

Vermont Law School  
Securities Regulation (Fall 2020) Syllabus  
Professor Nathaniel Hibler

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**Introduction:**

**Class Meetings:** Tuesday and Thursday, 11:10am–12:25pm  
**Location:** Microsoft Teams, i.e. from wherever you are able to participate  
**Office Hours:** My official office hours are Thursday 10-11:00am on Teams, and by appointment.  
**E-mail:** [nhibler@vermontlaw.edu](mailto:nhibler@vermontlaw.edu)

Welcome to Securities Regulation. A study of federal law and the rules of the Securities and Exchange Commission concerning the registration, distribution and trading of securities, and legal and regulatory aspects of the securities industry. The course considers the responsibilities and liabilities of issuers of securities, its officers and directors, brokers, attorneys, and other participants in the distribution and trading processes, as well as issues regarding "insider" trading.

***Required Text***

We will use the following **Casebook**:

- STEPHEN J. CHOI AND A. C. PRITCHARD, SECURITIES REGULATION, CASES AND ANALYSIS, 5<sup>TH</sup> ED., WEST ACADEMIC 2019.

Unless otherwise specified, all page references in this Syllabus are to the **Casebook**.

**Optional Statutory Supplemental** – Stephen J. Choi and A. C. Pritchard, Securities Regulation, 2020 edition.

***Assessment***

There will be a midterm exam and a final exam. There will also be three written assignments that will be graded.

***Grading***

Assignment 1 – 10%  
Assignment 2 – 10%  
Assignment 3 – 10%  
Midterm Exam – 20%  
Final Exam – 40%  
Class Participation – 10%

Assignments will be given on Thursdays and will be due the following Tuesday. Late assignments will not be accepted for grading, though a good late assignment could help your participation grade. Assignments must be uploaded to TWEN prior to the class they are due. I will accept email submissions as timely so long as the assignment is also uploaded to TWEN within a week of the due date.

The midterm will be prior to Fall break and will take up a class time. The final exam will be over finals week and will be given in accordance with VLS policy. All assignments must be your own work product, all exams must be taken independently. Both exams will be a mixture of questions, potentially involving multiple choice, true / false, matching, short answer, and essay responses.

You must take these exams alone and without anyone's aid. They are open book, but you must not seek another's input or advice. Breaching this (getting input from another on a quiz or any code of conduct violation, see page 92-106 of the Student Handbook) will result in an F in the course.

You must complete the Assignments alone and without anyone's aid. They are open book, but you must not seek another's input or advice. Breaching this (getting input from another or any code of conduct violation, see page 92-106 of the Student Handbook) will result in an F in the course. The purpose of these Assignments is to develop your knowledge – they are an integral part of learning in this class.

### ***Class Participation***

You must do your best to show up (1) for every class, (2) on time, and (3) well prepared. My approach to teaching emphasizes participation and engagement. Students will take an active role in each class. In every class, I will be asking for your views on particular subjects. Because you are aspiring lawyers, I am mostly interested in your response as it relates to law, policy, or legal principles and theory. Your preparation and participation will make the course more comprehensible and enjoyable. I reserve the right to raise or lower your grade by 1/3 step (ex. B to B+ or B-) based on your class participation or lack thereof.

Successful participation is not necessarily measured by whether your answer is “correct,” but by whether your comments demonstrate that you have read and thought about the material and that you are making a good faith effort to advance the conversation.

I will call on non-volunteers as well as volunteers. Please respect your colleagues acknowledging the differing opinions of your colleagues and refraining from side discussions and other disruptions.

Each day a Class Clerk will be selected for the following class. The Clerk will be responsible for taking attendance, assisting the instructor, and may be deferred to for selecting volunteers. Your performance as Class Clerk will be a significant contributor to your Participation Grade.

### ***Virtual Classroom***

We will be using Teams to meet during class time and TWEN for supplemental materials and submission of quizzes and assignments. **Please make sure to log on to both prior to our first class.**

Arrive to our Teams class early and be prepared as you would for an in-person class. Class will start promptly at 11:10 am. **It is required that your video be on during class time.** If your video is off, I will assume you are away from your computer and will mark you as absent.

We will spend time working through problems in class. Please find a dedicated quiet space to attend Teams class sessions, to minimize the chances that you will be disrupted during the session.

Teams has a raise your hand function. Because this is a new adventure for all of us, we'll start the semester by using the “raise your hand” button when you would like to speak. We'll see how it works and assess from there. Please mute your microphone when you are not speaking.

Participation in our Teams class will be no less extensive than an in-class session. You should be actively engaged in answering questions, taking notes, writing down questions you wish to ask later during class or during office hours, etc. This will not only help your learning, but also it will help you stay engaged.

If you have any technology questions, please raise them as early in the semester as possible so that we can address them as soon as possible. I cannot solve your IT issues so please write to the help desk at VLS.

Attendance will be taken daily. Attendance is required, and repeated failures to attend will result in removal from class. This class follows the Vermont Law School default attendance policy. Please be sure to familiarize yourself with the policy prior to class. Vermont Law School Academic Regulations II(A)(1) on pg. 28 of the VLS 2018– 2019 Student Handbook.

### ***Class Cancelations***

We will not meet on Thursday, September 10. Instead, please watch *Other People’s Money*. I will provide several questions to respond to and that will be Assignment 1.

No class on Tuesday, October 13 during fall break  
No class on Thursday, November 26 for Thanksgiving  
Last Class is Tuesday, December 3<sup>rd</sup>

### ***What You Can Expect from Me***

You can expect me to plan the best course I can. That means I will select intriguing, pertinent material for you to read, contemplate, and write about. I will do my best to keep our time in class challenging, productive, interesting, and even fun. I will provide prompt, engaged feedback to your work, and I will attempt to assess your work fairly.

If you feel that I have assessed you unfairly, or if you want to discuss any aspect of the course or subject matter, you should always come and speak with me. You should expect a good listener. You should expect someone who wants your feedback, and who will respect what you have to say. Above all, you should expect to be in the classroom with someone who loves to teach.

Lastly, this syllabus is an outline for us to follow, and I reserve the right to make changes or omissions at any time. There is an immense amount of material available to us, the issues can be extremely complicated, the securities violations are numerous and the enforcement mechanisms varied, so we will tailor what we learn to focus on the items that are important to the class (you) and most relevant to your future. A rough outline of the assigned readings by class is below, but we will modify this list as class progresses.

### ***Assigned Readings (“LS” denotes a legal skill we will practice)***

<b><i>Subject</i></b>	<b><i>Class #</i></b>	<b><i>Text</i></b>	<b><i>Statutes and Rules</i></b>
Introduction	1	1-48	
Materiality	1	49-68	Exchange Act Rules 10b-5, 12b-20

Materiality	2	68-89	Regulation S-K Item 303(a)
Materiality	2	89-109	Regulation S-K Item 103, Regulation S-K Items 401, 403, 404, 406
Definition of "Security"	3	111-133	Securities Act § 2 (a)(1)
Definition of "Security"	4	133-140; 146-163	
Definition of "Security"	5	163-178	Securities Act § 3(a)(3); Exchange Act § 3 (a)(10)
Disclosure & Accuracy	6	197-224	Exchange Act §§ 12(a), 12(g), 13(a), 15(d); 12g-4; 12h-3, 13a-14
Disclosure & Accuracy	7	224-240	Exchange Act § 13(b); Exchange Act Rule 13a-1; Forms 8-K, 10-K; Regulation FD; Regulation S-K Item 303(a); Sarbanes-Oxley Act § 304
Rule 10b-5	8	241-260	Exchange Act § 10(b); Rule 10b-5
Rule 10b-5	9	273-279; 283-300	Exchange Act § 21E; Regulation S-K Item 303(a)
Rule 10b-5	10	300-312; 319	Exchange Act § 21D(b)(1-3) , (c)
Rule 10b-5	11	320-349	
Rule 10b-5	12	349-375	Exchange Act § 21D(b)(4),
Rule 10b-5	13	381-391; 392-403	Exchange Act §§ 27, 28(a)
Insider Trading	14	405-421	Exchange Act § 20(d)
Insider Trading	15	421-449	Exchange Act Rule 10b5-1
Insider Trading	16	449-475	Exchange Act §§ 14(e), 20A; 21A; Rule 10b5-2; 14e-3
Public Offerings	17	487-520	Securities Act §§ 2(a)(3), (10), (11); 5; 10; Rules 135, 163A, 168, 169, 405; Form S-3 Gen. Inst. I
Public Offerings	18	520-533	Securities Act §§ 2(a)(3), (10), (11); 5; 10(b); Rules 134, 164, 430, 433
Public Offerings	19	533-548	Securities Act §§ 2(a)(3), (10); 4(a)(1), (3), (4); 8; 10(a); Rules 137, 138, 139, 172, 173,174, 424, 430, 430A, 434; Regulation S-K Item 512(i); Exchange Act Rule 15c2-8
Public Offerings	20	548-558	Securities Act §§ 8(d), 10(a)(3); Regulation M; Regulation S-K Item 512(a)

Public Offerings	21	558-567	Securities Act Rules 158, 413, 415, 424(b), 430B
Securities Act Liability	22	569-594	Securities Act §§ 6(a), 11, 15
Securities Act Liability	23	594-621; 626	Securities Act § 11(f),13
Securities Act Liability	24	630-658	Securities Act §§ 2(a)(3), (10), (11), 10, 12(a)(1), (2), 13; Rules 159, 159A
Exempt Offerings	25	663-674	Securities Act § 4(a)(2)
Exempt Offerings	26	674-697; 702-705	Securities Act Rules 135c, 152, 155; Regulation D: Rules 500, 501 (a), (e), (f), (h), (i), 502, 504, 506, 507, 508
Exempt Offerings	27	756-771	Regulation S
Secondary Distributions	28	773-791	Securities Act §§ 2(a)(3), (11), (12); 4(a)(1), (3), (4); 5
Secondary Distributions	29	791-803	Securities Act §§ 2(a)(11), 4(a)(1), (2), (3), (4); Rule 144, 405
Secondary Distributions	30	803-811	Securities Act Rule 144A
Enforcement	31	857-881	Exchange Act § 21
Enforcement	32	881-900	Exchange Act §§ 12(j), (k); 15(c)(4); 21(a); 21C; 25
Enforcement	33	900-913; 917-927	Exchange Act § 21(d); Sarbanes-Oxley Act § 304
Overflow & Review	34		Review / Prepare for final exam