

# **SYLLABUS**

## **SECURITIES REGULATION (Spring 2015) Seton Hall University School of Law Professor Lubben**

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### **1. Introduction**

This course is a sequel to Business Associations and a complement to the Corporate Finance course. It covers the key federal laws that regulated the securities industry and the sale of securities in the United States.

### **2. Materials; Reading Assignments**

The required materials for this class are Cox, Hillman, & Langevoort, *Securities Regulation (7<sup>th</sup> edition)*, its 2014 supplement, the most recent statutory supplement for the same, and various supplemental documents that are linked to below (or that appear on Blackboard). Reading assignments begin on the third page of this syllabus.

### **3. Class Preparation and Participation**

I call on people in class and expect everyone to be prepared. If there is a day when you cannot be prepared let me know by email before class and I will not call on you that day. Excessive requests to “opt out” of class participation will affect your final grade.

In addition to reading the assigned pages in the texts, you must read the other assigned materials.

In designing my lectures, I assume that everyone has read the materials and often do not expressly reference ever part of them in my lectures. You must attend class and must do the reading in order to follow what is going on in the class.

#### 4. Grading; Examination

Your grade will be based primarily on an open-book final examination at the end of the course.

Regular preparation, class participation, and analogous intangibles are important to the overall success of the course. I will take these factors into account and adjust grades accordingly, consistent with school policy.

#### 5. Office Hours; Contact Information

I am in my office most weekdays (Room 521). Feel free to come by to discuss anything related to the class. Questions or requests to schedule a meeting at a specific time can be sent to me via email (my preferred means of communication).

#### 6. Reading Assignments

Materials not in the book are on Blackboard. The statutes are available in the statutory supplement. I've indicated key statutes on the syllabus, but you should read all relevant statutes before class.

**To prepare for class, you are expected to have done the reading in the casebook, worked through any problems in the reading, and have read any statutory or regulatory material mentioned in the readings.**

**Bring your statutory supplement to class.**

1. Ch. 1. The Framework of Securities Regulation
2. Ch. 2. The Definition of a Security (through page 52)
  - a. SA §§ 2(a)(1), 3(a) (skim), 17(c), EA § 3(a)(10)
3. Ch. 2. The Definition of a Security (page 52 to end)
4. Ch. 4. The Public Offering (through page 136)
  - a. Read Ch. 3 for background.
  - b. SA §§ 2(a)(3), 2(a)(4), 2(a)(10), 2(a)(11), 2(a)(12), 4, 5, 7, 8, 10.  
Carefully review the specific statutory provisions as well as the SEC Rules as they are presented in the text.
5. Ch. 4. The Public Offering (pages 136 to 154)
  - a. Note: This is the first assignment with material in the 2014 supplement
  - b. Regulation S-K, Items 301 to 303, Rule 473
6. Ch. 4. The Public Offering (pages 154 to 197)
7. Ch. 4. The Public Offering (pages 197 to end)
8. Ch. 5. Exempt Transactions (through page 277)

- a. SA §§ 3(a)(11), 4(a)(2), Regulation D (see Rule 500 et seq.), Rule 147, Rule 701, Regulation A (see Rule 251 et seq.)
- 9. Ch. 5. Exempt Transactions (page 277 to 311)
- 10. Ch. 5. Exempt Transactions (page 311 to end)
- 11. Ch. 6. Secondary Distributions (through page 363)
  - a. SA §§ 2(a)(3), (11), (12), 4(a)(1), (3), (4), 5, Rules 144, 144A, and 15c2-11.
- 12. Ch. 6. Secondary Distributions (page 363 to end)
- 13. Ch. 7. Recapitalizations, Reorganizations, and Acquisitions (page 410 to end)
  - a. SA §§ 3(a)(9), (10), 4(a)(2), Rule 145, [11 U.S.C. § 1145](#).
- 14. Ch. 8. Exempt Securities (to page 467)
  - a. <http://www.sec.gov/news/press/2010/2010-152.htm>
  - b. SA §3(a)(3)
- 15. Ch. 9. Liability Under the Securities Act
  - a. SA §§ 11, 12(a), 17
- 16. Ch. 10. Financial Innovation
- 17. Ch. 11. Financial Reporting: Mechanisms, Duties, and Culture
  - a. SEA §§ 12(a), (b), 12(g), 15(d), 13(a), Regulation FD
- 18. Ch. 12. Inquiries into the Materiality of Information (through page 645)
  - a. SEA § 10(b), 21E, SA § 27A, Rule 12b-20
- 19. Ch. 13. Fraud in Connection with the Purchase or Sale of a Security (through page 738)
  - a. SEA §10(b); 9; 18; Rules 10b-5; 10b-18
- 20. Ch. 13. Fraud in Connection with the Purchase or Sale of a Security (page 738 to 770)
- 21. Ch. 14. The Enforcement of the Securities Laws (through page 812)
  - a. SEA §§ 6, 15A, 10(b), 20, 27, 29 and Rule 10b-5, SA §§ 5 and 17
  - b. [Speech by SEC Staff: The Themes of Sarbanes-Oxley as Reflected in the Commission's Enforcement Program](#)
- 22. Ch. 14. The Enforcement of the Securities Laws (831 through page 864)
- 23. Ch. 18. Regulation of the Securities Markets and Broker-Dealers
- 24. Ch. 19. The Investment Advisers and Investment Company Acts of 1940
- 25. Ch. 20. Transitional Fraud and the Reach of US Securities Laws
- 26. Catch up and review

Wednesday, October 22, 2014