

NONPUBLIC//FDIC BUSINESS

Course Syllabus Fall 2023
Course Title: FINTECH SEMINAR
Course & Section Number: Law 407-001
Day/Time: Wednesday / 6:05pm to 8:05pm
2 credit hours
Matthew Reed
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Office Hours by Appointment

This course will focus on the structure and purposes of our financial system in the context of technology. Students will consider the purposes of the law to support innovation and protect against harms, evaluate the regulatory structure and its appropriateness and application to new technologies, recognize and develop strategies to respond to regulatory arbitrage issues and opportunities, and should exit the class with critical thinking tools to apply to yet-unseen financial technology innovations. Finance is among the most heavily regulated industries in this country; as a result, this course will largely focus on the application of banking, markets and insurance law and regulation to FinTechs that either seek to comply with, or avoid, these regulations.

Sessions will include lectures/class discussions, in-class exercises, and guest lectures. No textbook is required and readings, which will be discussed in classes, will be provided in advance of each class and those listed here are subject to change as the class will follow fast-moving legal developments. A link or citation to reading assignments will be provided. Students are expected to find materials on the web, through their Westlaw/Lexis accounts, or on SSRN ([Home :: SSRN](#)). Please bring a laptop or smartphone with web access to each class as some activities will require access to the internet. Because of the rapidly developing caselaw in this area, many assignments will be given the week prior to class but if students need to read ahead they should contact the professor.

Classes may not be recorded in any respect. Grading is as follows: 40% in-class participation/exercises, 60% final paper. Students will be expected to have read all class assignments and be prepared to discuss cases, laws, and other materials assigned for each session. Students will also be expected to participate in group activities during class including reading materials assigned for these activities and applying critical thinking to explore legal and policy issues and identify solutions and, at times, present their findings to the class. We will discuss the final paper expectations during the first class.

Student learning outcomes will include: 1) a broad, basic understanding of the regulatory framework laying over our financial sector; 2) the demonstrated ability to identify potential laws and regulations that may apply to a FinTechs and advise the business principals; and 3) the ability to craft viable advocacy strategies related thereto to influence public policy or regulatory actions, develop for clients business model modifications or strategies to come into compliance.

Class	Topic	Assigned Reading
Week 1 8/23	Course overview and expectations; historical look at financial technology; defining FinTech, TechFin and Reg Tech.	The Evolution of FinTech: A new Post-Crisi Paradigm? Douglas Arnor; Janos Barberis; Ross Buckley (2015) University of Hong Kong Faculty of Law; SSRN-id2676553.pdf

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Week 2 8/30	Principles of regulation and law: purposes of law for fostering innovation and protecting against harms; why we regulate, how we regulate, who regulates and who is regulated.	Ch. 6-7, Global FinTech: Financial Innovation in the Connected World; Goodenough, Flood, Reed, Petland, Shrier. Pdf of materials will be emailed to students.
Week 3 9/6	Banking Part 1: Money – Guest Speaker	Prior to class, find the legal definition of money in the U.S. Code. Read: Wisconsin Central, 138 S.Ct. 2067 (2018) https://www.bis.org/publ/arpdf/ar2022e.pdf (pages 75-102)
Week 4 9/13	Technology and Banking Part 2: principles and participants in bank regulation – bank chartering issues; lending; supervision.	https://www.fdic.gov/news/board-matters/2020/2020-12-15-notice-dis-b-fr.pdf (read parts II(a) - (c) beginning on 10704). https://www.occ.gov/publications-and-resources/publications/comptrollers-licensing-manual/files/pub-considering-charter-apps-from-fin-tech-co.pdf
Week 5 9/20	Technology and Banking Part 3: payments and dual banking system concerns.	Assignments to be provided.
Week 6 9/27	Digital assets; what they are or are not and what that means for law and regulation. Guest Speaker	Report of Investigation Pursuant to Section 21(a) of the Securities Exchange Act of 1934: The DAO Assignments to be provided.
Week 7 10/4	Further consideration of SEC and CFTC laws to digital assets	Class Exercises – no reading assignment.
Week 8 10/11	Public policy in finance: BSA and CRA. Guest Speaker.	Assignments to be provided. This class subject to move depending on speaker’s schedule.
Week 9 10/18	Transactional Law for FinTechs: Guest Speaker	Dissection of a FinTech.
Week 10 10/25	A closer look at artificial intelligence and machine learning.	Assignments to be provided. This class subject to move depending on speaker’s schedule.

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Week 11 11/1	Other legal issues: Financial Stability, Digital Identity, Open Banking, Privacy and Information Security	Assignments to be provided.
Week 12 11/8	Class Presentations/Open Discussion	Students must identify and prepare to discuss one FinTech proposal from an existing or proposed firm. See e.g. https://www.fintechfutures.com/us/type/white-papers/ for ideas. No reading assignments for balance of class. Paper topics assigned during week 11 (11/1); students should focus on class presentations and final paper.
Week 13 11/15	Class Presentations/Open Discussion	