# Financial Markets Law

## Prof. Andrea Perrone

***COURSE AIMS AND INTENDED LEARNING OUTCOMES***

The course aims to discuss, from an inter-disciplinary and critical perspective, the European capital market regulations.

At the end of the course, students will be able to understand: (1) the economic function of the capital market; (2) the reasons that justify its legal framework; (3) the European architecture for the regulation and the supervision of the financial market; (4) the rules for raising capital; (5) the regulations governing investment services and fund management; (6) the regulations governing market infrastructures.

At the same time, students will be able to identify the economic implications of the laws governing the capital market, and get a better understanding of the political processes that lead to their creation.

***COURSE CONTENT***

1. Money circulation in the capital market. The economic function of intermediaries and market infrastructures. Financial tools. The reasons at the basis of judicial intervention and its main features.
2. Issuers. Information asymmetries, agency problems, and juridical models. The information given to the primary market. The prospectus and the regulations governing the offer. The information given to the secondary market. The legal strategies to assure that the information given to the market is reliable. Corporate governance rules. The laws protecting minorities. Shareholders’ rights. The control system. Takeover bids.
3. Intermediaries. The taking up of the business. The regulators. The regulations to manage crisis. Investment services. The rules of conduct. Product governance and product intervention. Indirect sales channels and distance communication. The enforcement of the rules of conduct. The collective asset management. Mutual investment fund, Sicav and Sicaf. The rules of conduct. The enforcement of the rules of conduct.
4. Market infrastructures. Regulated markets and alternative trading venues. Post-trading structures. The regulations governing market abuse.

***READING LIST***

A. Perrone, *Il diritto del mercato dei capitali,* third edition, Giuffrè, Milan, 2020.

***TEACHING METHOD***

The course is aimed to promote discussion and the development of critical skills.

***ASSESSMENT METHOD AND CRITERIA***

Oral exam, aimed to assess the students’ knowledge of the subject, their ability to carry out a critical analysis of the topics indicated in the course content, and the use of a proper terminology.

For the students attending classes, the exam will be based on the sections of the textbook explained in class and the material made available on Blackboard. The students who are not attending classes, instead, will have to study the whole textbook.

The final mark will result from the following assessment criteria: the accuracy of the answers (60%), the ability to explain statements, analysis, and judgements (30%), and the use of communication skills (10%). Also the participation in class will be taken into account to determine the final mark.

***NOTES AND PREREQUISITES***

Considering the interdisciplinary approach of the course, class attendance is highly recommended. In addition, students are advised to pass the following exams, before enrolling in this course: Private Law Institutions, Commercial Law, and European Union Law.

Further information can be found on the lecturer's webpage at http://docenti.unicatt.it/web/searchByName.do?language=ENG or on the Faculty notice board.