

Course Outline

COURSE:	LAWS 3206 A – Banking Law
TERM:	Fall & Fall/Winter 2011-12
PREREQUISITES:	LAWS 2003 [1.0] (no longer offered) or LAWS 2202 or BUSI 2601
CLASS:	Day & Time: Wednesdays from 6:05 to 8:55 PM
	Room: Please check with Carleton Central for current room location
INSTRUCTOR: (CONTRACT)	Samuel Schwisberg
CONTACT:	Office: Loeb B442
	Office Hrs: Wednesdays 5:30 to 5:55 PM and by appointment
	Telephone: 613-740-1965
	Email: samuel.schwisberg@redcross.ca

"Students with disabilities requiring academic accommodations in this course must contact a coordinator at the Paul Menton Centre for Students with Disabilities to complete the necessary Letters of Accommodation. After registering with the PMC, make an appointment to meet and discuss your needs with me in order to make the necessary arrangements as early in the term as possible, but no later than two weeks before the first assignment is due or the first test requiring accommodations. For further information, please see: <http://www2.carleton.ca/pmc/students/accommodations> . If you require accommodation for your formally scheduled exam(s) in this course, please submit your request for accommodation to PMC by 11 November 2011 for December exams and 7 March 2012 for April exams. For Religious and Pregnancy accommodations, please contact Equity Services, x. 5622 or their website: www.carleton.ca/equity

COURSE DESCRIPTION

The laws of Canada relating to banking will be explored within the context of the international and domestic financial systems. Students will be exposed to the constitutional and regulatory framework, and we will then consider the U.S. subprime mortgage/credit crisis. We will discuss whether the Canadian regulatory framework insulated Canada from a similar event. We will consider how the regulation and economics of banking interact with international trade, sovereign debt (looking at current EU and American government debt issues) and the economic health of a country. This will be followed by a more detailed examination of the key relationships among banks, account holders and borrowers. Elements of creditor/debtor law will also be considered. There will be greater emphasis on e-commerce and e-banking law than was the case on previous years.

Lecture format: The lectures will generally entail explanation of or elaboration upon the course materials by the Instructor. Each lecture will cover previously assigned readings, and assist students to focus upon the key issues to consider in the readings assigned for the following week. The Instructor will encourage interchange with students and active discussion among students of the concepts covered during the lecture.

Syllabus: The table of contents of the Text Book supplemented orally by the Instructor throughout the term and by selected reading materials available on the Web or in-class handouts, as periodically assigned.

Objective: The student will gain a good understanding of the key legal issues in banking law particularly as they relate to customers as well as some grounding of the interplay between bank regulation and economics.

REQUIRED TEXTS

M.H. Ogilvie, Banking Law: Cases and Materials, 4th edition, (Toronto: Captus Press, 2008) ("The Casebook").

M.H. Ogilvie, Bank and Customer Law in Canada, (Toronto, Irwin Law Inc., 2007) ("The Text").

Occasional Handout

SUPPLEMENTARY TEXTS

The following texts are not examinable except the extent to which they are covered in class. Class notes will suffice for examination purposes. These readings are for those interested in learning beyond the parameters of the course.

Martin Wolfe, Fixing Global Finance, (The John Hopkins University Press, 2010)

Andrew Ross Sorkin, Too Big to Fail, (Penguin books, 2010)

Allan M. Taylor, "The Financial Rebalancing Act", Foreign Affairs, Pages 91 to 99, July/August 2011

EVALUATION

(All components must be completed in order to get a passing grade)

Participation (OR Personal Interview)	10%	See below
Mid -Term Examination (2.5 hours)	40%	October 26, 2011 (in class)
Final Examination (3.0 hours):	50%	Formal Examination Period

The Participation Mark will be determined by the contribution a student makes to class discussions over the course of the term. A student who is uncomfortable speaking in front of others may opt out of the participation mark and meet the professor during the last scheduled class, or another time near the end of the term and by appointment, to discuss the course content for 15 minutes. The participation mark will be graded on the basis of this interview for any student who selects this option. **A student choosing a personal interview over class participation as the basis of grading for the 10% participation mark must communicate this choice to the Professor in writing or by email on or before NOVEMBER 9, 2011. OTHERWISE THIS GRADE WILL BE ASSIGNED ON THE BASIS OF CLASS PARTICIPATION.**

SCHEDULE

<u>Lecture</u>	<u>Topic and/or Reading</u>
September 14	<p><u>Introduction</u></p> <p>Review of key business concepts relevant to banking; Sources of liability; forms of business organizations; Contract law and banking; guarantees and mortgages; floating charges, secured and unsecured creditors; the litigation process</p> <p><u>Readings</u>: No assigned reading</p>

September	21	<u>The Constitutional context and international framework</u> <u>Readings:</u> Text, chapter 1 Casebook, pages 1-64
	28	<u>The Regulation of Banks and Banking in Canada</u> <u>Readings:</u> Text, chapters 2, and 3
October	5	<u>The 2008 Global Financial Crisis and Banking: Did Regulation spare Canada?</u> <u>Reading:</u> Hand-outs provided in prior weeks
	12	1) <u>The 2008 Global Financial Crisis Continued</u> 2) <u>Banks as Business Corporations</u> <u>Readings:</u> Text, chapter 4 Casebook, pages 67 to 88
	19	<u>Banking Business</u> <u>Readings:</u> Text, chapter 5 Casebook, pages 90 to 140
	26	<u>MID TERM EXAMINATION IN CLASS (2.5 HOURS)</u>
November	2	<u>Bank and Customer Relationships</u> <u>Readings:</u> Text, chapter 6 Casebook, pages 142 to 160, Pages 187 to 228, 269 to 278, and 284 to 293
November	9	<u>Bank and Customer Relations continued</u> <u>Readings:</u> Completion of prior week readings
	16	<u>Bank Accounts and Operation</u> <u>Readings:</u> Text, chapters 7, 8 and 13 Casebook, pages 299 to 313, 319 to 325, 328 to 359, 364 to 389, 396 to 432
	23	<u>Electronic Commerce and Banking</u> <u>Readings:</u> Text, chapters 9 and 10 Handouts distributed during prior week
	30	<u>Credit cards and Safekeeping (2 hour lecture)</u> Readings: Text, chapters 11 and 12 Handouts distributed prior weeks