

FACULTY OF LAW, UNIVERSITY OF VICTORIA
2011-12 COURSE REGISTRATION – PRELIMINARY COURSE INFORMATION¹

COURSE	Law 311 Regulation of Financial Institutions
UNIT VALUE	1.0 Units (2 hours of instruction per week)
INSTRUCTOR	Claude Marchessault
TERM OFFERED	Fall 2011
CLASS TIMES	See Schedule
PREREQUISITES/CO-REQUISITES	None

COURSE DESCRIPTION

Law 311 offers an overview of basic laws and fundamental principles applicable to the regulation and oversight of financial institutions (Banks, Trust and Insurance Companies) in Canada and, to a lesser extent, the regulation and oversight of Credit Unions and Insurers in British Columbia. The 2008 global financial crisis underscored the importance of financial regulation in respect of the soundness of individual institutions and the stability of the financial system as a whole. Law 311 will allow students to explore the fascinating legal and social issues relating to the 1980's Savings & Loan debacle in the U.S. and the current world banking crisis and the corresponding regulatory response. Class attendance, while not mandatory, is important and encouraged.

General topics to be covered include: role played by Canadian banks, Credit Unions, Trust and Insurance companies as financial intermediaries in our society and the need for a supervisory framework to protect both the soundness of these institutions and the security of their customers; Federal / Provincial jurisdictional issues relating to regulation of financial institutions; regulation of new business, investment and cross-ownership powers; foreign banks and the North America Free Trade Agreement dealing with financial services; consumer protection schemes offered to depositors, policyholders and the holders of securities; history of the U.S. Savings & Loan debacle; the current world banking crisis and the new banking regulations put forward in response; role of, and regulatory tools available to, regulators of financial institutions.

COURSE OBJECTIVES

- To consider the role played by financial institutions in the Canadian economy.
- To understand and identify the risks inherent with large financial institutions and the need for their regulation.
- To develop the knowledge and skill needed to understand how financial institutions are regulated.
- To become familiar with general principles and processes relating to the regulation of financial institutions.
- To consider the role and professional responsibility of solicitors dealing with regulation of financial institutions.

TEACHING METHODOLOGY

Law 311 will be taught using a variety of techniques including basic lectures, in-class exercises and class discussions. Students are expected to come to class having read assigned materials and ready to discuss relevant issues identified in the readings in the context of financial institution regulation. Lectures are designed to outline general principles and to serve as a framework for organizing the detailed subject matter in the assigned readings. Class discussions and in-class exercises are designed to stimulate critical thought and to offer students an opportunity to apply knowledge from the readings and lectures to real life problems.

EXPECTED EVALUATION METHODOLOGY

The final grade for this course will be based on two components, as follows:

1. **A mid-term exam** will comprise 40% of the final grade in this course. The exam will be "qualified open-book" which means that you may only bring your notes, summary/outline and the required course materials into the examination room. No library materials or electronic devices (other than a laptop to write exam) are permitted in the examination room.
2. **A 3-hour final exam** will comprise 60% of the final grade in this course. The exam will be "qualified open-book" which means that you may only bring your notes, summary/outline and the required course materials into the examination room. No library materials or electronic devices (other than a laptop to write exam) are permitted in the examination room.

May 18, 2011

¹ The information in this document is provided for course registration purposes only and is **subject to change**. More detailed course information about course content and evaluation will be provided upon the commencement of the course. Students seeking additional information about the course prior to its commencement may contact the instructor or, if no instructor is listed, the Manager of Academic Administration and Student Services (lawmaass@uvic.ca).