

SECURITIES REGULATION

LAW 752 / SECTION 1

FALL 2019

ADJUNCT PROFESSOR DAUNA WILLIAMS

THE PROFESSOR

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OFFICE HOURS: Mondays & Tuesdays, 3:00-5:00PM (open door), and by appointment.

CLASS MEETING TIMES: Tuesdays, 5:00-6:20PM in Room 206.

NOTE FROM THE PROFESSOR:

Welcome! I look forward to working with you this semester.

The regulation of our financial markets is uniquely American, created to bring transparency and protection to our free markets and its participants. How we regulate the buying and selling of securities influences the way business is conducted around the world. In this course, we will explore the regulation of securities, through the lens of two startups that recently went public, namely Lyft and Uber.

We will approach securities regulation from analytical and practical perspectives. Students will be expected to collaborate in a manner that simulates the work of a practicing securities lawyer, which will include drafting legal memorandum and reviewing SEC reporting documents. Although securities regulation is not tested on the bar exam, it does overlap with other topics that are, such as business associations and contracts. Therefore, our analysis and writing will follow that of what is expected on the bar exam, as well as, and that of an associate in a law firm.

The successful student will embrace this course as a journey into their professional development from student to sitting for the bar to practicing lawyer.

-- Adjunct Professor Dauna Williams

COURSE BOOKS & MATERIALS

Required Books. These books are available at the Texas Southern University's Bookstore:

- 1) CHOI & PRITCHARD, **Securities Regulation** (5th ed. Foundation Press/West Academic 2019) (Online purchase: <https://www.directtextbook.com/isbn/9781640209718>)
- 2) *CHOI & PRITCHARD, **Securities Regulation: Statutory Supplement, 2018 Edition** (25th ed. Foundation Press/West Academic 2018); (Online purchase: <https://www.directtextbook.com/isbn/9781640209350>)

*As a **free alternative to #2 above**, you may rely online versions of the necessary regulations via Westlaw or LexisNexis. If you are going to take this alternative route, please note that the regulations covered are:

- **Federal**
 - Securities Act of 1933
 - Securities Exchange Act of 1934
 - Investment Company Act of 1940 and Investment Advisers Act of 1940
 - Sarbanes-Oxley Act of 2002
 - Dodd–Frank Wall Street Reform and Consumer Protection Act of 2010
 - Jumpstart Our Business Startups Act of 2012
- **State** - Texas Civil Statutes, Title 19, Blue Sky Law - Securities (online only)

If using electronic versions, please bookmark all of the sites on which the text and resources listed above can be found for easy access during class. I would advise looking through the textbook for the relevant statutes **before downloading or printing these statutes**, for they are very, very long, and only certain sections will be relevant to our work. Students taking this route should strongly consider saving the relevant statutes in .pdf format and using a .pdf notation tool (e.g., the free version of Adobe Acrobat Reader for PDF) to electronically annotate these statutes.

Required SEC Filings. In addition to the above, the following SEC filings are required and will be used throughout the semester as the course's hypothetical references. All students must download and actively reference these documents throughout the semester. Please download .pdf versions only. **Printing these documents is not recommended** given their length (some of these documents are thousands of pages long). You will need a .pdf notation tool, such as the free version of Adobe Acrobat Reader for PDF.

Lyft, Inc.	Form S-1, dated March 1, 2019	https://investor.lyft.com/sec-filings/sec-filing/s-1/0001193125-19-059849
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Lyft, Inc.	Form 10- Q, dated March 31, 2019	https://investor.lyft.com/sec-filings/sec-filing/10-q/0001564590-19-019135
Uber Technologies, Inc.	Form S-1, dated April 11, 2019	https://investor.uber.com/financials/sec-filings/sec-filings-details/default.aspx?FilingId=13355733
Uber Technologies, Inc.	Form 10- Q, dated June 4, 2019	https://investor.uber.com/financials/sec-filings/sec-filings-details/default.aspx?FilingId=13472359

Required TWEN Page Access. Various, original source, corporate documents relating to Lyft and Uber, and other related course materials, will be posted to this course’s TWEN page throughout the semester.

Supplemental Recommended Book. This book is available at the Texas Southern University’s Bookstore:

CHRISTOPHER, **Tackling the Texas Essays** (18th ed. Carolina Academic Pres 2018) (Online purchase: <https://www.directtextbook.com/isbn/9781611638547>)

COURSE DESCRIPTION & OBJECTIVES

Course Description

General. Whether they are start-ups or global conglomerates, companies need capital to operate. One way a company can raise capital is by offering shares to investors who then, in exchange, are given an ownership interest in the company as shareholders. Whenever a company seeks to raise capital in this manner, the laws of securities regulation are involved. This is an introductory course to securities regulation, teaching the basic structure of securities regulation and providing an overview of the Securities Act of 1933 (’33 Act) and the Securities Exchange Act of 1934 (’34 Act).

Lyft and Uber Deep-Dives. We will look through the lens of two 2019 initial public offerings (IPOs), namely those of Lyft, Inc. and Uber Technologies, Inc. We will look at every stage of these once startups’ maturation under US securities regulations, issue-spotting how securities’ caselaw and regulations molded these competitors’ behaviors and business strategies. Using multimedia and actual SEC filings, we will explore how the securities regulatory ecosystem surrounded Lyft and Uber, from the vantage points of the founders, investors, analysts, the press, day traders, stockholders, employees and the public. Lyft’s and Uber’s SEC filings will be the basis for the majority of our class discussions, hypotheticals and all Essays and the final exam.

This course will introduce students to the:

- Evolution of the regulation of US securities markets and participants, including the need for transparency and understanding of materiality;

- Role of the Securities and Exchange Commission (SEC) as the primary government regulator of the securities market, and the roles of other securities market participants;
- Capital raising opportunities available to business organizations;
- Definition of a “security” and the regulatory implications which result when an ownership interest is deemed a “security”;
- Disclosure and registration requirements governing an IPO of securities, including deconstruction of the making of a registration statement;
- Regulatory schema governing start-ups before they go public, especially the concerns related to the exemptions under the '33 Act;
- Evolution, impact and direction of crypto-securities, namely initial coin offerings (ICOs);
- '34 Act reporting requirements of publicly traded companies after an IPO or an ICO;
- Applicability of Texas and other state blue sky laws;
- Risk management requirements against securities fraud and insider trading activities; and
- Ongoing, inadvertent role US securities regulation plays in American digital transformation and policymaking in the areas of cybersecurity and privacy, data governance, cryptocurrency, transparency, corporate governance and ethical risk management.

This course is designed not only to introduce knowledge of securities transactions, markets and participants, but also to introduce some of the practical skills needed to counsel clients on related risk management and compliance concerns.

Course Objectives and Student Outcomes

The objective of and student outcomes that are expected from this course are to offer students the opportunity to gain the following abilities to:

- Understand the legal evolution of federal and state securities regulation and caselaw;
- Understand basic securities regulation caselaw, statutes, regulations and rules;
- Identify and properly apply applicable legal analysis to various fact patterns, seeing multiple sides of the issues;
- Understand and interpret the circular flow of the legal ecosystem from caselaw to regulation to real life application, and then back to caselaw again;
- Develop and utilize critical thinking in a rigorous environment;
- Appreciate the importance of precise language and strong drafting;

- Convey one’s understanding of the above both orally and in writing;
- Collaborate efficiently with others for better outcomes; and
- Give meaningful and ethical counsel to clients once admitted to the bar.

GRADING

General Requirements. A successful student shall timely:

- (1) Prepare for and participate in weekly class discussions and simulations;
- (2) Read, analyze and respond to complex problems sets;
- (3) Read, analyze, draft and submit three (3) written assignments, namely legal memoranda and SEC reporting documents, and to review the work of others (*see*, “Essays” below); and
- (4) Complete the final exam.

Final Grade. Grading will conform to Law School policy for electives and a class enrollment of this size. Your final grade will be based on the following:

• Essay Quiz 1	5%
• Essay Quiz 2	10%
• Essay Quiz 3	15%
• Essay Quiz 3 Peer Review	10%
• PPA	20%
• Final Examination	40%
	100%

Essays & Essay Peer Review.

Three times throughout the semester you will be given an essay quiz (“Essay). Although securities regulation is not tested on the bar exam, these Essays will be formulated to replicate the format of a bar exam question. Coincidentally, this is also a format commonly expected of a law firm associate when writing a legal memorandum.

- **Essay 1** will be an open book, take-home essay, with a 24-hour window to return.
- **Essay 2** will be the mid-term for this course and will be, in-class, timed and closed book.

- **Essay 3** will be an open book, take-home essay, with a 24-hour window to return.
- **Essay 3 Peer Review** will be an open book, take-home peer review, with a 24-hour window to return. This Peer Review shall take place immediately after Essay 3's window closes.

Take-Home Instructions. **Essay 1, Essay 3** and the **Essay 3 Peer Review** will be released in TWEN on the dates and times outlined in the syllabus below. Each of these must be typed and submitted online. No paper copies allowed. During the Peer Review students should use the track-changes and comment functions found in their word processing software to make their comments. Each Essay/Peer Review shall be submitted electronically only via TWEN. No paper copies are allowed.

Additional Instructions for the Essay 3 Peer Review. Once completed and submitted, in the true fashion of law firm collaboration, your Essay will be immediately assigned (in our case anonymously) to a classmate for review and comment. Each student who has submitted their Essay will be required to review and comment in this Peer Review, using their word processing software's "track changes" and "comments" features. Here the successful student will be looking for and correcting gaps in the Essay 3 student's analysis and presentation of arguments.

Very Important Caveat: Any student who fails to submit an **Essay 3**, will not be able to participate in the **Essay 3 Peer Review** and therefore will receive **zero (0) points for both** Essay 3 and the **Essay 3 Peer Review**. This student shall not be able to make up Essay 3 unless such student has an excused absence from Dean Mouton. A student who properly submits Essay 3 will not be penalized for their Peer Review partner's failure to submit. Instead, under such circumstances, an alternate Peer Review will be conducted by me. Please see the "Policy and Procedures" section for more important information related to assignments and grading.

PPA. Please see the section below on "Participation, Professionalism, and Attentiveness."

Final Examination. The format for your final examination will be in-class, timed, closed-book essays. The essay questions will be modifications of Essay 1, 2 and 3. You should prepare for these exams by reviewing the material we cover in class, including the Lyft and Uber materials, and your earlier Essays.

Please refer to the most recent copy of the Student Rules and Regulations for additional information regarding the grade guidelines.

ACCOMMODATIONS

If you require special accommodations, please fill out the necessary forms with the Dean's office. Your application and documentation will remain confidential. Your prompt attention will allow the law school to accommodate you as soon as it has been made aware of your situation.

Also, please contact Dean Virgie Mouton (Student Affairs) if you require any special

accommodations regarding any of the assignments, including, but not limited to, extensions, note-takers, etc. You must contact Dean Mouton before the related assignment is due.

Dean Mouton
Assistant Dean for Student Development and Academic Support
Phone: (713) 313-7909
Email: vmouton@tmslaw.tsu.edu

PARTICIPATION, ATTENDANCE & PROFESSIONALISM

PARTICIPATION:

Class participation will be considered in determining your final course grade. You must be prepared for all classes. If you do not actively participate in class discussion and exercises, you may lose “Participation, Professionalism and Attentiveness” points (“PPA points”). You must prepare all assignments to the very best of your ability even if they are not submitted for a grade or feedback. In addition, if you fail to bring all relevant materials with you to class or do not have these materials open and ready for use in class, you will lose PPA points. You will need to have the required texts in class (or access to them) to fully participate in the discussion. Lastly, as you know, you must be on time for class.

ATTENDANCE:

Class attendance is mandatory. Attendance will be taken at the beginning of each class. Per Article III, Section 9 of the Student Rules and Regulations, for this two-hour course, you will be permitted three (3) absences. Tardiness will not be permitted and will be considered an absence, as will dismissal from class for misconduct or lack of proper preparation. Please see the Student Rules and Regulations for information on grade reduction and further details on absences. The class attendance rule is strictly enforced.

PROFESSIONALISM:

A. Electronic Devices:

- (1) *Appropriate Use.* Laptop computers, tablets, or mobile devices may be used during class for accessing your e-textbook, statutes, regulations and rules, and for class-related note taking and reference.
- (2) *Inappropriate Use.* It is inappropriate to use these devices during class for any other purpose (*e.g.*, to download music, play games, watch DVDs, access inappropriate web sites, or to instant message others). Any use of electronic devices that compromise the integrity of TSU or TMSL IT environment or security is obviously forbidden.
- (3) *No Disruptions.* Students are asked to monitor their typing so that it is not disruptive to or disrespectful of other students (*i.e.*, please be conscious of loud typing and notification signals). Cell phones, smart watches, laptops

and all other personal devices must be silenced, with all ringers and notification bells turned off during class.

- (4) *Emergency Use*. If a student expects to be contacted for a legitimate emergency while in class, please let advise me prior to class to make appropriate arrangements. Also, if a student must take or make an emergency call during class, please leave the room discreetly to do so.
- (5) *Consequences of Abuse*. Use of a laptop, tablet, or mobile device in class is a privilege. In addition to any other sanction, students may lose the right to use electronic devices, individually or collectively, if it is abused.

B. Recording Classes: A student is authorized to record classes for **personal** use only. Recordings may also be made on behalf of fellow students who are excused from class. Please notify me before making such recordings. Unauthorized recording for other students or for posting online or any other form of publication is not permitted.

C. Classroom Conduct: At all times, students must respect fellow colleagues. Please refrain from excessive side conversations or other distracting conduct during class. Also, ***please refrain from arriving late or leaving the classroom during instruction***. Once class begins, students should remain seated and fully engaged in the discussion. If a student has a medical condition that requires leaving regularly after class has begun, please see Dean Mouton for approval. Otherwise, **such disruption of class will result in a loss of PPA points**. Unexcused and/or repetitive late arrivals or early departures may be viewed as an absence. Further, any other conduct that displays a lack of professionalism will result in a loss of PPA points.

ACADEMIC CALENDAR



TEXAS SOUTHERN UNIVERSITY THURGOOD MARSHALL SCHOOL OF LAW ACADEMIC CALENDAR 2019–2020

FALL SEMESTER ACCELERATED (TURBO) COURSE

First Day of Accelerated Summer	Monday	August 5, 2019
Last Day to Add/Drop Classes	Monday	August 5, 2019
Last Day of Classes	Friday	August 16, 2019

FALL SEMESTER 2019 (SEVENTY-ONE DAYS OF CLASSES)

Orientation	Monday–Friday	August 12–16, 2019
First Day of Class	Monday	August 19, 2019
Last Day to ADD/DROP	Wednesday	August 21, 2019
Labor Day (NO CLASSES)	Monday	September 2, 2019
<i>Purge of all unpaid course selections</i>	Wednesday	September 18, 2019
Mid Term Examinations	Monday–Friday	October 14–18, 2019
Last Day to Drop a Class	Friday	November 8, 2019
Last Day of Classes	Tuesday	November 26, 2019
First Year Professors' Grades due	Tuesday	November 26, 2019
Reading Period (NO CLASS)	Wednesday	November 27, 2019
Thanksgiving Holiday	Thursday–Friday	November 28–29, 2019
Reading Period (NO CLASS)	Saturday–Sunday	November 30–December 1, 2019
Final Examinations	Monday–Friday	December 2–December 13, 2019
Commencement Exercises	Saturday	December 14, 2019

SPRING SEMESTER 2020 (SEVENTY DAYS OF CLASSES)

School Opens	Thursday	January 2, 2020
First Day of Class	Monday	January 13, 2020
Last Day to ADD/DROP	Wednesday	January 15, 2020
M L K Holiday (NO CLASSES)	Monday	January 20, 2020
<i>Purge of all unpaid course selections</i>	Friday	February 7, 2020
Mid Term Examinations	Monday–Friday	March 9–13, 2020
Spring Break	Monday–Friday	March 16–20, 2020
Spring Break (University Closed)	Wednesday–Friday	March 18–20, 2020
Last Day to Drop a Class	Thursday	April 9, 2020
Good Friday (NO CLASSES)	Friday	April 10, 2020
Last Day of Classes	Tuesday	April 28, 2020
First Year Professors' Grades due	Tuesday	April 28, 2020
Reading Period (NO CLASSES)	Wednesday–Thursday	April 29–April 30, 2020
Simulated Bar Exam*	Friday	May 1, 2020 (<i>tentative</i>)
Reading Period (NO CLASSES)	Saturday–Sunday	May 2–May 3, 2020
Final Examinations	Monday–Friday	May 4–May 15, 2020
Hooping Ceremony	Friday	May 15, 2020
Commencement Exercises	Saturday	May 16, 2020

Please note that the calendar events and /or dates are subject to change.

Updated August 6, 2019

PROCEDURES & POLICIES

A. General Concerns.

If you have any questions regarding these guidelines or the guidelines on any individual assignments, please ask me. Any format guidelines provided for formal writing assignments are designed to further prepare you for the level of professionalism required in law practice.

B. Anonymity/Online Submission.

Students will be assigned an “alias” number to use when submitting Essays and the Essay 3 Peer Review. Students must not put their name on any Essay/Peer Review, as preservation of anonymity during grading is mandatory. (This includes updating one’s user ID in your word processing software, so it reflects your alias number and not your name when working on Essays.) Unfortunately, in order to protect the integrity of this courses collaborative process, **if a student puts their name on an Essay, that student’s work will not be graded, and will receive a zero for the Essay.** If a student uses the wrong alias number, that student will lose PPA points. Essays must be submitted on time. Lastly, if an Essay is submitted by a student on TWEN more than once, I will review and grade only the most recent submission (*i.e.*, the last submission received). **Please note that all Essays must be submitted electronically through TWEN.**

C. Syllabus and Reading Assignments.

This is a syllabus, not a contract, and may be amended or supplemented at any time in my sole discretion. Set forth on the following pages is a tentative schedule for our class meetings, but additional required reading materials may be posted on TWEN and reading assignments may change as we make our way through the course. The class will generally follow the order of the textbook. Time permitting, we will aim to cover one assignment per session. In addition, time permitting, we may take some time to explore related material. **Please skip all hypotheticals found in the course book**, for we will be using our materials related to Lyft and Uber for all of our hypothetical work. If you encounter an unfamiliar term, please refer to the definition section found in the relevant statute and/or *Black’s Law Dictionary*. If you are absent from class, please see a classmate about any missed material and required preparation for the next class.

The reading assignments and discussion exercises are listed in the course syllabus under the day of the class for which they should be prepared in advance. ***It is a student’s responsibility to follow the syllabus, be prepared for class and submit all assignments on time.*** Modifications, including additions or deletions to the syllabus, will be announced in class, via e-mail, and/or posted on the course page on TWEN. **Please note that all additional reading found below or on TWEN, unless specifically marked “recommended,” will be treated the same as text reading for exam and assessment purposes.**

D. Consequences for Late Assignments.

Students will be required to submit their Essays online using TWEN. An Essay is due on the date and at the time indicated on the Essay, in the syllabus and/or by me. Be sure to review the Essay and the course syllabus carefully. If a student submits an Essay after the relevant due date

and time, but within one hour after the stated deadline, such student will receive a 25% reduction in their grade.

Students will not receive any credit for a writing Essay that is submitted more than one hour after the relevant due date. TWEN submissions provide a time-stamp for grading purposes. Moreover, if a student uploads his/her Essay on TWEN multiple times, I will review only the most recent submission for time and grading purposes.

For example, if an Essay is due using TWEN at 11:59 PM on a particular day and a student submits the Essay at 12:59 AM on the following day, then that student will lose 25% of the total available points. If a student turns in the Essay at 1:00 AM on that following day, or later, that student will lose 100% of the total available points for that Essay and will not receive any credit for the Essay. For purposes of this section, a “day” is further defined as a calendar day (including weekends and holidays), not a Texas Southern University or Thurgood Marshall School of Law business day. All calendar days, including weekends and holidays, will be counted in determining any grade reductions.

It is very important that students adhere to all instructions and the rules for this course.

E. Plagiarism.

Plagiarism in *any* form is strictly prohibited. Students may not plagiarize any other written work, including, but not limited to, any sample answer, article or news report. Should an instance of plagiarism exist, the matter will be forwarded to the Dean for appropriate action.

D. Questions Sent by Email.

I welcome your questions by email, provided you adhere to the following requirements. If you send me a question by email, you must (1) identify the steps you have taken to solve the problem or answer your specific question or issue and (2) include what you believe the solution or answer to be. In particular, you should identify the materials you have read or sources you have researched. Many times, the answer to a question (especially technical requirements for assignments) may be found in the Course Guidelines and Syllabus. Be sure to check this document first.

E. Campus Carry.

The State of Texas has recently passed legislation permitting students to carry a *concealed* firearm on campus if such student has a concealed license permit recognized by the State of Texas, subject to the rules and regulations of Texas Southern University’s (“TSU’s) Campus Carry Policy. For a complete list of the gun-free zones on this campus and the rules governing campus carry at our institution, please visit Texas Southern University’s website at <http://www.tsu.edu/>, see also, TSU Campus Carry Policy and TSU Campus Carry webpage. Please note that entering a gun-free zone on campus with a firearm, could not only lead to criminal prosecution but suspension or expulsion from school.

SYLLABUS

Guidelines:

- A. Read cases, descriptive materials and notes only. Skip hypotheticals and questions.
- B. See first page of chapter for full list of covered statutes.

SECTION I - CORE CONCEPTS

CLASS/ ESSAY #	DATE	TOPICS	REQUIRED ASSIGNMENTS	NOTES/LINKS
Class 1	Aug 20	<p>Course overview and approach</p> <ul style="list-style-type: none"> • Essays and final exam • Participation via the “TV Lawyer” exercise • “TV Lawyer” assignments given • How we will use Lyft & Uber <p>Corporate Structure & Requirements Overview</p> <p>Modern evolution of securities regulation</p>	<u>CP Chapter 1</u> : pp 1-16	
			<i>1929: The Great Crash</i> , Joanna Bartholomew, <u>BBC</u> , 2009. (VIDEO - 60 min)	https://www.youtube.com/watch?v=qlSxPouPCIM&t=95s
			“Recession 2019-2029 vs 1919-1929 Stock Market Crash Similarities,” Day Trading Zones, 2019 (VIDEO - 19 min)	https://www.youtube.com/watch?v=CvKdtptdD1M
			“How I learned to read -- and trade stocks -- in prison,” Curtis “Wall Street” Carroll, <u>TEDx San Quentin</u> , 2016 (VIDEO - 12 min)	https://www.ted.com/talks/curtis_wall_street_carroll_how_i_earned_to_read_and_trade_stocks_in_prison/next?language=en
			“Murderer turned stock picker is ‘Oracle of San Quentin’,” Catey Hill, <u>MarketWatch</u> , 2014.	https://www.marketwatch.com/story/murderer-turned-stock-picker-is-oracle-of-san-quentin-2014-07-10

CLASS/ ESSAY #	DATE	TOPICS	REQUIRED ASSIGNMENTS	NOTES/LINKS
Class 2	Aug 27	Regulatory landscape What is a “security” (“The Howey Test”)	<u>CP Chapter 1</u> : 22-46 <u>CP Chapter 3</u> : pp 111-119	Highlighted statutes: Securities Act §§ 2 (a)(1), 3(a)(3); Exchange Act § 3 (a)(10)
			“What It Means to Buy A Company's Stock,” Sal Khan, <u>Khan Academy</u> , circa 2011. (VIDEO 14 min)	https://www.khanacademy.org/economics-finance-domain/ap-macroeconomics/ap-financial-sector/financial-assets-ap/v/what-it-means-to-buy-a-company-s-stock
Class 3	Sept 3	Materiality • Drivers behind materiality • Forward looking information • Objectivity • “Total Mix” • Management integrity TV Lawyers issue spotting	<u>CP Chapter 2</u> : pp 49-106	Highlighted statutes: Exchange Act Rules 10b-5, 12b-20; Regulation S-K Item 103, 303(a), 401, 403, 404, 406.
			<i>Curtis "Wall Street" Carroll is a Stock Expert Serving Life in Prison (Flashback)</i> , DJ Vlad, 2019 (VIDEO - 45 min)	https://www.youtube.com/watch?v=1QC2VdfVHzI
			“Uber CEO Fights with Uber Driver,” <u>The Young Turks</u> , 3/2/17 (VIDEO)	https://www.youtube.com/watch?v=w1rq4S7Akdo
			“Uber CEO Travis Kalanick Resigns,” <u>CNBC</u> , 6/21/17 (VIDEO)	https://www.youtube.com/watch?v=njA31i7rF0
			<i>Uber CEO Kalanick Argues with Driver Over Falling Fares</i> , <u>Bloomberg</u> , 2/28/17 (VIDEO)	https://www.youtube.com/watch?v=gTEDYckNqns

SECTION II - DISCLOSURE & PUBLIC OFFERINGS

CLASS/ ESSAY #	DATE	TOPICS	REQUIRED ASSIGNMENTS	NOTES/LINKS
Class 4	Sept 10	Disclosure & Accuracy • Mandatory • What is a public	<u>CP Chapter 4</u> , pp 197-240 Lyft S-1 pp i-19 Uber S-1 pp i-24	Highlighted statutes: Exchange Act §§ 12(a), 12(g), 13(a), 13(b), 15(d); 12g-4; 12h-3, 13a-1, 13a-14; Forms

CLASS/ ESSAY #	DATE	TOPICS	REQUIRED ASSIGNMENTS	NOTES/LINKS
		company? <ul style="list-style-type: none"> • What must it disclose? • Accuracy requirements • Selective disclosure issues <p>TV Lawyers issue spotting</p> <p>Discuss Essay 1 quiz</p>		8-K, 10-K; Regulations FD, S-K Item 303(a); Sarbanes-Oxley Act § 304.
Essay 1	Sept 11	To be further discussed in Class 4.	<ul style="list-style-type: none"> • Check in TWEN for Essay #1 description and any additional requirements. • <i>See also</i>, “Grading” and “Policy & Procedure” sections above for basic requirements, expectations and caveats. • To be released at 12:00AM on 9/11. • Closes at 11:59PM on 9/11. 	
Class 5	Sept 17	<p>Essay 1 group feedback and points of interest</p> <p>Public Offerings</p> <ul style="list-style-type: none"> • Economics of IPOs • Gun-jumping rules <ul style="list-style-type: none"> ○ Prefiling period ○ Waiting period <p>TV Lawyers issue spotting</p>	<p><u>CP Chapter 7</u>, pp 487-526</p> <p>Lyft S-1 pp 20-66</p>	<p>Highlighted statutes:</p> <p>Securities Act §§ 2(a)(3), (10), (11); 4(a)(1), (3), (4); 5; 8(d), 10; Rules 134, 135, 137, 138, 139, 158, 163A, 164, 168, 169, 172, 173,174, 405; 413, 415, 424, 430, 430A, 433; 434; Form S-3 Gen. Inst. I; Regulation S-K Items 512(a), 512(i); Exchange Act Rule 15c2-8; Regulation M.</p>
			“Lyft just went public - Here’s what eight experts say,” 4/1/19 (VIDEO)	https://www.cnbc.com/2019/04/01/lyft-stock-is-tumbling-after-a-lukewarm-market-debut.html
			“Uber stumbles in most-watched IPO since Facebook -- Here’s what nine experts say to expect,” CNBC, 5/10/19 (VIDEO)	https://www.cnbc.com/2019/05/10/uber-ipo-stock-starts-trading-on-the-new-york-stock-exchange.html
Class 6	Sept 24	<p>Public Offerings</p> <ul style="list-style-type: none"> • Gun-jumping rules, cont. <ul style="list-style-type: none"> ○ Free writing prospectuses ○ “Going effective” • IPO trading practices • Shelf registration 	<p><u>CP Chapter 7</u>, pp526 - 566</p> <p>Uber S-1 pp 25-76</p>	<p>Highlighted statutes:</p> <p>Securities Act §§ 2(a)(3), (10), (11); 4(a)(1), (3), (4); 5; 8(d), 10; Rules 134, 135, 137, 138, 139, 158, 163A, 164, 168, 169, 172, 173,174, 405; 413, 415, 424, 430, 430A, 433; 434; Form S-3 Gen. Inst. I; Regulation S-K Items 512(a),</p>

CLASS/ ESSAY #	DATE	TOPICS	REQUIRED ASSIGNMENTS	NOTES/LINKS
		TV Lawyers issue spotting		512(i); Exchange Act Rule 15c2-8; Regulation M.
			“Why Lyft is Losing Money,” CNBC, 3/29/19 (VIDEO)	https://www.youtube.com/watch?v=l6V9_azp1W4
			“Why Uber Is Losing Money,” CNBC, 5/10/19 (VIDEO)	https://www.youtube.com/watch?v=GDO_J8vJ_Nc

SECTION III - EXEMPTIONS (LAND OF THE START-UP)

CLASS/ ESSAY #	DATE	TOPICS	REQUIRED ASSIGNMENTS	NOTES/LINKS
Class 7	Oct 1	Exempt Transactions <ul style="list-style-type: none"> • Section 4(a)(2) offerings • Reg D • Texas Blue Sky Laws TV Lawyers issue spotting	CP <u>Chapter 9</u> : pp 663-705 Texas Civil Statutes, Title 19, Blue Sky Law - Securities <i>Pre-IPO Lyft/Uber filings for review TBD</i>	<u>Highlighted statutes</u> : Securities Act §§ 2(a)(3), (11), (12); 4(a)(1), (2), (3), (4); Rule 144, 405; Securities Act Rule 144A.
			“The Disappearing Form D,” Critchton/Tabatabai, TechCrunch, 2018.	https://techcrunch.com/2018/11/07/the-disappearing-form-d/
			<i>Logan Green (Lyft & Zimride) at Startup Grind San Francisco, 10/3/13.</i> (VIDEO)	https://www.youtube.com/watch?v=ul1-zFwB21A
			<i>From Colleges to Cease and Desist Letters, the Origin of Lyft/ Lyft President, John Zimmer, DraperTV 7/17/15</i> (VIDEO)	https://www.youtube.com/watch?v=S7yubQCGb2k
			<i>Lyft’s Regulatory Battles & Expansion/ Disrupt SF 2013, 9/9/13</i> (VIDEO)	https://www.youtube.com/watch?v=IMU6BuOL5hs
Class 8	Oct 8	Exempt Transactions <ul style="list-style-type: none"> • Reg A • Crowdfunding • Intrastate Offerings • Reg S • <i>Pre-IPO Lyft/Uber filings for review TBD</i> 	CP <u>Chapter 9</u> : pp 706-771	<u>Highlighted statutes</u> : Securities Act §§ 2(a)(3), (11), (12); 4(a)(1), (2), (3), (4); Rule 144, 405; Securities Act Rule 144A.

CLASS/ ESSAY #	DATE	TOPICS	REQUIRED ASSIGNMENTS	NOTES/LINKS
		TV Lawyers issue spotting		
			<i>FailCon 2011 - Uber Case Study</i> , <u>BAMM.TV</u> , 11/3/11 (VIDEO)	https://www.youtube.com/watch?time_continue=73&v=2QrX5jsiico
			<i>How Did Uber Start? The Birth of Travis Kalanick & Garrett Camp's Uber</i> , <u>Mango Research</u> , 4/8/17. (VIDEO)	https://www.youtube.com/watch?v=wDgCNCd7KzY
			<i>Team Uber vs. Team Hailo - LeWeb London 2012</i> , <u>LeWeb</u> , 6/20/12. (VIDEO)	https://www.youtube.com/watch?v=Og1zTA2feoM

SECTION IV - CIVIL LIABILITIES

CLASS/ ESSAY #	DATE	TOPICS	REQUIRED ASSIGNMENTS	NOTES/LINKS
Class 9	Oct 15	10b-5 Antifraud <ul style="list-style-type: none"> • Genesis • Standing • Deception • Facts v. opinions • Duty to update/correct • Forward-looking statements • Scierter TV Lawyers issue spotting Discuss Essay 2 Mid-Term	CP <u>Chapter 5</u> : pp 241- 243 (top); Sec II pp 273-320	<u>Highlighted statutes</u> : Exchange Act §§ 10(b); 20(a), (e); 21D(b)(1-4), (c), (e); 27, 28(a); 21E; Rule 10b-5; Regulation S-K Item 303(a). Read all cases, descriptive materials and notes only. • <i>10b-5 videos TBD</i>
Essay 2 - MID-TERM	Oct 15	To be further discussed in Class 8.	<i>In class. Closed book. Timed.</i>	<i>See also</i> , “Grading” and “Policy & Procedure” sections above for basic requirements, expectations and caveats.
Class 10	Oct 22	Essay 2 group feedback and points of interest 10b-5 Antifraud <ul style="list-style-type: none"> • Reliance • Causation • Secondary liability • Control person 	CP <u>Chapter 5</u> : pp 320-382	<u>Highlighted statutes</u> : Exchange Act §§ 10(b); 20(a), (e); 21D(b)(1-4), (c), (e); 27, 28(a); 21E; Rule 10b-5; Regulation S-K Item 303(a). <i>10b-5 videos TBD</i>

CLASS/ ESSAY #	DATE	TOPICS	REQUIRED ASSIGNMENTS	NOTES/LINKS
		liability TV Lawyers issue spotting		
Class 11	Oct 29	Insider Trading <ul style="list-style-type: none"> • Compared to 10b-5 • Tipper/tippee liability • Misappropriation • Duty of confidentiality • Section 16 (Employee compensation & large block voters) TV Lawyers issue spotting	<u>CP Chapter 6</u> : pp 412 - 469, 475-484	<ul style="list-style-type: none"> • <u>Highlighted statutes</u>: Exchange Act §§ 14(e), 20(d), 20A, 21A, Rule 10b5-1, Rule 10b5-2. • <i>Additional insider trading videos TBD</i>
			“FailCon 2011 - Uber Case Study, BMM.TV, 11/3/11 (VIDEO)	https://www.youtube.com/watch?time_continue=73&v=2QrX5jsiico
Class 12	Nov 5	Securities Act Liability <ul style="list-style-type: none"> • Section 11 • Section 12(a)(1) TV Lawyers issue spotting	<u>CP Chapter 8</u> : 569-620, 630-637	<u>Highlighted statutes</u> : Securities Act §§ 2(a)(3), (10), (11), 6(a), 10, 11, 12(a)(1), (2), 13, 15; Rules 151, 159, 159A. <i>Additional videos TBD</i>

SECTION V - ENFORCEMENT & GATEKEEPERS

CLASS/ ESSAY #	DATE	TOPICS	REQUIRED ASSIGNMENTS	NOTES/LINKS
			“Lyft’s IPO structure is dual class & founder-led,” <u>CNBC</u> , 3/4/19 (VIDEO)	https://www.youtube.com/watch?v=mv0BQauWTUI
Class 13	Nov 12	Enforcement & Gatekeepers <ul style="list-style-type: none"> • SEC Civil and Criminal Investigations • Gatekeepers <ul style="list-style-type: none"> ○ Outside directors ○ Auditors ○ Lawyers ○ Credit rating agencies 	<u>CP Chapter 12</u> : 857-880, 927-936. <u>Chapter 13</u> : 857-880, 937-982.	<u>Highlighted statutes</u> : SEC Release 2003-13 (adopting rules implementing Sox §307); A.B.A. Model Rule of Professional Responsibility 1.13; Exchange Act §§ 4C, 10A; Exchange Act §§ 15E, 21D(b)(2), 21F; SEC Rules of Practice 102(e), 205; Rules 21F-1-17; 18 U.S.C. § 1514A.

CLASS/ ESSAY #	DATE	TOPICS	REQUIRED ASSIGNMENTS	NOTES/LINKS
		○ Whistleblowers TV Lawyers issue spotting		
			“The Man Who Knew,” CBS News (VIDEO 14 min)	https://www.youtube.com/watch?v=s68FR1MXT8Q&t=6s
			“The Early Show - Madoff’s son on turning his father in to the FBI,” CBS News, 10/31/11 (VIDEO, 4 min)	https://www.youtube.com/watch?v=vSRZy0knakc
Class 14	Nov 19	Catch-Up Class Discuss Essay 3 quiz & Peer Review	Catch-Up Class	Catch-Up Class
Essay 3 & Peer Review	Nov 20- 21	To be further discussed in Class 14.	<ul style="list-style-type: none"> • Check in TWEN for Essay #3 description and any additional requirements. • <i>See also</i>, “Grading” and “Policy & Procedure” sections above for basic requirements, expectations and caveats. • Essay 3 to be released at 12:00AM on 11/20. • Essay 3 closes at 11:59PM on 11/20. • Peer Review opens at 12:00AM on 11/21. • Peer review closes at 11:59PM on 11/21. 	

SECTION VI - THE CIRCLE OF LIFE -- FROM ICOs TO HISTORY REPEATING

COURSE SUMMATION

CLASS/ ESSAY #	DATE	TOPICS	REQUIRED ASSIGNMENTS	NOTES/LINKS
Class 15	Nov 26	Essay 3 group feedback and points of interest <ul style="list-style-type: none"> • ICOs (not on final exam) (time permitting) • Theranos • Madoff TV Lawyers Issue Spotting exercise for all of the above <ul style="list-style-type: none"> • Course Summation • Final Exam discussion 	See below.	<p>A presentation will be given on blockchain, cryptocurrency and the challenges associated with regulating ICOs. (time permitting)</p> <p>Students will be expected to issue spot in the context of ICOs (time permitting) and failed founders using the learnings from the past semester</p>

CLASS/ ESSAY #	DATE	TOPICS	REQUIRED ASSIGNMENTS	NOTES/LINKS
			“Theranos - Silicon Valley’s Greatest Disaster,” ColdFusion, 3/1/19 (VIDEO 28 min)	https://www.youtube.com/watch?v=3CccfnRpPtM
			“Elizabeth Holmes- Progressing as a Teenage Entrepreneur,” Entrepreneurship.org, 8/28/13 (VIDEO, 4 min).	https://www.youtube.com/watch?v=pIXAmjUFSso
			“Elizabeth Holmes, Theranos CEO at TEDMED 2014, MedCity News, 9/12/14 (VIDEO, 2 min)	https://youtu.be/ho8geEtCYjw
			“Bernie Madoff on the modern stock market,” Joe Knapp, 12/13/08 (VIDEO 34 min)	https://youtu.be/auSfaavHDXQ
			“Bernie Madoff Prison Interview with Barbara Walters,” ABC News, 10/27/11 (VIDEO 6 min)	https://youtu.be/ZTI9ULcowhc
			“Madoff Son Kills Self Two Years After Dad’s Arrest,” ABC News, 12/13/10. (VIDEO, 7 min).	https://www.youtube.com/watch?v=2XvMZmcVPf0
			“Forex FAQ ‘Bucket Trading,’” currencycollege, 12/3/08 (VIDEO, 4 min)	https://youtu.be/ZV_4-XK_ut0
			“Brooksley Born: Financial Reforms Under Attack-Pew,” Pew, 6/18/12 (VIDEO, 2 min)	https://www.youtube.com/watch?time_continue=22&v=964gmw_H1uE
			<i>Panic: The Untold Story of 2008 Financial Crisis</i> , HBO, 5/2/19 (VIDEO 1 hour 40 min)	https://www.youtube.com/watch?v=wyz79sd_SDA
			“Stock Market Crash of 2008,” Aaron1912, 12/19/08 (VIDEO 5 min)	https://youtu.be/qljG9g3pZ4A
Final Exam	TBD	<i>Closed book. In class. Timed. Based upon Essays 1-3.</i>		