
Monday: pp.614-631
Wednesday pp 631-651

Week 13  **Listed Markets: The Form and Operation of Capital Markets**
This class will provide an overview of capital market structure. We will build upon the concept of gatekeeper liability from January 19th 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  **New products, new registrants, new strategies and the likely impact of Dodd Frank provisions**
The class 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.

Required Reading:
Watch 60 minutes piece on High Frequency Trading
Watch 60 minutes piece on Bucket Shops
Watch Frontline piece on Brooksley Born

Week 15  Enforcement  SEC Remedies - Issuer/Regulated Entity/Individual
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.

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 16  Review