

Securities Law & Regulation (Law 317-002)

Course Syllabus

Spring Semester 2024

Adjunct Professors:

Bradley J. Bondi

Partner

Paul Hastings LLP

bradbondi@paulhastings.com

Michael D. Wheatley

Counsel

Paul Hastings LLP

michaelwheatley@paulhastings.com

Jan M. Folena

Partner

Stradley Ronon Stevens & Young LLP

jfolena@stradley.com

Required Reading:

The case book (CB) we will use is *Securities Regulation: Cases and Analysis*, Fifth Edition, Stephen J. Choi and A.C. 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/>). The statutory supplement that accompanies the case book is optional.

We will also use materials that we will provide you throughout the semester.

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 definition of a security and materiality; public and private enforcement of the federal securities laws; the role of SEC Commissioners and the SEC; regulations and exemptions related to securities offerings; regulated entity and regulated individual compliance issues; 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 on Tuesdays and Thursdays from 8:10 p.m. to 9:35 p.m.

Class Objectives:

By the end of this class, students will:

- Be able to demonstrate knowledge of key concepts in securities regulation, including key concepts found within the Securities Act of 1933, the Securities Exchange Act of 1934, regulations promulgated under those statutes, and key securities laws cases.
- Be able to define key terms, such as “security” and “materiality,” and understand those terms in the context of securities regulation.
- Be able to analyze fact scenarios to identify securities law issues and apply the key laws and regulations applicable to those issues.
- Be able to describe the basic policies underlying securities regulation.
- Be able to apply knowledge of securities laws to real world situations.

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. 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 affected.

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). 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, especially 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 18	
	Tuesday: CB Chapter 1 pp. 1-48	Introduction
	Thursday: CB Chapter 2 pp. 49-80	Materiality
Week 2	January 23 and 25	
	Tuesday: CB Chapter 2 pp. 80-109	Materiality, cont'd
	Thursday: CB Chapter 3 pp. 111-163	The Definition of a Security
Week 3	January 30 and February 1	
	Tuesday: CB Chapter 3 pp. 163-195	The Definition of a Security, cont'd
	Thursday:	The Definition of a Security, cont'd Crypto assets
	Remarks by William Hinman, at the Yahoo Finance All Markets Summit entitled Digital Asset Transactions: When Howey Met Gary (Plastic), available at https://www.sec.gov/news/speech/speech-hinman-061418	
Week 4	February 6 and 8	
	Tuesday CB Chapter 4 pp. 197-240	Disclosure and Accuracy
	Thursday: CB Chapter 5 pp. 241-287	Rule 10b-5 Antifraud
Week 5	February 13 and 15	
	Tuesday: CB Chapter 5 pp. 287-340	Rule 10b-5 Antifraud, cont'd
	Thursday: CB Chapter 5 pp. 341-403	Rule 10b-5 Antifraud, cont'd
Week 6	February 20 and 22	
	Tuesday: CB Chapter 6 pp. 405-449	Insider Trading
	Thursday: CB Chapter 6 pp. 449-486	Insider Trading, cont'd / Midterm Review
Week 7	February 27 and February 29	
	Tuesday: CB Chapter 7 pp. 487-520	Public Offerings
	Thursday: CB Chapter 7 pp. 520-567	Public Offerings, cont'd
SPRING RECESS - MARCH 4-10		
Week 8	March 12 and March 14	
	Tuesday: CB Chapter 8 pp. 569-596	Civil Liability Under the Securities Act
	Thursday: CB Chapter 8 pp. 596-619; 622-625; 630-638 (Section 12(a)(1) liability); 641-642 (Section 12(a)(2) liability)	Civil Liability Under the Securities Act, cont'd

Week 9	March 19 and March 21	
	Tuesday: CB Chapter 9 pp. 663-739	Exempt Offerings
	Thursday: Materials to be provided	Introduction to broker-dealers and the Financial Industry Regulatory Authority (FINRA)
Week 10	March 26 and March 28	
	Tuesday: Materials to be provided	Introduction to the Investment Advisers Act
	Thursday: CB Chapter 10 pp. 773-811	Secondary Market Transactions
Week 11	April 2 and April 4	
	Tuesday: CB Chapter 12 pp. 857-880	Public Enforcement
	Paul S. Atkins and Bradley J. Bondi, <i>Evaluating the Mission: A Critical Review of the History and Evolution of the SEC Enforcement Program</i> , 13 Fordham J. Corp. & Fin. L. 367 (June 2008) (selected pages).	
	Thursday: CB Chapter 12 pp. 881-904	Public Enforcement, cont'd
Week 12	April 9 and April 11	
	Tuesday: CB Chapter 12 pp. 905-935	Public Enforcement, cont'd
	Thursday: CB Chapter 13 pp. 937-983	Gatekeepers
	Speech by Stephen M. Cutler to the UCLA School of Law, September 20, 2004, entitled: The Themes of Sarbanes-Oxley as Reflected in the Commission's Enforcement Program, available at: http://www.sec.gov/news/speech/spch092004smc.htm .	
Week 13	April 16 and April 18 (last day of class)	
	Tuesday: Materials to be provided	Emerging issues in securities regulation and the future of securities regulation
	Thursday: Exam Review	
May 1	Wednesday: Final Exam	