BANKING AND FINANCIAL LAW  
E510  
Professor Thomas J. Schoenbaum  
Winter 2015  
SYLLABUS

Course Description and Objective. The goal of this course is to provide the student with an overview and an introductory knowledge of the law applicable to the banking and financial system of the United States in the context of the global financial system. The banking law attorney is typically involved in three universes of law: (1) regulatory law in which the attorney deals with making sure the financial entity is in compliance with state and federal regulatory laws; (2) transactional laws dealing with such matters as letters of credit, negotiable instruments and security devices such as mortgages; and (4) enforcement proceedings brought by government regulators against banks. Attorneys may also be involved in banking law through representing consumers of bank services, for example dealing with consumer mortgage issues and with foreclosure actions brought by banks. The banking law of the United States is unique based upon history and the American federal system. In contrast to the rest of the world, the United States maintains a “dual banking” system comprised of overlapping Federal and State jurisdictions. The United States’ banking system is extremely complex as well. For example, just one recent Federal law, the Dodd-Frank Wall Street Reform Act of 2010, is almost 2000 pages long and contains over 400 new rule mandates. In this course we will concentrate on regulatory and economic issues and laws concerning banks and other financial institutions.

Course Materials. The primary course materials will be the book: CARNELL, MACEY AND MILLER, THE LAW OF FINANCIAL INSTITUTIONS 5TH EDITION PUBLISHED BY WOLTERS KLUWER LAW AND BUSINESS (2013). In the Assignment part of this Syllabus I use the initials CMM. I will also make available additional materials from time-to-time.


Methodology and Class Preparation. Class attendance is required. Class will be conducted by a combination of lectures and questions and answers and discussion. A major focus will be the problems contained in the course book. Each student will be asked to present the answers to a set of these problems in class.

Assessment and Grading. The final examination will count 80% of the student’s grade; class participation will count 20%.

Office Hours. I will be available from Monday to Thursday from 10:30 am to noon in my office, Gates Hall, room 329. I am also available by appointment. My email is: tjschoen@uw.edu.
**Academic Accommodations for Disabled Students:** If you are in need of academic accommodations due to a disability, please contact Disabled Student Services, 448 Schmitz, (206) 543-8924 (V/TTY) for assistance. If you already have a letter from Disabled Student Services indicating you have a disability requiring academic accommodations, please schedule an appointment with me to discuss the precise academic accommodations you will need for this class.

**TOPICS COVERED AND READING ASSIGNMENTS**

1. **Historical Overview of Banking in the United States.**
   
   Reading: CMM 4-36

2. **Contemporary Banking Issues**
   
   Reading:
   
   NACS v. Board of Governors of the Federal Reserve System, 746 F.3d 474 (D.C. Cir. 2014)

3. **How to Start a Bank --- or a Non-Bank --- and overcoming the pitfalls of the US Dual Banking System**
   
   Reading: CMM 71-104

4. **Bank Powers**
   
   Reading: CMM 105-163

5. **Banks and Affiliates --- what kinds of companies can be owned by a bank?**
   
   Reading: CMM 401-430

6. **Safety and Soundness**
   
   Reading: CMM 215-270

7. **Bank Resolution**
   
   Reading: CMM 485-523; 536-538

8. **Shadow Banks, Investment Banks, Structured Finance, Securitization and Derivatives Activities of Banks**
   
   Reading: CMM 531-536; 643-660; 761-796

9. **International Banking**
   
   Reading: To be distributed

10. **Consumer Protection and Financial Services**
Reading: CMM 291-400