REGULATION OF FINANCIAL INSTITUTIONS
2015-2016
SYLLABUS

Course: Laws 2137.03
Term: Fall term 2015
Time: Fridays 1:05pm-2:55pm
Room: Glube Room L406

Professor: Victoria Mainprize
Telephone: 902-720-3502
E-mail: vmainprize@torys.com
Office Hours: By appointment

Course Objective

The course will introduce students to the legal and regulatory framework that governs Canadian financial institutions and will examine whether the framework is appropriate in order to sustain the integrity and stability of our financial system. Specific topics that will be covered include: goals of regulation; different approaches to regulation; the four pillars theory; constitutional division of powers and other jurisdictional issues; ownership restrictions; consumer protection; capital adequacy and prudential standards; financial crises; and the impact of globalization on financial institution regulation.

Reading Materials

The primary text for the course will be Christopher C. Nicholls, Financial Institutions: The Regulatory Framework (LexisNexis, 2008), two copies of which will be available on reserve in the library. Additional materials for the course will be made available on the BLS system (BB Learn/ new Owl) from time to time. If necessary, a few additional materials may be provided in printed copy on reserve in the library in cases where copyright rules do not allow for their electronic distribution.

Teaching Method

This course is a small group seminar and will include lectures and some group discussion. Students are expected to come to class having completed the assigned readings and prepared to engage actively in class. A portion of the grade is tied to class participation.

Evaluation

Evaluation in this course is based on the following components:

(a) class participation 15%
(b) class presentation 20%
(c) major paper 65%

Class participation will be evaluated taking into account thoughtful and meaningful contribution to class discussions, ability to build on the ideas of others and overall degree of preparedness with the weekly readings, as well as attendance. Please note that regular attendance alone will not result in more than a bare pass for the class participation portion of the grade.
Approval of Paper Topics and Presentations:

All students should meet with me to identify a suitable paper topic. The deadline for choice of paper topic is Friday, October 16, 2015, at 5:00pm by which date students must provide me (via e-mail) with a brief written outline of the proposed paper topic (1-2 pages max.), and a list of sources consulted to date.

Students must sign up for a time slot for their class presentation, no later than Friday, October 23, 2015.

Format, Length and Content of Presentations

Three classes at the end of the term are allocated to student presentations on their respective paper topics. Presentations are to be approximately 30 minutes in length. Students should use their time to lead the class in generating active discussion about their paper topic and to explore ideas for their papers. Students may choose to organize in-class exercises, or circulate readings or materials in advance of their presentation, and can see me to coordinate the details. Students need not have completed their papers at the time of their presentation, but should have done significant research and developed their ideas to a great extent. Keep in mind the earlier a student does his or her class presentation the more time he or she will have to incorporate the results of the class discussion into the paper or research. Class presentations should be used to teach the class about the topic and to generate active discussion and participation, and will be graded on this basis, as well as on content, clarity, organization, and knowledge of topic.

Deadline and Procedure for Submission of Major Papers

The deadline for submission of major papers is 4:00 p.m. on Friday, December 18, 2015.

Major papers must be submitted in hard copy. Students should hand papers in to the reception desk and ensure they are date and time stamped.

Please note students are also required to provide an identical electronic copy of their paper to the instructor by the due date. Papers may be submitted by the instructor to a text matching software service to check for originality. Students wishing to choose an alternative method of checking the authenticity of their work must indicate to the instructor, by no later than the add/drop date of the course, which one of the following alternative methods they choose:

a) submit copies of multiple drafts demonstrating development of their work
b) submit copies of sources
c) submit an annotated bibliography

Please refer to the Schulich School of Law website for the Major Paper Guidelines and the faculty regulations on late penalties.

Format, Length and Content of Major Papers

All papers must be typed, double spaced, on one side only, on letter sized paper. The length of the paper (excluding appendices and bibliography) should be not less than 25 pages. Although there is no upper page limit, my expectation is that most papers in this course will be between 25 and 40 pages.
Plagiarism

All students in this course must read the University policies on plagiarism and academic honesty referenced in the Policies and Student Resources sections of the http://academicintegrity.dal.ca website, and the Law School policy on plagiarism available online at http://www.dal.ca/faculty/law/current-students.jd-students/academic-regulations.html. Any paper or assignment submitted by a student at the Schulich School of Law may be checked for originality to confirm that the student has not plagiarized from other sources. Plagiarism is considered a serious academic offence which may lead to loss of credit, suspension or expulsion from the law school, or even revocation of a degree. It is essential that there be correct attribution of authorities from which facts and opinions have been derived. Prior to submitting any paper or other assignment, students should read and familiarize themselves with the policies referred to above and should consult with the instructor if they have any questions. Ignorance of the policies on plagiarism will not excuse any violation of those policies.

Students with Special Needs/Requests for Accommodation

Requests for special accommodation for reasons such as illness, injury or personal circumstances will require an application to the Law School Studies Committee. Such requests must be made to Associate Dean Michael Deturbide or Assistant Dean Elizabeth Hughes as soon as possible, before a scheduled exam or a deadline for an assignment. Retroactive accommodation will not be provided. Please note that individual professors cannot entertain accommodation requests.

Students may request accommodation as a result of barriers related to disability, religious obligation, or any characteristic under the Nova Scotia Human Rights Act. Students who require academic accommodation for either classroom participation or the writing of tests and exams should make their request to the Advising and Access Services Center (AASC) prior to or at the outset of the regular academic year. Please visit www.dal.ca/access for more information and to obtain the Request for Accommodation – Form A. Students may also contact the Advising and Access Services Centre directly at 494-2836, or they may contact Associate Dean Michael Deturbide or Assistant Dean Elizabeth Hughes for more information.

Email Communication

Email communication with students will be via students’ official Dalhousie email accounts.
Sample Areas for Paper Topics (general and non-exhaustive)

Regulatory agencies
Central banks
Clearing and payments
Credit cards
Business of banking
Business and investment restrictions
Consumer credit and interest rate regulation
Financial crisis
Financial innovation
Regulatory goals
Market conduct regulation
Prudential regulation
Regulation in emerging markets
Prudential limits and restrictions
Shadow banking
Regulatory reform
Self-regulated organizations
Securitization
Mortgage markets and regulation
Anti-money laundering and terrorist financing
Customer privacy
International standard setters
Systemically important financial institutions
Systemic risk
Payday lenders
Financial literacy
Deposit insurance
Cooperative financial institutions
International standards
Consumer protection
Risk management
Leverage requirements

Canadian Banking and Financial Institutions Journals

National Banking Law Review – LexisNexis
Banking and Finance Law Review – Carswell

International Law Journals

Journal of International Banking and Financial Law – Butterworths
Journal of International Banking Law and Regulation – Sweet & Maxwell
The Banking Law Journal – LexisNexis A.S. Pratt
Regulation of Financial Institutions – eJournal SSRN
REGULATION OF FINANCIAL INSTITUTIONS
2015-2016
TENTATIVE SCHEDULE

Reading Materials:

The primary text for the course will be Christopher C. Nicholls, *Financial Institutions: The Regulatory Framework* (LexisNexis, 2008) (“FIRF”) copies of which are on reserve in the library. Additional readings will be provided on BBLearn.

Class Outline:

This is a proposed outline and is somewhat flexible. Depending on the direction taken by class discussions and other factors the proposed schedule and/or the scope of the topics may change.

**Week 1**

Sept. 11  
Course Introduction and Overview of the Canadian Financial System  
(Readings: FIRF Chapters 1-2)

**Week 2**

Sept. 18  
Regulatory Goals and Payments  
(Readings: FIRF Chapters 3)

**Week 3**

Sept. 25  
Basel III and Resolution Regime  
(Readings: FIRF Chapter 6)  
*Guest speaker:*  
Blair Keefe, Partner, Torys LLP (Chair, Financial Institutions Practice)

**Week 4**

Oct. 2  
Business of Banking, Bank Ownership and Business Restrictions  
(Readings: FIRF Chapters 4-5)

**Week 5**

Oct. 9  
No Class

**Week 6**

Oct. 16  
Regulation of Securities Industry  
(Readings: FIRF Chapter 8)  
*Guest speaker:* - TBC  
Jane Anderson, Director, Policy and Market Regulation and Secretary to the Nova Scotia Securities Commission

[Paper Topics Due: October 16 by 5pm - via email]

**Week 7**

Oct. 23  
Regulation of Other Financial Institutions (Trust and Loan Companies and Co-operative Financial Institutions)  
(Readings: FIRF Chapter 9)  
*Guest speakers:* - TBC  
Brenda Roberts-Harmon, Director, Legal Services, Atlantic Central and League Savings and Mortgage Company

**Week 8**

Oct. 30  
Deposit Insurance and Consumer Protection  
(Readings: FIRF Chapter 10)  
*Guest speaker:* - TBC  
Pat Ryan, CEO, Credit Union Deposit Insurance Corporation
Financial Regulation and Alternative Investment Vehicles
(Readings: FIRF Chapter 11)

Guest speaker: - TBC
Chris Fowles, Partner, Torys LLP

Week 10
Nov. 13
Student Presentations

Week 11
Nov. 20
Student Presentations

Week 12
Nov. 27
Student Presentations

Week 13
Dec. 4
Financial Crisis & Post Financial Crisis
(Readings: FIRF Chapter 12)

Guest speakers: - TBC
Blair Keefe, Partner, Torys LLP (Chair, Financial Institutions Practice) &
Andrew Brands, EVP, General Counsel & Compliance, Great-West Lifeco Inc.

[Papers Due: December 18 by 4pm – via hard copy and email]

Course Evaluation:

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(c) major paper 65%