Securities Law & Regulation (Law 317-002)
Course Syllabus
Spring Semester 2020

Adjunct Professors:
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Required Reading:
The case book (CB) we will use is Securities Regulation: Cases and Analysis, Fifth Edition, Stephen J. Choi and A.C. Pritchard.

The statutory supplement that accompanies the case book is optional. 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 only will be made with adequate advance notice to allow students to prepare properly.

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 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.

We meet Tuesdays and Thursdays from 8:10 p.m. to 9:35 p.m. in Hazel Hall.

Grading:
A final exam will be administered that will test the students on the topics covered during the
semester. Students may be tested on 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. If you show up to class unprepared, your grade will be adversely impacted.

**Attendance:**
We will take attendance each class period. The law school has an attendance policy (available here: [https://www.law.gmu.edu/academics/regulations#AR_4_Course_Work_and_Evaluation_of_Academic_Performance_4](https://www.law.gmu.edu/academics/regulations#AR_4_Course_Work_and_Evaluation_of_Academic_Performance_4)). The policy provides that a student is not eligible to receive credit for a course if they miss more than 20% of the course sessions. For a class that meets twice a week, a student may not miss more than six classes. There is a provision for substituted work (in the instructor’s discretion) if a student misses between 20% and 30% and circumstances merit. If a student misses more than 30%, however, for any reason, the student may not receive credit for the course. If you are coming close to the maximum permitted absences, please alert us.

**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.

**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 16 and 21**
Thursday: CB Chapter 1 pp. 1-48  
Introduction
Tuesday: CB Chapter 2 pp. 49-78  
Materiality

**Week 2**
**January 23 and 28**
Thursday: CB Chapter 2 pp. 78-109  
Materiality, cont’d
Tuesday: CB Chapter 3 pp. 111-163  
The Definition of a Security

**Week 3**
**January 30 and February 4**
Thursday: CB Chapter 3 pp. 163-195  
The Definition of a Security, cont’d

Tuesday: CB Chapter 4 pp. 197-240 Disclosure and Accuracy

Week 4 February 6 and 11
Thursday: CB Chapter 5 pp. 241-300 Rule 10b-5 Antifraud
Tuesday: CB Chapter 5 pp. 300-357 Rule 10b-5 Antifraud, cont’d

Week 5 February 13 and 18
Thursday: CB Chapter 5 pp. 357-403 Rule 10b-5 Antifraud, cont’d
Tuesday: CB Chapter 6 pp. 405-449 Insider Trading

Week 6 February 20 and 25
Thursday: CB Chapter 6 pp. 449-486 Insider Trading, cont’d
Tuesday: CB Chapter 7 pp. 487-520 Public Offerings

Week 7 February 27 and March 3
Thursday: CB Chapter 7 pp. 520-567 Public Offerings, cont’d
Tuesday: CB Chapter 8 pp. 569-622 Civil Liability Under the Securities Act

Week 8 March 5
Thursday: Midterm Review

Week 9 March 9 through March 15
Spring Recess

Week 10 March 17 and 19
Tuesday: CB Chapter 8 pp. 622-662 Civil Liability Under the Securities Act, cont’d
Thursday: CB Chapter 9 pp. 663-706 Exempt Offerings

Week 11 March 24 and 26
Tuesday: CB Chapter 9 pp. 706-771 Exempt Offerings, cont’d
Thursday: CB Chapter 10 pp. 773-811 Secondary Market Transactions

Week 12 March 31 and April 2
Tuesday: CB Chapter 12 pp. 857-900 Public Enforcement

Thursday: CB Chapter 12 pp. 900-935 Public Enforcement, cont’d

Week 13  

April 7 and 9 
Tuesday: CB Chapter 13 pp. 937-983  Gatekeepers


Thursday: Market Structure: Secondary Trading of Registered Securities

This class 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 the Securities and Exchange Commission’s historic efforts to regulate equity markets. Including. We will examine the history of Commission action and more recent developments such as Regulations ATS and NMS. We will discuss the self-regulatory model and whether this is an effective model in the 21st century.

SEA Sections 6, 15A,


Week 14  

April 14 and 16

Tuesday  
New products, new registrants, new strategies

This 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 examine the special issues presented by new products such as crypto currencies.


Thursday: Outstanding issues in securities regulation and the future of securities regulation


Week 15  April 21 (last day of class)  No class on Thursday, April 23 (observe a Monday schedule)

Tuesday:  Exam Review

Week 16  April 28

Tuesday:  Final Exam at 6:00 p.m.