# Table of Contents

**VOLUME 1**

About the Author ................................................................. vii  
Table of Chapters ................................................................. ix  
Table of Contents ................................................................. xi  
Foreword .................................................................................. xxix  
Preface ..................................................................................... xxxiii  
Acknowledgments ................................................................. xxxv

## Chapter 1  
**AN OUTLINE OF MY CAREER, MY EARLY PUBLISHED WRITINGS, AND MY DISSENTS AS A COMMISSIONER**  
1

### 1.1 BIOGRAPHICAL MATERIALS

1.1.1 The Street is More Than a Place,  
*N.Y. L.J. (Oct. 18, 2001)* ................................................. 14

1.1.2 Ambivalent Reflections on Regulation,  
*12 U.C. DAVIS L. REV. 95 (1979)* ........................................ 19

1.1.3 Life at the Center: Reflections on My Career,  
*18 BUS. L. TODAY 49 (Jan./Feb. 2009)* .............................. 23

### 1.2 SEC DISSENTS

1.2.1 Proposed Rules Relating to Shareholder Communications, Shareholder Participation in the Corporate Electoral Process and Corporate Governance Generally,  


1.2.5 Keating, Muething & Klekamp, *Exchange Act Release No. 15,982 (July 2, 1979)* .................... 42

1.3 A LIST OF MY SPEECHES AS A COMMISSIONER

Chapter 2 AN OVERVIEW OF THE SEC'S JURISDICTION AND PROGRAMS, INCREASED ENFORCEMENT AUTHORITY, PRE-EMPTION AND REGULATORY COMPETITION .......................... 55

2.1 OVERVIEW

2.1.1 The SEC at Age 50, *N.Y. L.J. (Aug. 16, 1984)* ................................................................. 60

2.1.2 A Decade of Greed, *N.Y. L.J. (Mar. 1, 1990)* ................................................................. 66

2.1.3 Limitations on SEC Rulemaking, *N.Y. L.J. (Aug. 16, 1990)* ........................................ 71

2.1.4 Deregulation: Real or Alleged?, *N.Y. L.J. (June 20, 1996)* ........................................... 78

2.1.5 Transition: SEC Chairman Arthur Levitt’s Tenure, The Future, *N.Y. L.J. (Feb. 15, 2001)* .................. 87

2.1.6 Financial Regulatory Reform Ideas, *N.Y. L.J. (June 19, 2008)* ...................................... 92
2.1.8 Challenges Faced By the New Administration, *N.Y. L.J.* (Feb. 19, 2009) ....................................................... 105
2.1.9 The SEC’s Budget and Organization, *N.Y. L.J.* (Dec. 16, 2010) ....................................................... 111
2.1.10 If It Is Broken, We Should Fix It, *N.Y. L.J.* (Aug. 16, 2012) ....................................................... 116
2.1.11 Challenges for the New SEC Commissioners, *N.Y. L.J.* (June 20, 2013) ....................................................... 123

**LAW REVIEW ARTICLES**

2.1.12 The Challenge To Financial Regulators Posed By Social Security Privatization, 64 Brook. L. Rev. 1043 (1998)........ 130

2.2 **INCREASED ENFORCEMENT AUTHORITY**

2.2.1 Dissolving SEC Injunctions, *N.Y. L.J.* (Apr. 21, 1983) ........ 134
2.2.2 Increasing the SEC’s Administrative Authority, *N.Y. L.J.* (Apr. 19, 1984) ....................................................... 140
2.2.3 Does the SEC Need New Enforcement Powers?, *N.Y. L.J.* (Apr. 20, 1989) ....................................................... 147
2.2.4 The Use of Prosecution (Again), *N.Y. L.J.* (Dec. 20, 1990) ....................................................... 154
2.2.5 Is the SEC Ready for ADR and Reg-Neg?, *N.Y. L.J.* (Apr. 15, 1993) ....................................................... 161

**LAW REVIEW ARTICLES**


2.3 **PREEMPTION AND REGULATORY COMPETITION**

2.3.2 Pre-emption of Claims Under the Investment Company Act, *N.Y. L.J.* (June 21, 2001) ....................................................... 185
2.3.3 Self-Regulatory Organization Rulemaking as a Pre-emption Device, *N.Y. L.J.* (Feb. 19, 2004) ......................... 190
2.3.4 Pre-emption of “Holder” Cases,  
*N.Y. L.J.* (Apr. 20, 2006) ................................................................. 196

2.3.5 Will Harmony Prevail Between the SEC and CFTC?,  
*N.Y. L.J.* (Dec. 17, 2009) ................................................................. 201

**LAW REVIEW ARTICLES**

2.3.6 Blue Sky Merit Regulation: Benefit to Investors or Burden on Commerce?, 53 Brook. L. Rev. 105 (1987) ........................................ 208

**Chapter 3**  
**CORPORATE GOVERNANCE**  

3.1 **THE SEC PROXY RULES**

3.1.1 Proxy Review Program Designed to Ease Burdens,  
*N.Y. L.J.* (Dec. 13, 1982) ................................................................. 219

3.1.2 CalPERS Versus the Business Roundtable,  
*N.Y. L.J.* (Feb. 21, 1991) ................................................................. 226

3.1.3 Shrinkage of Shareholder Rights Under Proxy Rules,  
*N.Y. L.J.* (Oct. 17, 1991) ................................................................. 233

3.1.4 Can We Talk? A Greater Voice For Investors?,  
*N.Y. L.J.* (Dec. 7, 1992) ................................................................. 239

3.1.5 Shareholder Nominations: Increased Access to Proxy Card?,  
*N.Y. L.J.* (Dec. 18, 2003) ................................................................. 245

3.1.6 Conflicting Proxy Access Proposals,  
*N.Y. L.J.* (Oct. 18, 2007) ................................................................. 250

3.1.7 The SEC Should Bow Out of the Proxy Access Battle,  
*N.Y. L.J.* (Oct. 20, 2011) ................................................................. 255

**LAW REVIEW ARTICLES**

3.1.8 Should a Duty to the Corporation Be Imposed on Institutional Shareholders?, 60 Bus. Law. 1 (2004) ............... 262

3.1.9 Voting Power Without Responsibility or Risk: How Should Proxy Reform Address the Decoupling of Economic and Voting Rights?,  
55 Vill. L. Rev. 93 (2010) ................................................................. 266
3.2 THE ONE-SHARE, ONE-VOTE CONTROVERSY AND STOCK EXCHANGE LISTING RULES

3.2.1 Is One-Share, One-Vote Archaic?, *N.Y. L.J. (Feb. 26, 1985)* .............................................................. 268

3.2.2 The SEC's Power to Regulate Stockholder Voting Rights, *N.Y. L.J. (Aug. 21, 1986)* ............................... 275

3.2.3 Federalizing Shareholder Voting Rights, *N.Y. L.J. (Dec. 8, 1986)* ......................................................... 284

3.2.4 Shareholder Voting Rights Diminishing Under State Law, *N.Y. L.J. (June 18, 1987)* .............................................. 292

### LAW REVIEW ARTICLES


3.2.6 The Future of Corporate Governance Listing Requirements, *54 SMU L. Rev.* 325 (2001) ........................ 304

3.3 INDEPENDENT DIRECTORS, THE SARBAINES-OXLEY ACT, AND AUDIT COMMITTEES

3.3.1 Treadway Commission and the Auditors, *N.Y. L.J. (Aug. 18, 1988)* ................................................................. 305

3.3.2 Mandated Independent Audit Committees, *N.Y. L.J. (June 17, 1999)* ................................................................. 313

3.3.3 Audit Committee Reform Proposals, *N.Y. L.J. (Dec. 16, 1999)* ................................................................. 322

3.3.4 Federalization of the Law Regarding Audit Committees, *N.Y. L.J. (Feb. 20, 2003)* ......................................................... 328

### LAW REVIEW ARTICLES


3.3.7 Is the Independent Director Model Broken?, *37 Seattle U. L. Rev.* 775 (2014) ......................................................... 340
3.4 SEPARATING THE CHAIR AND CEO

3.4.1 Separating the Chairman and the CEO, *N.Y. L.J.* (June 17, 1993) .......................................................... 343

3.4.2 Splitting the CEO and Chairman, *N.Y. L.J.* (Dec. 23, 2004) .......................................................... 347

3.5 MUTUAL FUND GOVERNANCE

3.5.1 The Supreme Court Weighs in on Corporate Governance, *N.Y. L.J.* (June 20, 1991) ................................. 352

3.5.2 Mutual Fund Governance, *N.Y. L.J.* (June 22, 2004) ...... 359

3.5.3 Key Outcomes of “Chamber of Commerce v. SEC,” *N.Y. L.J.* (Sept. 18, 2005) ...................................................... 364

3.6 EXECUTIVE COMPENSATION

3.6.1 Focus on Executive Compensation, *N.Y. L.J.* (Apr. 21, 1994).......................................................... 370

3.6.2 The Fuss Over Stock Options, *N.Y. L.J.* (June 20, 2002) .... 378


3.6.4 The Stock Options Backdating Probe, *N.Y. L.J.* (June 15, 2006) .......................................................... 388

3.7 STAKEHOLDER THEORY

LAW REVIEW ARTICLES


3.7.2 Implications of the Stakeholder Model, 61 Geo. Wash. L. Rev. 1156 (1993) ..................................................... 396

Chapter 4 REGULATION OF FINANCIAL INSTITUTIONS ......................... 401

4.1 FUNCTIONAL REGULATION AFTER GLASS-STEAGALL AND THE 2008 MELTDOWN

4.1.1 Defining Banks as Brokers and Vice Versa, *N.Y. L.J.* (Feb. 16, 1984) .......................................................... 406
## 4.1.2 Changing Population of SEC Registrants,  
*N.Y. L.J. (Aug. 15, 1985)* ................................. 413

## 4.1.3 Functional Regulation, *N.Y. L.J. (Oct. 17, 1985)* .................. 421

## 4.1.4 Do the Capital Markets Need So Many Regulators?,  
*N.Y. L.J. (Oct. 18, 1990)* ....................................................... 427

## 4.1.5 A Close Look at the Fiasco in the Banking System,  
*N.Y. L.J. (Feb. 20, 1992)* ......................................................... 435

## 4.1.6 Gramm-Leach-Bliley Modernizes Financial Services,  
*N.Y. L.J. (Apr. 20, 2000)* ....................................................... 443

## 4.1.7 The Future of the Securities and Exchange Commission—  
Harry Cross Lecture—Address at the University of  
Washington School of Law *(Jan. 29, 2009)* ......................... 451

## 4.1.8 Treasury Framework for Reform Seeks to Contain  
Systemic Risk, *N.Y. L.J. (Apr. 16, 2009)* ......................... 461

## 4.1.9 Who Should Regulate Systemic Risk?,  
*N.Y. L.J. (Oct. 15, 2009)* ....................................................... 468

## 4.1.10 Is Money Market Fund Reform Finally Coming?,  
*N.Y. L.J. (Feb. 21, 2013)* ....................................................... 474

### LAW REVIEW ARTICLES

#### 4.1.11 Is the Public Utility Holding Company Act a Model  
For Breaking Up the Banks That Are Too-Big-To-Fail?,  
62 Hastings L.J. 821 (2011) .............................................. 480

#### 4.1.12 An Orderly Liquidation Authority Is Not  
The Solution To Too-Big-To-Fail,  

#### 4.2 REGULATION OF BROKER-DEALERS AND INVESTMENT ADVISERS

#### 4.2.1 Deregulation of Compensation for Investment Advisers,  
*N.Y. L.J. (June 21, 1984)* .......................................................... 486

#### 4.2.2 Trends in Investment Adviser Regulation,  
*N.Y. L.J. (Apr. 18, 1985)* .......................................................... 494

#### 4.2.3 Revisiting the Shingle, Fiduciary-Duty Theories,  
*N.Y. L.J. (Oct. 16, 1986)* .......................................................... 500

#### 4.2.4 Proposed Reform of Investment Company and  
### Chapter 4.2.5 The Suitability Doctrine, *N.Y. L.J. (June 15, 1995)* 517

4.2.6 Hedge Fund Registration, *N.Y. L.J. (Oct. 13, 2004)* 525

4.2.7 Hedge Funds After Dodd-Frank, *N.Y. L.J. (Oct. 21, 2010)* 530

4.2.8 Oversight and Studies of Investment Advisers, *N.Y. L.J. (Feb. 17, 2011)* 535

4.2.9 A Harmonized Fiduciary Duty for Advisers and Broker-Dealers, *N.Y. L.J. (Apr. 21, 2011)* 540

4.2.10 Should There Be an SRO for Investment Advisers?, *N.Y. L.J. (June 16, 2011)* 546

### LAW REVIEW ARTICLES

4.2.11 Is the Shingle Theory Dead?, *52 Wash. & Lee L. Rev. 1271* (1995) 552


### Chapter 5 CORPORATION FINANCE POLICIES 559

#### 5.1 UNDERWRITERS

5.1.1 Focus on Underwriters, *N.Y. L.J. (Oct. 21, 1982)* 564

5.1.2 Antitrust Challenges to Wall Street, *N.Y. L.J. (Apr. 17, 2003)* 570

5.1.3 Underwriters’ Victory in Supreme Court Case, *N.Y. L.J. (Aug. 16, 2007)* 576

#### 5.2 WHAT IS A SECURITY?

5.2.1 When Is Partnership Interest or Note a Security?, *N.Y. L.J. (Feb. 18, 1993)* 580

5.2.2 Can a Telephone Be a “Security”? , *N.Y. L.J. (June 19, 2003)* 587
5.3 DISCLOSURE POLICIES

5.3.1 Redesigning Materiality, *N.Y. L.J.* (Feb. 17, 1983) ..................... 592
5.3.2 Reform of the Municipal Securities Market, *N.Y. L.J.* (Aug. 19, 2010) .............................................................................. 598
5.3.3 Cybersecurity Roundtable and Disclosure, *N.Y. L.J.* (Apr. 17, 2014) ................................................................. 604
5.3.4 SEC Rule on Disclosure of Conflict Minerals, *N.Y. L.J.* (June 19, 2014) ................................................................. 609

5.4 THE METAPHYSICS OF SECTION 5

5.4.1 Expanding Exemptions From Registration of Securities, *N.Y. L.J.* (Apr. 16, 1987) ................................................................. 614
5.4.2 Is § 5 an Anachronism?, *N.Y. L.J.* (Dec. 21, 1995) ............. 620
5.4.3 Small Steps to Company Registration, *N.Y. L.J.* (Apr. 17, 1997) .................................................................................. 628
5.4.4 Internet Prospectus Issues and Recent SEC Resolutions, *N.Y. L.J.* (June 15, 2000) ................................................................. 636
5.4.5 Integration of Public and Private Offerings, *N.Y. L.J.* (Apr. 19, 2001) .............................................................................. 642

LAW REVIEW ARTICLE


5.5 THE JOBS ACT

5.5.1 Crowdfunding and Related Deregulation, *N.Y. L.J.* (Feb. 16, 2012) ................................................................. 656
5.5.3 Changes to the Gun Jumping Rules, *N.Y. L.J.* (Oct. 18, 2012) ................................................................. 667
5.5.4 JOBS Act Implementation: Deregulation of Offerings, *N.Y. L.J.* (Aug. 15, 2013) ................................................................. 674
5.5.5 The Crowdfunding Proposed Rules, *N.Y. L.J.* (Dec. 19, 2013) ................................................................. 680
VOLUME 2

Table of Chapters.................................................................................................................. vii

Chapter 6       INTERNATIONAL SECURITIES REGULATION ..............................687

6.1     IOSCO AND THE EU

6.1.1     The IOSCO Venice Conference, N.Y. L.J. (Oct. 19, 1989) ... 695
6.1.2     Public Companies in the European Community, N.Y. L.J. (Dec. 21, 1989) ......................................................... 701
6.1.3     The Stalled Investment Services Directive, N.Y. L.J. (June 18, 1992) ........................................................................ 706
6.1.5     Reform of Public Company Disclosure in Europe, N.Y. L.J. (Feb. 17, 2005) ................................................................. 717

LAW REVIEW ARTICLES

6.1.12    IOSCO’S Response to the Financial Crisis, 37 J. Corp. L. 849 (2012) ......................................................... 740
### 6.2 SEC REGULATION OF FOREIGN ISSUERS

<table>
<thead>
<tr>
<th>Subsection</th>
<th>Title</th>
<th>Source / Date</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>6.2.1</td>
<td>The SEC Goes International, N.Y. L.J. (June 20, 1985)</td>
<td></td>
<td>742</td>
</tr>
<tr>
<td>6.2.2</td>
<td>Contrasting SEC Approaches to Multijurisdictional Offerings, N.Y. L.J. (Dec. 15, 1988)</td>
<td></td>
<td>748</td>
</tr>
<tr>
<td>6.2.4</td>
<td>New Rules for Trading Foreign Securities, N.Y. L.J. (June 28, 1990)</td>
<td></td>
<td>762</td>
</tr>
<tr>
<td>6.2.5</td>
<td>Minimal Steps Toward Mutual Recognition for Foreign Issuers, N.Y. L.J. (Aug. 15, 1991)</td>
<td></td>
<td>768</td>
</tr>
<tr>
<td>6.2.6</td>
<td>New Initiatives for Foreign Issuers, N.Y. L.J. (Dec. 16, 1993)</td>
<td></td>
<td>775</td>
</tr>
<tr>
<td>6.2.7</td>
<td>Facilitation of Multijurisdictional Offerings, N.Y. L.J. (Apr. 15, 1999)</td>
<td></td>
<td>782</td>
</tr>
<tr>
<td>6.2.8</td>
<td>Cross-Border Takeover and Rights Offerings, N.Y. L.J. (Feb. 29, 2000)</td>
<td></td>
<td>788</td>
</tr>
<tr>
<td>6.2.10</td>
<td>Reproposed Foreign Issuer Deregistration Rules, N.Y. L.J. (Feb. 15, 2007)</td>
<td></td>
<td>800</td>
</tr>
<tr>
<td>6.2.11</td>
<td>Accommodating Foreign Issuers, N.Y. L.J. (Feb. 21, 2008)</td>
<td></td>
<td>805</td>
</tr>
</tbody>
</table>

### LAW REVIEW ARTICLES

<table>
<thead>
<tr>
<th>Subsection</th>
<th>Title</th>
<th>Source / Date</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>6.2.14</td>
<td>Barriers to Foreign Issuer Entry into U.S. Markets, 24 Law &amp; Pol’y Int’l Bus. 1207 (1993)</td>
<td>(co-authored with Mary Herd)</td>
<td>824</td>
</tr>
</tbody>
</table>

6.2.18 The EU Challenge to the SEC, 31 Fordham Int’l L. J. 1692 (2008) ........................................ 835

6.3 SECURITIES REFORMS ABROAD


6.3.2 Stock Exchanges of India, N.Y. L.J. (Apr. 17, 1986) ........... 844

6.3.3 Developments in the German Stock Market, N.Y. L.J. (Dec. 19, 1991) ........................................... 853

6.3.4 Tossing Capitalism in Shanghai, N.Y. L.J. (Aug. 19, 1993) .......................................................... 860

6.3.5 Italian Stock Market Reform, N.Y. L.J. (Aug. 19, 1998) .......................................................... 866

6.3.6 Japanese Reforms Lift the Nikkei, N.Y. L.J. (Apr. 22, 2004) .......................................................... 872


6.3.9 The Brazilian Securities Market, N.Y. L.J. (Oct. 19, 2006) .......................................................... 887

6.3.10 The Vietnamese Stock Market, N.Y. L.J. (Apr. 19, 2007) .......................................................... 892

6.4 EXTRATERRITORIALITY

6.4.1 Changing Concepts of Extraterritoriality, N.Y. L.J. (Feb. 3, 1998) .......................................................... 897

6.4.2 Should “Morrison” Be Overturned?, N.Y. L.J. (June 21, 2012) .......................................................... 904

6.4.3 The Application of “Morrison” to SEC and Criminal Cases, N.Y. L.J. (Oct. 17, 2013) ........................................... 910

6.4.4 The Applicability of the Margin Regulations to Foreign Financial Institutions, 4 Int’l Law. 496 (1970) ............... 917

LAW REVIEW ARTICLES
### Chapter 7  MARKET STRUCTURE AND REGULATION  ......................... 925

#### 7.1  THE 1987 STOCK MARKET CRASH

<table>
<thead>
<tr>
<th>Section</th>
<th>Title</th>
<th>Source</th>
<th>Page</th>
</tr>
</thead>
</table>

#### LAW REVIEW ARTICLE

<table>
<thead>
<tr>
<th>Section</th>
<th>Title</th>
<th>Source</th>
<th>Page</th>
</tr>
</thead>
</table>

#### 7.2  CAPITAL ADEQUACY AND LEVERAGE

<table>
<thead>
<tr>
<th>Section</th>
<th>Title</th>
<th>Source</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>7.2.4</td>
<td>Capital Adequacy at Holding Companies, <em>N.Y. L.J.</em> <em>(Apr. 20, 1990)</em></td>
<td><em>N.Y. L.J.</em> <em>(Apr. 20, 1990)</em></td>
<td>1000</td>
</tr>
<tr>
<td>7.2.6</td>
<td>Speculation and Leverage, <em>N.Y. L.J.</em> <em>(Apr. 17, 2008)</em></td>
<td><em>N.Y. L.J.</em> <em>(Apr. 17, 2008)</em></td>
<td>1014</td>
</tr>
</tbody>
</table>
7.3 REGULATION OF TRADING MARKETS

7.3.1 Pegging Dealer Profits, *N.Y. L.J. (Aug. 20, 1987)* .................. 1020
7.3.2 Risk Assessment Reporting for Large Traders, *N.Y. L.J. (Apr. 16, 1992)* .................................................. 1026
7.3.4 Integrating the Auction and Dealer Markets, *N.Y. L.J. (Dec. 15, 1994)* .................................................. 1038
7.3.5 Spreads, Limit-Order Protection and Best Execution, *N.Y. L.J. (June 19, 1997)* .................................................. 1045
7.3.6 What Trading Systems and Exchanges?, *N.Y. L.J. (Dec. 18, 1997)* .................................................. 1054
7.3.7 Bringing in Alternative Trading Systems, *N.Y. L.J. (Mar. 5, 1999)* .................................................. 1061
7.3.8 Confronting Market Structure—Déjà Vu All Over Again, *N.Y. L.J. (Aug. 17, 2000)* .................................................. 1068
7.3.10 Competition Versus Fragmentation in Fast Equity Markets, *N.Y. L.J. (Feb. 18, 2010)* .................................................. 1082
7.3.11 Bowing to Political, Media Pressure: SEC Issues New Rules on Short Sales, *N.Y. L.J. (Apr. 15, 2010)* ................... 1088

7.4 STOCK EXCHANGES AND SELF-REGULATION

7.4.1 Stock Exchange Demutualization in Sweden and Australia, *N.Y. L.J. (Aug. 19, 1999)* .................................................. 1100
7.4.2 Should There Be a Single SRO?, *N.Y. L.J. (Oct. 21, 1999)* .................................................. 1109
7.4.3 Should the New York Stock Exchange Be Reorganized?, *N.Y. L.J. (Oct. 16, 2003)* .................................................. 1116
7.4.4 The Future of Self-Regulation, *N.Y. L.J. (June 16, 2005)* .... 1121
7.4.5 SRO Immunity in New Era of For-Profit Exchanges, *N.Y. L.J. (Dec. 20, 2007)* .................................................. 1127
7.4.6 The Future of Self-Regulatory Organizations, *N.Y. L.J. (June 18, 2009)* .................................................. 1131
LAW REVIEW ARTICLES

7.4.7  Turning Seats into Shares: Causes and Implications of Demutualization of Stock and Futures Exchanges, 53 HASTINGS L.J. 367 (2002) .................................................. 1138

7.4.8  The Once and Future New York Stock Exchange: The Regulation of Global Exchanges, 1 BROOK. J. CORP. FIN. & COM. L. 355 (2007) ......................... 1140


Chapter 8  INSIDER TRADING, SHORT-SWING PROFITS AND TENDER OFFERS .............................. 1149

8.1  INSIDER TRADING AND SHORT-SWING PROFITS

8.1.1  The Efficient Market and “Dirks v. SEC”, N.Y. L.J. (Aug. 18, 1983) ................................................................. 1154

8.1.2  Market Information: Insider Trading, N.Y. L.J. (June 19, 1986) ................................................................. 1161

8.1.3  Defining Insider Trading, N.Y. L.J. (Oct. 15, 1987) .............. 1171

8.1.4  Timing the Disclosure of Merger Negotiations, N.Y. L.J. (Apr. 21, 1988) ................................................................. 1177

8.1.5  Changes in Short-Swing Profit Regulations, N.Y. L.J. (Feb. 16, 1989) ................................................................. 1182

8.1.6  The Bureaucratization of Reform: New § 16 Reporting Rules, N.Y. L.J. (Apr. 18, 1991) ................................................................. 1189

8.1.7  Attacks on the Misappropriation Theory, N.Y. L.J. (Oct. 17, 1996) ................................................................. 1195


8.1.9  The Controversy of Possession Versus Use, N.Y. L.J. (Dec. 17, 1998) ................................................................. 1213

8.1.10  Avoiding Precedents by Adopting Insider Trading Rules, N.Y. L.J. (Dec. 21, 2000) ............................. 1220
LAW REVIEW ARTICLES

8.1.11 Outsider Trading on Confidential Information—
A Breach in Search of a Duty,
20 Cardozo L. Rev. 83 (1998) ........................................... 1228

8.1.12 Transnational Takeover Talk—Regulations
Relating to Tender Offers and Insider Trading in
the United States, the United Kingdom, Germany and

8.2 TENDER OFFERS

8.2.1 Will Takeover Abuses Lead to Federal
Corporation Law?, N.Y. L.J. (Feb. 19, 1987) ......................... 1232

8.2.2 Authority for the Tender Offer Rules,
N.Y. L.J. (Dec. 19, 1996) ............................................... 1240

LAW REVIEW ARTICLES

8.2.3 Duty to the Target: Is an Attorney’s Duty to
the Corporation a Paradigm for Directors?,

8.2.4 Is it Time for a Federal Corporation Law?,
57 Brook. L. Rev. 55 (1991) ............................................... 1250

8.2.5 Greenmail, the Control Premium and Shareholder Duty,
48 Wash. & Lee L. Rev. 937 (1991) ................................... 1251

Chapter 9 COMMENTS ON SUPREME
COURT CASES .............................. 1255

9.1 PRE-DISPUTE WAIVERS

9.1.1 Arbitration Clauses, N.Y. L.J. (Oct. 20, 1983) .............. 1258

9.1.2 Arbitration and the Demise of Wilko v. Swan,
N.Y. L.J. (June 15, 1989) .............................................. 1263

9.1.3 Sex, Lloyd’s and Pre-Dispute Waivers,
N.Y. L.J. (June 18, 1998) .............................................. 1269
## 9.2  ANTI-FRAUD CASES IN THE SUPREME COURT

| 9.2.1 | First Amendment Questions Challenge the SEC,  
\( \text{N.Y. L.J. (Oct. 18, 1984)} \) | 1276 |
| 9.2.2 | Implications of the “Central Bank of Denver” Case,  
\( \text{N.Y. L.J. (June 16, 1994)} \) | 1283 |
| 9.2.3 | Curtailing Civil Liability, \( \text{N.Y. L.J. (Apr. 20, 1995)} \) | 1290 |
| 9.2.4 | “Wharf,” the Reform Act and Scienter,  
\( \text{N.Y. L.J. (Dec. 26, 2001)} \) | 1296 |
| 9.2.5 | Rebutting the Fraud-on-the-Market Presumption,  
\( \text{N.Y. L.J. (Dec. 21, 2006)} \) | 1302 |
| 9.2.6 | “Scheme Liability”: Court Actions Against Aiders, Abettors, \( \text{N.Y. L.J. (June 21, 2007)} \) | 1307 |
| 9.2.7 | Supreme Court on Securities Law: Conflicting Attitudes on Class Actions,  
\( \text{N.Y. L.J. (Aug. 18, 2011)} \) | 1312 |
| 9.2.8 | In Defense of the Presumption of Reliance: Thoughts on \( \text{Amgen, N.Y. L.J. (Apr. 18, 2013)} \) | 1317 |

### LAW REVIEW ARTICLES

| 9.2.9 | Securities Commentary,  
\( \text{44 Brok. L. Rev. 1189 (1978)} \) | 1324 |
| 9.2.10 | When Should Investor Reliance Be Presumed in Securities Class Actions?, \( \text{63 Bus. Law. 25 (2007)} \) | 1325 |

## Chapter 10  GATEKEEPERS  ....................... 1329

### 10.1  ATTORNEYS

| 10.1.1 | Whistleblowing, \( \text{N.Y. L.J. (June 16, 1983)} \) | 1332 |
| 10.1.2 | Reining in the Bar by Naming Lawyers as “Causes,”  
\( \text{N.Y. L.J. (Apr. 18, 1996)} \) | 1339 |
| 10.1.3 | A Bid to Regulate the Entire Bar,  
\( \text{N.Y. L.J. (Dec. 19, 2002)} \) | 1350 |
| 10.1.4 | Financial Fraud Cases Against In-House Counsel, \( \text{N.Y. L.J. (Feb. 16, 2006)} \) | 1355 |
LAW REVIEW ARTICLES

10.1.5 Attorneys’ Security Law Liabilities, 27 Bus. Law. 1153 (1972) ................................................... 1361
10.1.6 Attorneys’ Responsibilities: Adversaries at the Bar of the SEC, 24 Emory L.J. 747 (1975) (co-authored with Joseph C. Daley) ......................... 1362

10.2 ACCOUNTANTS

10.2.1 Rule 2(e)—A Reprise, N.Y. L.J. (Oct. 21, 1993) ............... 1364
10.2.2 Accountants’ Culpability Under Rule 102(e), N.Y. L.J. (Oct. 29, 1998) ................................................... 1373
10.2.3 Can Management Consultants Be Independent Auditors?, N.Y. L.J. (Oct. 19, 2000) ................................................... 1382
10.2.4 Enron and the Accounting Profession, N.Y. L.J. (Feb. 21, 2002) ................................................... 1390
10.2.5 A New Watchdog for Public Accountants, N.Y. L.J. (Aug. 15, 2002) ................................................... 1399

10.3 RESEARCH ANALYSTS AND RATING AGENCIES

10.3.1 Analyst Conflicts of Interest and New Regulations, Prosecutions, N.Y. L.J. (Oct. 17, 2002) ............... 1404
10.3.2 Focus on Credit Rating Agencies Post-Subprime Meltdown, N.Y. L.J. (Aug. 21, 2008) ................................................... 1409
10.3.3 Credit Rating Agency Reform Update N.Y. L.J. (Feb. 14, 2014) ................................................... 1415

Chapter 11 AFTERWORD—AN AGENDA FOR BETTER FINANCIAL REGULATION ................. 1423

Index ................................................................. 1429