# Principles of European Financial Regulation

## Prof. Michele Mozzarelli; Prof. Matteo Arrigoni

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

The course aims at providing future investor relators with operational knowledge of EU disclosure regulation. After briefly reviewing the basics of EU financial regulation, the course addresses EU financial markets law from the perspective of disclosure regulation. At the end of the course, the student will be able to: (1) understand the theoretical rationale of disclosure regulation and its actual implementation in EU law; (2) be acquainted with disclosure regulation related to capital-raising, transparency and market abuse, takeover, financial analysts and proxy advisors; (3) identify and understand tools and behaviors to comply with disclosure regulation.

***COURSE CONTENT***

1. EU financial markets law in a nutshell. Concept and aims of financial markets regulation. Financial markets, financial instruments, market participants, and supervisors. Processes and strategies of EU financial markets law.
2. Rationale and limits of the disclosure paradigm. The role of disclosure from an economic perspective and as a part of investor protection. Disclosure, behavioral finance, and the role of fairness.
3. Disclosure and capital raising. The Prospectus Regulation. Regulatory concepts. Drawing up a prospectus. Sanctions.
4. On-going and periodic disclosure. The Transparency Directive and the Market Abuse Regime. Periodic disclosure and the disclosure of inside information. Shareholders’ rights and disclosure.
5. Disclosure and takeover. Transparency requirements and the obligation to disclose bids.
6. Disclosure regulation for financial analysts and proxy-advisors.

***READING LIST[[1]](#footnote-1)***

For the students who attend classes, required and suggested readings will be made available on the course web site on *Blackboard*.

For the students who do not attend classes, the textbook is J. Armour-D. Awrey-P. Davies-L. Enriques-J.N. Gordon, *Principles of Financial Regulation*, Oxford University Press, 2016.

The relevant EU law may be found at the following address*: http://eur-lex.europa.eu/en/index.htm.*

***TEACHING METHOD***

Class lectures and discussions on assigned readings. Active participation in class discussion is highly recommended.

***ASSESSMENT METHOD AND CRITERIA***

Both for the students who attend classes and for the students who do not attend classes: oral exam.

As the exam is designed to evaluate the knowledge of the topics, analytical and critical skills, and the mastery of technical language, students are encouraged to identify problems to which the legal provisions are intended to respond and present the content of this fundamental legal response.

***NOTES AND PREREQUISITES***

The course assumes basic knowledge of microeconomics and corporate law. No previous knowledge of European Union law is required.

Should the Covid-19 pandemic prevent ordinary teaching, classes shall be online under the terms that will be made known timely.

*Place and time of office hours*

Prof. Michele Mozzarelli and prof. Matteo Arrigoni meet students as published on the course Blackboard web site. Meetings can also be arranged by appointment. Email addresses are *michele.mozzarelli@unicatt.it* and *matteo.arrigoni@unicatt.it.*

1. I testi indicati nella bibliografia sono acquistabili presso le librerie di Ateneo; è possibile acquistarli anche presso altri rivenditori. [↑](#footnote-ref-1)