BANKING (BKGL)

BKGL 0206. FINANCIAL ANALYSIS & VALUATION. (2 Credits)
This course helps students understand how firms communicate through financial statements. The course is designed for students who want to obtain an introduction to the business and legal implications of financial analysis and accounting. The successful student will obtain a grasp of financial analysis and the significance of such issues to corporations. We will use the tax law, anti-trust, and SEC reporting as windows to apply accounting factors to the legal impact of financial analysis to corporate reporting and transactions. <p>Students will not need any prior accounting course work or experience.

Attribute: LLM.

BKGL 0213. BANKING LITIGATION. (3 Credits)
Banking litigation is an enormous field. In 2013, The Wall Street Journal described global banks as facing a legal tab greater than $100 billion resulting from litigations "tied to the mortgage meltdown, the financial crisis and the rate-rigging scandal." This course deals with these topics and others, as well as legal trends and disputed issues in banking litigation. <p>The goal of the course is to prepare students for a career involving banking litigation, whether at a law firm or in-house at a global bank. Some other topics covered include service of process on international banks; jurisdiction as applicable to international banks; New York's separate entity doctrine and the current split among courts regarding its ongoing validity; legal issues relating to electronic fund transfers; foreign and domestic banking secrecy acts, including litigation regarding the banking regulatory privilege and the confidentiality of SARs; litigation regarding sanctioned entities; litigation implicating foreign sovereigns; and litigation involving Know-Your-Customer requirements. This course will also consider recent trends of Anti-Terrorism Act litigation focusing on international banks, and the problem of litigation arbitrage (where banks are forced to confront conflicting discovery and confidentiality requirements). <p>The course will include guest speakers from leading international banks and private practice, providing opportunities for students to meet and discuss these issues with practicing attorneys. This is a skills course open to both JD and LLM students. Professors Geoffrey Sant and Lanier Saperstein.

Attributes: LAWB, LIDR.

BKGL 0230. FINANCIAL CRISIS SEMINAR. (2 Credits)
This seminar will examine the global financial crisis of 2008 and consider these key questions: How did the crisis arise and unfold? What lessons should we draw from it? How should we reform financial institution regulation? What reforms have Congress and U.S. financial regulators adopted? More broadly, how can we best avoid future financial debacles? To what extent can and should we rely on regulation? On market discipline? <p>During the first part of the course, students will read and discuss a carefully selected set of sources that shed light on these questions. The sources will cover such topics as: the U.S. real estate bubble and its roots in lax monetary policy and a global capital glut; unsound lending, particularly to subprime borrowers; poorly understood financial innovation (e.g., credit default swaps); unreliable credit ratings and their role in encouraging investors worldwide to buy U.S. subprime mortgage-backed securities; the growth of shadow banking; deficient financial regulation; and recent and proposed reforms. Each student will begin writing a paper on a topic worked out with the professor. <p>In the second part of the course, students will circulate and present to the class preliminary versions of their papers; comment on other students’ papers; and submit final versions of their own papers.

Attributes: JD, LAWB, LLM.

BKGL 0291. FINANCIAL SERVICES REGULATION. (2,3 Credits)
This course (taught in real time) is held in seminar form where participation by students is encouraged and expected, and should be of particular interest in view of the frenzy of activity in the recent array of Federal legislative and regulatory initiatives and market developments that are taking place in the Financial Services Industry ("FSI") which has not been seen since the New Deal years in the 1930s. Throughout the summer and early fall of 2008, each week saw the demise and/or consolidation of one or more significant players in the banking, securities and insurance industries as Wall Street (as we knew it) died; the process continues. All of these important events will be discussed in detail from both a legal and financial perspective, including The Emergency Economic Stabilization Act of 2008 ("EESA"), Treasury’s Troubled Asset Relief Program ("TARP") and the Dodd-Frank Wall Street Reform and Consumer Protection Act ("Dodd-Frank") which became law on July 21, 2010. In addition, the class will discuss the new regulatory and related initiatives developed in Congress and the many new rules, regulations and studies required by Dodd-Frank. At the conclusion of this course, each student should have a clear understanding of what and why events occurred (which should be valuable in the employment interview process). The FSI includes the banking, securities, insurance and related industries. Regulation of the FSI was significantly changed on November 4, 1999 with the enactment of the Gramm-Leach-Bliley Financial Services Modernization Act ("GLB") and the extensive rules and regulations issued thereunder, which modernized our FSI and abolished most of the outdated restrictions which existed. We initially will discuss a number of these developments, particularly as they relate to the recent and current changes in the regulation of the FSI since the early summer of 2008. These will include: the pre 2009 Federal regulatory structure, including Treasury’s March 2008 proposed “blueprint” for regulatory change; the roles of Treasury, the Federal Reserve Board, the Federal Deposit Insurance Corporation, the Financial Stability Oversight Council, the Consumer Financial Protection Bureau and other regulators; government sponsored enterprises and their involvement in the creation of the "toxic" mortgages that played a role in the development of our current financial crisis; the main “players” in the FSI and their regulators; the various mergers, acquisitions and other combinations that occurred; the various legislative and regulatory initiatives to restructure our FSI regulatory system culminating in the negotiation and passage of Dodd-Frank; the current regulatory agendas to strengthen our Federal regulatory system, including the increased emphasis on capital, liquidity and risk, and reaching the ultimate goal that no financial entity is “Too Big To Fail”; the current legislative and regulatory impact resulting from the new Trump administration and Congress; and other related areas and issues. <p>In order to round out the course, one class will involve the review and analysis of a large bank’s annual report by a major accounting firm partner, and another covering the view from inside a major bank by its chief operating officer. <p>There is no required prerequisite for this course, although some familiarity with our FSI would be helpful. While there is a take home final examination, a paper (which may be used to satisfy the writing requirement) option will be available.

Attributes: CORC, CRCP, LAWB, LWR.
BKGL 0297. COMPARATIVE FINANCE LAW: CONVENTIONAL & ISLAMIC SYSTEM. (2 Credits)
Islamic contracts and transactions offer an alternative to financial paradigm. It is unique that religious doctrines are interpreting rules on commercial and financial behaviors. Such doctrines are becoming popular in the present financial and commercial world. Islamic commercial and financial transactions are striving as an alternative to conventional trading in the Middle East, Gulf States, Australia, Europe and North America.<p>The current global Islamic financial assets are approximately $1 trillion poised to reach $4 trillion over the next decade. This course will offer an in-depth review of Islamic contracts and their application within the modern Islamic financial world in the US, Europe and the Middle East. The analysis will study the legal requirements. It will also offer a practical study of various joint venture agreements, as well as Sukuk and equity funds. The course will offer a comparative study between stocks, bonds and unit trusts in a conventional market versus the principle of purification in units trust gains in Islamic Finance. Islamic financial transactions ensure that the vehicle to grow the financial market is free from "Gharar", high speculations, a principle forbidden under Islamic Finance law. The Course will offer practical examples of major financial and commercial transactions. These transactions will be analyzed from the Islamic, International and US law perspectives. Paper required.
Attributes: LAWB, LAWI.

BKGL 0311. FINANCIAL INSTITUTION: BANKING. (3 Credits)
The relationship between banks and other financial services institutions will be examined in this course, along with bank and bank holding company powers, restrictions and abilities to enter new fields. The course will review the laws affecting commercial banks and thrift institutions, the functions of the various federal and state regulatory agencies, the development of innovative forms of financial services, the effects of electronic technology upon banking law and interstate banking. You cannot take this course if you have taken Financial Institutions I.
Attributes: BFE, CRCP, CRWP, LAWB.

BKGL 0312. INTERNATIONAL BANKING. (2,3 Credits)
This course examines the legal and regulatory framework governing foreign banks in the United States and U.S. banks abroad. The course has seven main parts. First, basics of banking, and why countries regulate banks. Second, international capital standards and other standards that banks must meet to operate outside their home countries. Third, the U.S. regulatory framework for U.S. banks operating abroad. Fourth, the U.S. regulatory framework for foreign banks operating in the United States. Fifth, international lending, including the problems banks face when foreign governments default on their debts. Sixth, international deposit-taking and letters of credit. Seventh, the conflicting demands posed by U.S. anti-money laundering laws and foreign bank secrecy laws.
Attributes: BFE, CRCP, ICE, LAWB, LAWI.

BKGL 0330. FINANCIAL INSTITUTIONS BANKING. (3 Credits)
This course focuses on federal regulation of banking, particularly regulation aimed at keeping banks financially sound. It examines the evolution of U.S. banking, banks’ financial structure and special vulnerabilities, the process for forming or acquiring banks, the businesses in which banks can and cannot engage, safety and soundness safeguards (e.g., net worth requirements), affiliations between banks and other firms, deposit insurance, bank failure, systemic risk, and regulators’ authority to examine banks and take enforcement action against unsound practices.
Attributes: BFE, CORC, CRCP, LAWB.

BKGL 0332. FINANCIAL INSTITUTION: NON-BANKING. (2-3 Credits)
This course examines nonbank financial institutions and the regulatory framework in which they operate. The course gives particular attention to insurance companies and SEC-registered investment companies (e.g., mutual funds). It also examines hedge funds, private equity funds, and investment advisers.
Attributes: BFE, CORC, CRWP, LAWB.

BKGL 0602. PROFESSIONALISM - UNDERSTANDING FINANCIAL STATEMENTS. (1 Credit)
This course, taught in collaboration with faculty from Fordham’s Gabelli School of Business, will examine the fundamentals of the three primary financial statements that public companies provide. After an introductory overview, the course will delve deeply into financial statements to show the relationship between these statements (for example, how net income impacts equity on the balance sheet), what can be learned about companies from their financial statements (such as price/earnings ratios and other types of ratio analysis), and the significance of notes to financial statements.

BKGL 0615. INVESTMENT MANAGEMENT REGULATION AND COMPLIANCE. (2 Credits)
Investment companies manage more than $20 trillion in the United States alone. An investment company invests the money it receives from investors on a collective basis, and each investor shares in profits and losses in proportion to the investor’s interest in the investment company. Registered investment companies include mutual funds, ETFs, closed-end funds, and unit investment trusts. Unregistered investment companies include hedge funds, private equity funds, venture capital funds, real estate funds and structured investment vehicles. Investment companies are regulated primarily under the Investment Company Act of 1940 (the “1940 Act”) and the rules, regulations and registration forms adopted under that Act. Registered investment companies may generally be marketed to the investing public but are required to abide by many strict rules, including custody and proper valuation of assets, transactions with affiliates, governance, use of leverage, and liquidity requirements. By contrast, marketing of private funds is highly restricted, but investment management by private funds is very flexible, as they are excluded from many of the rules applicable to 1940 Act registrants. Advisers to both registered investment companies and private funds are generally required to register with the Securities and Exchange Commission, and are subject to the rules and regulations adopted under the Investment Advisers Act of 1940 (the "Advisers Act").<p>This pragmatic course primarily examines obligations (and available exemptions) under the 1940 Act and the Advisers Act, but will also cover other relevant federal acts, rules and regulations. The course emphasizes the definition of investment companies and the consequences of failure to register, the organizational and governance aspects of different types of funds, restrictions on marketing and management of investments, and required compliance policies and procedures. Guest speakers from regulatory agencies, the investment management industry or private practice will provide practical insight. There will be one scheduled final examination. In recognition of class participation of high quality shown throughout the semester, a student’s grade may be raised by up to one letter grade.
Attributes: CORC, CRWP, LAWB.
BKGL 0694. PRIVATE FUNDS: HEDGE FUNDS AND PRIVATE EQUITY. (2 Credits)
This introductory course to legal, business and certain regulatory issues related to private funds will cover core concepts in private equity funds, hedge funds, hybrid funds and other highly negotiated structures in the private investment world. The course will cover domestic, offshore and cross-border structures, the key legal issues for management companies advising private funds and the allocation of risk between investors and managers. The course curriculum will include some focused work on key economic elements of the private fund structures, including those related to performance compensation, as well as selected topics in fund taxation. Guest lecturers with specialist backgrounds and knowledge will supplement the core curriculum.

BKGL 0780. INVESTMENT ADVISER & HEDGE FUND REGULATION. (2 Credits)
This course provides an in-depth introduction to key aspects of the federal regulation of investment advisers under the U.S. Investment Advisers Act of 1940 from the perspective of a practicing General Counsel and Chief Compliance Officer of a fund of hedge funds manager. Within that context, the course will provide a basic introduction to hedge funds, fund-of-funds, and other forms of private fund offerings and examine the impact of U.S. federal investment adviser regulation on such funds and their advisers. Students will learn the basics of the federal regulatory and administrative structure governing investment advisers in the U.S., with a focus on advisers to private funds and the key topics impacting an adviser's regular compliance obligations. Beyond providing students with a basic grounding in the applicable rules, regulations and legal theories governing U.S. investment advisers, the course will seek to provide students with an understanding of how these are applied and play out in practice. Lectures will be led by a current practitioner, as well as students in the class, and may also utilize guest lecturers consisting of practicing attorneys and business people involved in the legal and business aspects of the investment management and hedge fund industry. The subject matter will be presented through a combination of statutory reading and interpretation, administrative guidance, case law, and real-world issues and situations This course will help develop basic core practice skills with respect to U.S. securities law statutory interpretation and will introduce students to administrative law concepts on how the law may be made or defined not just through rules and regulations and traditional case law, but also through an intricate system of government agency administrative and legal actions, releases, letters and interpretive guidance, e.g. SEC staff adopting releases, interpretive releases, no-action letters, examinations, speeches, and other SEC staff interpretive guidance. This will be a skills course. There will be no exam. Students will be asked to (i) comment on or draft documents that a practitioner in this area would encounter based upon the material covered in the course and (ii) present a full lecture to the class on one of the subjects to be covered in a given class. Certain assignments, including the lecture, may be required to be done in teams. Students will be evaluated and graded based on these assignments and class participation.

Attributes: JD, LAW.
Prerequisites: (SCGL 0417 or BKGL 0332 or BKGL 0311).