

Securities Law & Regulation

Antonin Scalia Law School at
George Mason University

M, W 1:50 - 3:15 pm

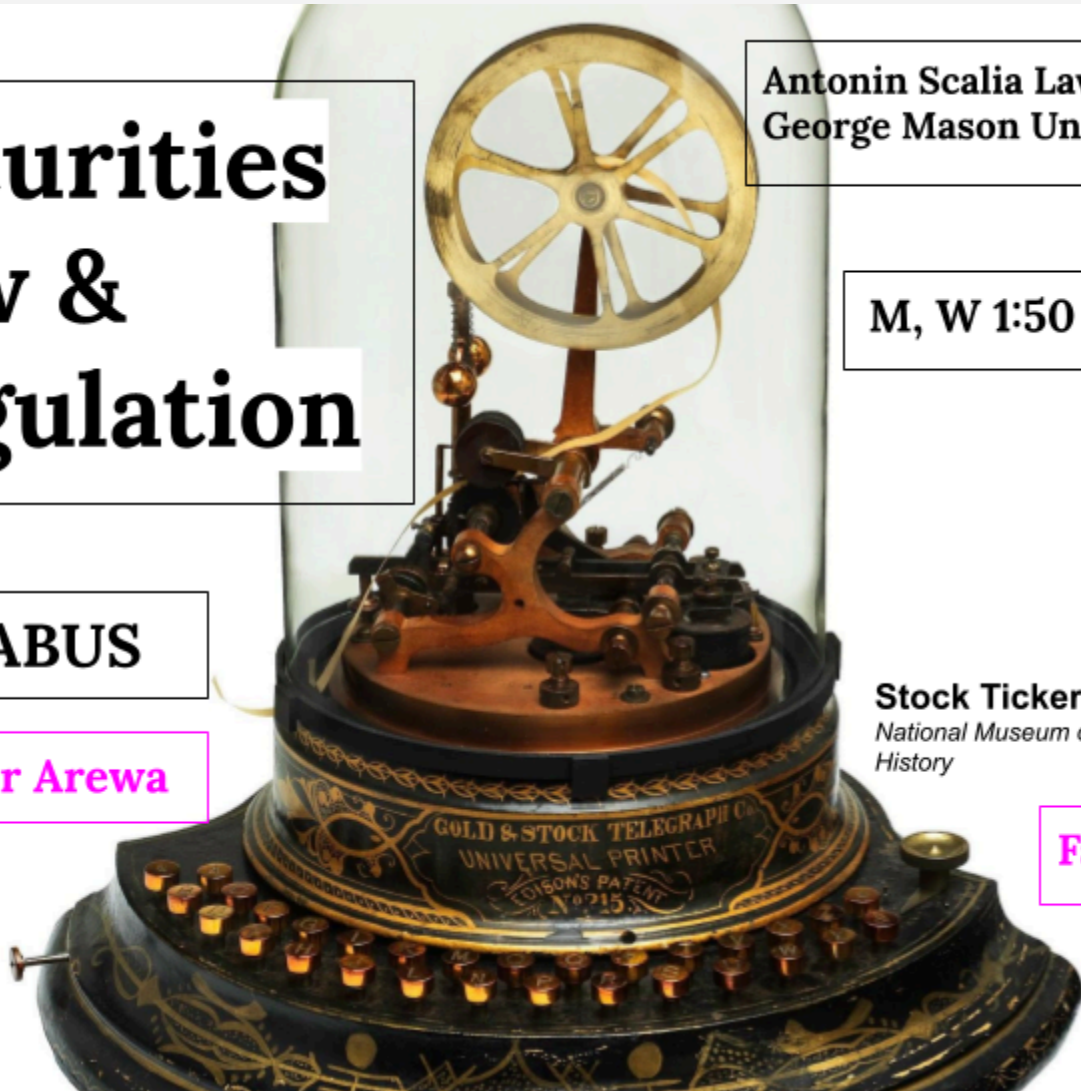
SYLLABUS

Professor Arewa

Stock Ticker

National Museum of American
History

Fall 2024



Last updated: August 5, 2024

COURSE DESCRIPTION

How do companies raise money from the capital markets? What is the difference between debt and equity? What is a private financing? What exactly is an IPO? The answer to all these questions – and a lot more – requires an understanding of securities laws, and the rules and regulations promulgated under them.

This course primarily covers:

- (1) The regulation and process of private and public offerings of securities; and*
- (2) Securities law liability and antifraud provisions*

This class will also address a number of additional topics, including securities law enforcement, secondary market transactions, the periodic reporting obligations of publicly traded companies, and selected comparative securities regulation topics. This course will pay particular attention to the business contexts within securities laws and regulations operate globally, the operation of global capital markets and the roles and functions of lawyers within such contexts.

CLASS READINGS AND MATERIALS

- Class reading assignments and links for online class materials are available in the Class Readings document [here](#).
 - *We will use Google Drive (primarily) as well as Canvas for class materials this semester.*
 - *Slides for each class will be posted on Google Drive. Please let me know if you have any questions or concerns about our use of Google Drive or other classroom technologies.*
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COURSE GOALS

This class will use and further develop students' abilities in research on assigned current events topics, writing, analysis, problem-solving, and communication.

STUDENT LEARNING OUTCOMES

By the end of this course, students should be able to demonstrate:

- *vocabulary and knowledge about securities regulation and securities markets*
 - *knowledge and understanding about federal securities laws and regulations*
 - *understanding about the role of lawyers in matters related to securities laws and regulations*
 - *competence in researching and analyzing securities law and regulation issues*
 - *experience with project management and teamwork skills*
 - *competence in written and oral communication*
 - *experience with technologies students are likely to encounter after graduation, including generative AI*
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INSTRUCTOR INFORMATION

Olufunmilayo Arewa
oarewa@gmu.edu

Office hours:

- *To be announced in class*
- *by appointment*

CLASS MEETINGS

Days/times of meetings: M, W 1:50 pm

COURSE READINGS/MATERIALS

Primary Class Materials:

- Stephen Choi & A.C. Pritchard, Securities Regulation, Cases and Analysis (Sixth edition, 2024) (“*CP*”)

Additional Information:

- *We will use Google Drive (primarily) as well as Canvas for class materials this semester.*
- *Class slides will be posted on Google Drive. Please let me know if you have any questions or concerns about our use of Google Drive.*

Securities Regulation Background and Information Sources:

- [Securities Regulation Research Guide](#), Georgetown University School of Law

Other Materials:

[1933 Act \(Background\)](#)

[1933 Act \(Statute\)](#)

[1933 Act Regulations](#)

[1934 Act \(Background\)](#)

[1933 Act \(Statute\)](#)

[1933 Act Regulations](#)

[JOBS Act Background](#)

[1940 Act \(Background\)](#)

[Dodd–Frank Wall Street Reform and Consumer Protection Act \(Background\)](#)

INSTRUCTIONAL METHODS

This course is interactive and will incorporate discussion of relevant current events. Class sessions may include group work. This course will cover issues related to securities regulation and securities markets and may involve calculations.

Please make sure that you closely review all hypotheticals as you do your reading (unless the class reading assignment explicitly states that you should not look at a particular hypothetical).

Please also be sure to review casebook questions, including those following cases and be prepared to discuss these questions during class.

COURSE POLICIES

Attendance & Tardiness

Class attendance is mandatory. You are expected to “arrive” on time and participate actively in class sessions.

Under [Academic Regulation 4-1.1](#), “If a student is absent for any reason for more than 20 percent of the sessions of a course, the student is not eligible for credit in that course. A student who is not present for at least 75 percent of a session of the course is absent from that session.”

You may receive a reduced participation grade if you fail to attend class in whole or in part or are clearly not prepared, particularly when you have signed up to be on call. Students who are not prepared or who do not attend class regularly may receive a deduction from their participation grade. Attendance may be taken on a regular basis. You will not be penalized if you miss class due to interviews, illness, holidays, or religious observance, for example. If you are planning to miss class, please send me an email to let me know when you will miss class. If you miss class on a date that you are scheduled to be on panel, you are responsible for rescheduling the activities that you miss for another class session.

Academic Integrity

Your academic honesty is assumed, which means that I expect all of your submitted work to have come from your brain and your hand. If you’ve submitted the work of someone else, in whole or in part and without proper citation, I will not accept the assignment. Within academic communities, plagiarism represents a serious breach of trust and can carry severe consequences, including disciplinary action.

Further, Antonin Scalia Law School has an [Honor Code](#), which requires all members of this community to maintain the highest standards of academic honesty and integrity. Cheating, plagiarism, lying, and stealing are all prohibited. All allegations of violations of the Honor Code are to be submitted to the Associate Dean for Administration and Student Affairs. More information concerning the Honor Code is available [here](#).

Late Assignments

Any course assignments, exercises, or other materials that must be submitted to me may be subject to a penalty for lateness if submitted after the due date and time (unless otherwise stated, all things due should be

submitted by 11:59 pm Eastern time on the due date).

YOU ARE RESPONSIBLE FOR OBSERVING ALL COURSE DEADLINES AND INFORMING ME IMMEDIATELY IF YOU ANTICIPATE ANY PROBLEMS WITH ANY DEADLINES.

DISCLOSURES

Disability Statement

Disability Services at George Mason University is committed to providing equitable access to learning opportunities for all students by upholding the laws that ensure equal treatment of people with disabilities. If you are seeking accommodations for this class, please first visit <http://ds.gmu.edu/> for detailed information about the Disability Services registration process. Then please discuss your approved accommodations with me. Disability Services is located in Student Union Building I (SUB I), Suite 2500. Email: ods@gmu.edu | Phone: (703) 993-2474.

Class Conduct Expectations

To the extent we have any virtual classes, please mute your

microphone when you are not speaking. If you have your camera on, please turn it off if you need to stand up, stretch, or make a significant movement. Feel free to turn your camera on again when you are no longer moving.

Students can expect their instructors to encourage creativity, and to be concerned for the educational experience of each student in the class, respectful of individual differences, knowledgeable and enthusiastic about course material, prepared for class, reasonably open and accessible to discuss class material and assignments, and rigorous yet supportive in maintaining high standards for performance.

Students are expected to work, individually and together, to create an atmosphere that is safe, valuing of one another, and open to diverse perspectives. Students are expected to show courtesy, civility, and respect for one another and for the instructors. Comments that degrade or ridicule another, whether based on individual or cultural differences, are unacceptable.

Recording of Class Sessions

Under [Academic Regulation 4-2.2](#), no portion of a class session or an examination may be preserved by means of a recording device such as an audio recording device or camera. Any exceptions to this policy must be expressly permitted in writing by me.

However, I have authorized the Law School's official recording of all sessions solely for purposes of accommodating excused absences, e.g., for COVID-19 related issues.

Any recordings of class sessions can only be used for a student's personal educational use. Students are not permitted to copy, publish, or redistribute audio or video recordings of any portion of the class session to individuals who are not students in the course or academic program without the express permission of the faculty member and of any students who are recorded. Distribution without permission may be a violation of educational privacy law, known as FERPA as well as certain copyright laws. Any recordings of this course made by the instructor or university are the property of George Mason University.

Technology

This class may involve use of a number of technologies, including Generative AI (GAI) and applications such as Excel, Google Sheets, Google Forms, and Google Docs.

You may use Generative AI for all aspects of your work in this class other than the final exam.

As you consider or use Generative AI in this class, please consider the implications of GAI generally (background discussion [here](#) and [here](#)), as well as in legal contexts (background discussion [here](#)).

Please also consider ways some lawyers have used or misused GAI, including as described [here](#), [here](#) and [here](#).

University Resources

University Life provides student support resources such as [Counseling and Psychological Services](#), [Student Health Services](#), and the [Student Support and Advocacy Center](#) Information about University Life on the Arlington Campus is available [here](#).

EVALUATION

Activity/Assignment	% of total grade	Due Date / Comments
1. Participation (attendance, on call participation, voluntary participation, Generative AI Report)	-	Pursuant to Academic Regulation 4-3.2, adjustments of class grades may be made on account of class participation “limited to a discretionary single-increment adjustment either upward or downward (e.g., from B to B+ or from A- to B+)”
2. Final Exam	100%	December 7, 2024, noon

EVALUATION POLICIES

Course Requirements

1. PARTICIPATION

- Participation will include different components, including:
 - Participation on panel (on-call) -- sign up sheets available at Google Drive -- minimum of FIVE panel appearances are required
 - Voluntary participation -- at any time
 - Participation in special course projects on a volunteer basis -- these are identified in the class readings document
 - Participation in class break out groups
 - Completion of any class quizzes
- Class attendance is mandatory
- You may receive a reduced participation grade if you fail to attend class sessions or if they are not prepared for class
- **Participation Requirements**
 - Each student must sign up to be on call on FIVE occasions during the semester (class panel/on call)
- Please be prepared to answer questions and discuss class readings when you are on call
- Please be prepared to answer discussion questions listed in the course readings document
- Each student will select dates to appear on a panel that is on call for the class session.

- Students who are not prepared or who do not attend class regularly may receive a deduction from their participation grade
- Panel (on call) signup sheets will be made available here: [Scalia Law Securities Law and Regulation Panel Signup Sheet](#) *after our first class*
 - Please be sure to let me know if you will miss class. You will not be penalized for missing class for interviews. You will also not be penalized if you would like to miss class due to illness, for holidays, religious observance, or job interviews

Participation – Assessment and Evaluation: Class Panel participation and class participation outside of panel (i.e., participation when you have not signed up for panel for a particular day) will be assessed based on the following criteria:

- Preparation as evident through questions asked in class or answers to questions directed to you or both
- Presentation and discussion of any cases that you discuss during the class session
- Thoughtfulness concerning topics or cases that you discuss
- Other contributions to a class session

2. FINAL EXAM

- The final exam may include a combination of multiple choice and short answer questions that will be based on class

readings and material discussed in class sessions, including themes and issues discussed in class presentations

- Additional information concerning the final exam will be made available later in the semester

Final Exam – Assessment and Evaluation: Final Exams will be assessed based on the following criteria:

- In the case of any multiple choice questions, correctness of the answer
- In the case of any short answer questions, the extent to which the answer addresses the question asked within the confines of any specified word limit
- In the case of any essay questions and answers to hypothetical scenarios, scenarios based on real-world events and other non-mathematical problems (other than short answer questions, multiple choice questions, or other types of questions identified above), the following criteria:
 - Ability to identify relevant issues
 - Identification, discussion, and analysis of laws, regulations, and other important factors relevant to the issues identified
 - Implications of discussion and analysis / Conclusions / Answer
 - Answer to question actually asked
 - Please be sure to go back and read the question frequently as you complete your answer to ensure that your answer is fully responsive to the question actually asked
 - Identification of areas of uncertainty or unknowns that might impact your discussion, analysis, and conclusion(s) of discussion and analysis
 - Compliance with any word limits

CLASS OUTLINE

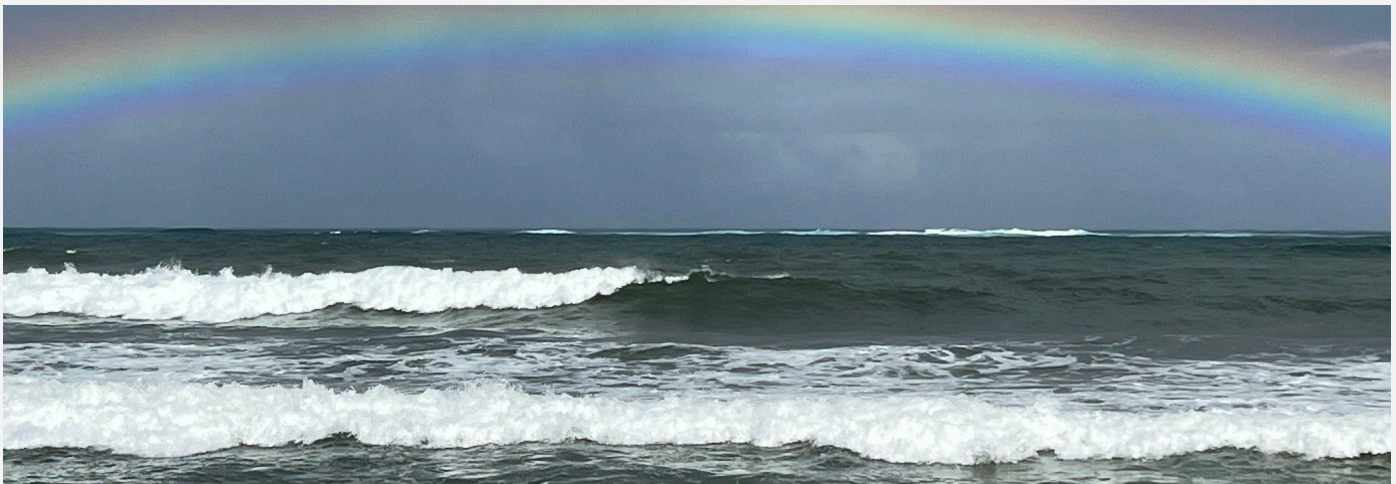
Below is an outline of class topics this semester. Please note that class topics and class readings are subject to change.

Scalia Law Securities Law and Regulation Class Outline -- Fall 2024			
Class	Day	Date	Class Session Topic
1	W	8/21	Securities Markets and Securities Regulation I
2	M	8/26	Securities Markets and Securities Regulation II
3	W	8/28	Materiality and Disclosure I
	M	9/2	LABOR DAY -- NO CLASS SESSION
4	W	9/4	Materiality and Disclosure II
5	M	9/9	Definition of a Security I
6	W	9/11	Definition of a Security II
7	M	9/16	Definition of a Security III
8	W	9/18	1934 Act Reporting Requirements I
9	M	9/23	1934 Act Reporting Requirements II; Federal Regulation of Shareholder Voting
10	W	9/25	Rule 10b-5 I
11	M	9/30	Rule 10b-5 II
12	W	10/2	Rule 10b-5 III
13	M	10/7	Rule 10b-5 IV
14	W	10/9	Exempt Offerings I
	M	10/14	FALL BREAK -- NO CLASS SESSION
15	W	10/16	Exempt Offerings II Public Offerings --Introduction
16	M	10/21	Public Offerings: Pre-Filing Period I
17	W	10/23	Public Offerings: Pre-Filing Period II
18	M	10/28	Public Offerings: Waiting Period I
19	W	10/30	Public Offerings: Waiting Period II
20	M	11/4	Public Offerings: Post-Effective Period

21	W	11/6	Secondary Offerings I: Underwriter Concept; Control Persons
22	M	11/11	Secondary Offerings II: Rule 144; Rule 144A; Section 4(a)(7)
23	W	11/13	Securities Enforcement
24	M	11/18	Section 11
25	W	11/20	Section 12
26	Th	11/21	Insider Trading; Section 16

CLASS SCHEDULE AND READING ASSIGNMENTS

Class reading assignments are available here: [Scalia Law Securities Law and Regulation Reading Assignments -- Fall 2024](#). Please note that class topics and class readings are subject to change. Please let me know if you have any problems with links to reading assignments. As a first step, try doing a Google search for the title of the reading listed on the syllabus if you have problems with links. Also please let me know if you have problems with links.



I look forward to working with you this semester.