

## SUBJECT DETAILS

| Data on the subject |   |
|---------------------|---|
| Name                | EU Capital Markets and Securities Law                             |
| Degree              | Postgraduate in Master in International and European Business Law |
| Year                | 2023-24   |
| Nature              | Spring  |
| ECTS Credits        | 30 hours = 3 Credits  |
| Department          | Law   |
| Area                | Law   |
| Teaching staff      | See details below   |

| Data on the teaching staff |  |
|----------------------------|--|
| Teaching staff             | Jesús Quesada Ruiz<br><i>EU rules regulating the financial sector and securities markets<br/>Loan and Project Finance and Securitisation (2 credits)</i> |
| e-mail                     | <a href="mailto:jesus.quesada@cliffordchance.com">jesus.quesada@cliffordchance.com</a>   |
| Telephone                  | 91 590 75 00 / 628 253 748   |
| Office                     | N/A  |
| Tutoring Schedule          | Upon request from students   |

| Data on the teaching staff |   |
|----------------------------|---|
| Teaching staff             | Javier Redonet ( <a href="http://www.uria.com/en/abogados/JRE">http://www.uria.com/en/abogados/JRE</a> )<br><i>The EU Prospectus Regulation, the EU Transparency Directive and the EU Market Abuse Regulation. Equity offerings and cross-border listings. Debt and hybrid instruments offerings. Domestic and cross-border take-over bids in the EU (1 credit)</i> |
| e-mail                     | <a href="mailto:javier.redonet@uria.com">javier.redonet@uria.com</a>  |
| Telephone                  | 91 586 01 54 / 639 22 36 99   |
| Office                     | N/A   |
| Tutoring Schedule          | Upon request from students  |

## SPECIFIC DATA ON THE SUBJECT

### Pre-requisites

Degree in law or students in their last one/two years of studies of their Law degrees

### Contribution of the degree to the professional profile

The programme will enable students to gain a deeper understanding of the financial rationale and the main legal considerations and documentation requirements underlying the various types of capital market transactions which will raise their skills for any potential assignment within the financial industry (whether in a law firm, in-house legal team of a financial institution, an investment bank or broker-dealer, market infrastructures, regulators and supervisory authorities, credit rating agencies or other market participants)

## COMPETENCES TO BE IMPROVED

### Prof. Quesada

#### Specific competences of the subject

#### 1. European Financial Regulation

This area will provide an overview of subjects such as the legislation generated by the financial turmoil, banking and capital markets supervision, consumer protection, regulation applicable to payments in the European Union, provision of banking services, etc.

#### 2. European Finance and Capital Markets

This area will provide an overview of the finance and capital markets industry.

### Prof. Redonet

#### Generic Competences

##### Instrumental

Understanding how are capital markets transactions structured and the principles underlying the regulation

##### Interpersonal

Being able to present topics and participate actively and meaningfully in debates and discussions regarding a specific technical subject

##### Systemic

Understanding how and why different capital markets transaction interrelate and their impact on other areas (e.g. financial prudential supervision, prevention of market abuse, investor protection)

#### Specific competences of the subject

##### Conceptual (knowing)

Becoming acquainted through class attendance, theory presentations and case studies with the EU legal framework for the Capital Markets Union

**Procedural (doing)**

Reviewing and discussing legal documentation for real recent capital markets transactions

**Professional (knowing how)**

Being able to read through and comment/draft legal documentation for capital markets transactions

**THEMATIC AREA AND CONTENT**

**PART I- Prof. Quesada “EU Rules regulating the Financial Sector & Loan and Project Finance and Securitisation”**

**AREA 1: Introduction to Loan Finance**

1. Raising corporate debt
2. Different Loans
3. The Players in the Syndicated Loans
4. The Markets
5. The Loan Market Association
6. The Agreement Structure
7. The Exercise

**AREA 2: Project Finance**

1. What is Project Finance
2. Characteristics
3. Phases of Project Finance
4. Sectors for Project Finance
5. Overview of key differences
6. The key objectives
7. A simplified/typical Project Finance structure
8. Cash is King
9. Where does the cash come from?
10. Financial Model
11. Lender’s fundamental concerns
12. What can stop the cash from flowing?
13. Risk Allocation/Mitigation
14. What are the risks?
15. Key risks in more detail

16. How do you mitigate the risks?
17. The consequences of misallocating risk
18. Key Takeaway points

### AREA 3: Securitisation

1. Introduction: What is Securitisation?
2. The Securitisation Market
3. Main objectives of Securitisation
4. Securitisation vs. Corporate Financing
5. From concept to practice... the ideal structure
6. In reality the claims on the securitised assets are many
7. Overview of an asset securitisation transaction
8. What assets might be securitised?
9. Legal Issues (Bankruptcy of Originator and Bankruptcy of the SPV)
10. Methods for the transfer of assets
11. Servicing/notification of the transfer of assets
12. Credit Enhancement
13. Hedging Issues
14. Synthetic Securitisation

### AREA 4: Introduction to EU Financial Regulation and Regulatory Response to the Financial Crisis

#### Theme 1: Introduction to the EU Financial Regulation

- 1.1 Overview & Aims
- 1.2 The Financial Services Action Plan
- 1.3 The Lamfalussy Process

#### Theme 2: Regulatory Response to the Financial Crisis (2007 – 2014)

- 2.1 The High Level Group of Financial Supervision in the EU (The "de Larosiere Report")
- 2.2 The "Likkanen Report"
- 2.3 New Regulations and Initiatives resulting from the Financial Crisis

#### Theme 3: Eurozone Sovereign Debt Crisis & Financial Stability Measures

- 3.1 The sovereign debt crisis in Europe
- 3.2 The European Financial Stability Facility & the European Stability Mechanism

#### Theme 4: EU's New Supervisory Architecture

- 4.1 EU Financial Supervision: a new framework
- 4.2 New EU decision-making landscape: Delegated acts & Implemented acts

**Theme 5: New European Supervisory Authorities (ESAs)**

5.1 Micro-prudential supervision – European System of Financial Supervisors (ESFS) (ESMA/ EBA/ EIOPA/ Joint Committee)

5.2 Macro-prudential supervision – European Systemic Risk Board (ESRB)

**AREA 5: Banking Union – some key elements**

Theme 1: Introduction

Theme 2: Single Supervisory Mechanism (SSM)

Theme 3: Single Resolution Mechanism (SRM) and BRRD

Theme 4: Focus: Bail-In

Theme 5: ESM Direct Bank Recapitalisation

**AREA 6: Banking and Banking Supervision Law Regulation**

Theme 1: Introduction to Banking Regulation

Theme 2: Capital Requirements Directive IV

2.1 Scope and objectives

2.2 Requirements for access

2.3 Supervision

2.4 Passporting

2.5 Capital

2.6 Basel III

Theme 3: Reorganisation and Winding Up Directive

Theme 4: Deposit Guarantee Schemes Directive

**AREA 7: Markets and Securities Law Regulation**

Theme 1: MIFID

1.1 Introduction

1.2 Conditions and procedures for the authorization of investment firms

1.3 Information to be provided to clients by investment firms

1.4 Passporting: Freedom to provide investment services and activities

1.5 Classification of clients under MIFID & assessment of suitability and appropriateness

## Theme 2: UCITS

- 2.1 Introduction
- 2.2 Management Company Passport
- 2.3 Investment Policies of UCITS
- 2.4 Information to be provided to Investors (Prospectus & Key Investor Information)
- 2.5 UCITS V Directive

## Theme 3: Investor Compensation Scheme Directive

- 3.1 Overview
- 3.2 Proposal for a Directive amending the Investor Compensation Scheme Directive

## Theme 4: Credit Rating Agencies (CRAs) Regulations

- 4.1 Introduction to CRAs & the CRAs in the financial crisis
- 4.2 Focus of the CRA Regulations
- 4.3 Improvement of conduct of business rules
- 4.4 Registration and Supervision
- 4.5 New Directive & Regulation of CRAs (2013)

## AREA 8: Banking Consumer Law and Payments

### Theme 1: Payment Services Directive

- 1.1 Introduction to the PSD
- 1.2 Information to be provided to the consumers
- 1.3 Consumer's rights and obligations

### Theme 2: Distance Marketing of Financial Services Directive

- 2.1 Introduction & pre-contractual information
- 2.2 Right to withdraw & right of reimbursement

### Theme 3: Directive on Credit Agreements for consumers

- 3.1 Introduction
- 3.2 Information requirements
- 3.3 European Credit Information Form

### Theme 4: Electronic Money Institutions Directive

- 4.1 Activities of the Electronic Money Institutions
- 4.2 Issuance and redeemability

### Theme 5: Anti-Money Laundering Directive

- 5.1 Scope
- 5.2 Due Diligence
- 5.3 "Risk based approach"
- 5.4 Reporting obligations

**PART II – Prof. Redonet “The EU Prospectus Regulation, the EU Transparency Directive and the EU Market Abuse Regulation. Equity offerings and cross-border listings. Debt and hybrid instruments offerings. Domestic and cross-border take-over bids in the EU”**

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|---|
| <b>AREA 1: THE EU PROSPECTUS REGULATION, THE EU TRANSPARENCY DIRECTIVE AND THE EU MARKET ABUSE REGULATION.</b>  |
| <b>Theme 1: The Prospectus Regulation</b>   |
| <ul style="list-style-type: none"> <li>1.1 - The concept of public offer</li> <li>1.2 - Exempted offerings</li> <li>1.3 - The prospectus (content, language, passporting, liability)</li> <li>1.4 - The financial statements</li> <li>1.5 - Publicity</li> </ul>                                      |
| <b>Theme 2: The EU Transparency Directive</b>   |
| <ul style="list-style-type: none"> <li>1.1 - Periodic financial reporting obligations</li> <li>1.2 - Qualifying shareholdings disclosure obligations</li> </ul>   |
| <b>Theme 3: The EU Market Abuse Regulation</b>  |
| <ul style="list-style-type: none"> <li>1.1 - Inside information and associated obligations/restrictions</li> <li>1.2 - Dealings by PDMRs (closed periods and disclosure obligations)</li> <li>1.3 - Prohibition of market manipulation</li> </ul>   |
| <b>AREA 2: EQUITY OFFERINGS AND CROSS-BORDER LISTINGS. DEBT AND HYBRID INSTRUMENTS OFFERINGS.</b>   |
| <b>Theme 1: Initial public offerings</b>  |
| <ul style="list-style-type: none"> <li>2.1 - Preparing to go public</li> <li>2.2 - Publicity and research guidelines</li> <li>2.3 - Drafting and passporting the prospectus passporting tema 1</li> <li>2.4 - Underwriting agreements</li> </ul> <p>Case study: Acciona Energía's IPO (June 2021)</p> |
| <b>Theme 2: Other equity offerings</b>  |
| <ul style="list-style-type: none"> <li>3.1 - Rights issues</li> </ul> <p>Case study: Cellnex Telecom's rights issue (March 2021)</p> <ul style="list-style-type: none"> <li>3.2 - Follow-on offerings</li> </ul> <p>Case study: Primary accelerated bookbuilt offering by Almirall (June 2023)</p>    |
| <b>Theme 3: EU cross-border listings</b>  |
| <ul style="list-style-type: none"> <li>3.1 - Cross-border listings</li> </ul> <p>Case study: Ferrovial SE's listing on the Amsterdam Stock Exchange and the Spanish stock exchanges (June 2023)</p>   |
| <b>Theme 4: Debt and hybrid instrument offerings</b>  |
| <ul style="list-style-type: none"> <li>4.1 - Plain-vanilla debt instruments</li> </ul>  |

4.2 - High-yield bonds

4.3 - Hybrid securities

4.4 - Convertible bonds

Case study: Iberdrola's green bond issue (November 2021), Cellnex Telecom's convertible bond issue and buyback (July 2023)

### AREA 3: DOMESTIC AND CROSS-BORDER TAKE-OVER BIDS IN THE EU

#### Theme 1: Overview of the Takeover Directive

1.1 - Supervisory authority and applicable law

1.2 - Mandatory bids vs. voluntary bids

1.3 - Definition of control

1.4 - Equitable price and adjustments

1.5 - The takeover bid prospectus and the target company's board report

1.6 - The passivity rule

1.7 - Neutralisation provisions (the breakthrough rule)

1.7 - Squeeze-out and sell-out provisions

Case study: Siemens Energy's voluntary tender offer over Siemens Gamesa Renewable energy (November 2022)



## BIBLIOGRAPHY AND RESOURCES

Prof. Quesada

|   |
|---|
| Basic Bibliography  |
| Text books  |
| <b>Banking and Capital Markets 2023 (Paperback)</b><br>Author: David Adams<br>Publisher: CLP Legal Practice Guides<br>Publication Date: 17 January 2023<br>Number of pages: 297 |
| Other material  |
| " <i>The High Level Group on Financial Supervision in the EU – Chaired by Jacques de Larosi re – Report</i> "<br>(Brussels, 25 February 2009)                                   |

|  |
|--|
| Additional Bibliography  |
| Text books   |
| N/A  |
| Articles   |
| N/A  |
| Websites   |
| <a href="http://www.efsf.europa.eu/about/index.htm">http://www.efsf.europa.eu/about/index.htm</a><br><br><a href="http://www.esm.europa.eu/">http://www.esm.europa.eu/</a><br><br><a href="http://www.esma.europa.eu/">http://www.esma.europa.eu/</a><br><br><a href="http://www.eba.europa.eu/">http://www.eba.europa.eu/</a><br><br><a href="https://eiopa.europa.eu/">https://eiopa.europa.eu/</a><br><br><a href="http://www.ecb.europa.eu/ssm/html/index.en.html">http://www.ecb.europa.eu/ssm/html/index.en.html</a> |
| Other material   |
| N/A  |

Basic Bibliography

Text books

N/A

Chapters of books

**A Practitioners Guide to Takeovers and Mergers in the European Union (5th edition)**

Chapter I: Introduction (by Neil Harvey and Alex Nourry) Publisher: Sweet & Maxwell.  
Publication Date: 30 June 2008.

Reference:

<http://www.sweetandmaxwell.co.uk/Catalogue/ProductDetails.aspx?recordid=3946&productid=366085>

**European Securities Law:** Chapters I: The European Directives relating to issue and trading of securities (by Lachlan Burn), II: Doing Deals in Europe: Equity (Raj Panasar, Luis de Carlos and Javier Redonet); II: Doing Deals in Europe: Debt offering and programmes (Mark Trapnell); Publisher: Oxford University Press. Publication Date: April 2021.

**Reference:** <https://global.oup.com/academic/product/european-securities-law-9780198846536?q=european%20securities%20law&lang=en&cc=es>

The Initial Public Offerings Law Review. Chapter 13 (Spain). Marta Rubio, Alfonso Ventoso. London: Law Business Research, 2017

**Reference:**

[http://www.uria.com/documentos/publicaciones/5353/colaboraciones/2029/documento/Spain\\_The\\_Initial\\_Public\\_Offerings\\_Law\\_Review.pdf?id=7009](http://www.uria.com/documentos/publicaciones/5353/colaboraciones/2029/documento/Spain_The_Initial_Public_Offerings_Law_Review.pdf?id=7009)

Websites

CNMV (Spanish Securities Exchange Commission).

Reference: <http://www.cnmv.es/index.htm>

European Commission (The EU Single Market) – Securities.

Reference: [http://ec.europa.eu/internal\\_market/securities/index\\_en.htm](http://ec.europa.eu/internal_market/securities/index_en.htm)

European Securities and Markets Authority (ESMA)

Reference: <http://www.esma.europa.eu/>

Other materials

European regulation covered in each of the themes and documentation concerning the transactions analysed in the case studies:

**AREA 1: THE EU PROSPECTUS REGULATION, THE EU TRANSPARENCY DIRECTIVE AND THE EU MARKET ABUSE REGULATION.**

**Theme 1**

Required Reading:

- Regulation (EU) No. 1129/2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market (<https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32017R1129&from=EN>);
- Directive No. 2004/109/EC on the harmonisation of transparency requirements in relation to information about issuers whose securities are admitted to trading on a regulated market (<https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32017R1129&from=EN>);
- Regulation (EU) No. 596/2014 on Market Abuse (<https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:02014R0596-20160703&from=EN>).
- European Parliament's briefing on the EU Listing Act Package ([https://www.europarl.europa.eu/RegData/etudes/BRIE/2023/747111/EPRS\\_BRI\(2023\)747111\\_EN.pdf](https://www.europarl.europa.eu/RegData/etudes/BRIE/2023/747111/EPRS_BRI(2023)747111_EN.pdf))
- Proposal for a Directive of the European Parliament and of the Council amending Directive 2014/65/EU to make public capital markets in the Union more attractive for companies and to facilitate access to capital for small and medium-sized enterprises and repealing Directive 2001/34/EC (<https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:52022PC0760>)
- Proposal for a Directive of the European Parliament and of the Council on multiple-vote share structures in companies that seek the admission to trading of their shares on an SME growth market (<https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:52022PC0761>)
- Proposal for a Regulation of the European Parliament and of the Council amending Regulations (EU) 2017/1129, (EU) No 596/2014 and (EU) No 600/2014 to make public capital markets in the Union more attractive for companies and to facilitate access to capital for small and medium-sized enterprises (<https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:52022PC0762>)

## **AREA 2: EQUITY OFFERINGS AND CROSS-BORDER LISTINGS. DEBT AND HYBRID INSTRUMENTS OFFERINGS.**

### **Theme 1**

Required Reading: Acciona Energía's IPO prospectus dated June 2021 ([https://www.acciona-energia.com/shareholders-investors/initial-public-offering/?\\_adin=0896444253](https://www.acciona-energia.com/shareholders-investors/initial-public-offering/?_adin=0896444253))

### **Theme 2**

Required Reading:

- Cellnex Telecom's 2021 rights issue prospectus (<https://www.cellnex.com/app/uploads/2021/11/20210330-Cellnex-Folleto-final.pdf>);
- Almirall's 2023 primary ABO launch and pricing announcements (<https://www.almirall.com/newsroom/news/almirall-announces-the-launch-of-a-%E2%82%AC200mm-non-pre-emptive-share-capital-increase;>  
<https://www.almirall.com/newsroom/news/almirall-announces-the-pricing-and-closing-of-its-%E2%82%AC200mm-non-pre-emptive-share-capital-increase>).

### **Theme 3**

Required reading: Ferrovial SE's admission to listing prospectus on the Amsterdam Stock Exchange and the Spanish stock exchanges in June 2023 (<https://static.ferrovial.com/wp-content/uploads/2023/06/15083052/1prospectusferroviase-1.pdf>)

#### **Theme 4**

Required reading:

- Offering Circular of Iberdrola's 2021 Deeply Subordinated Green Bond issue ([https://www.iberdrola.com/wcorp/gc/prod/es\\_ES/inversores/docs/bonos\\_emitidos47.pdf](https://www.iberdrola.com/wcorp/gc/prod/es_ES/inversores/docs/bonos_emitidos47.pdf));
- Cellnex Telecom's 2023 convertible bond issue and buy back (<https://www.cellnex.com/app/uploads/2023/07/20230727-Cellnex-Launch-CIP-ENG-Repurchase.pdf>; <https://www.cellnex.com/app/uploads/2023/07/20230728-Cellnex-Pricing-CIP-ENG-Repurchase.pdf>; <https://www.cellnex.com/app/uploads/2023/07/20230728-Pricing-VWAP-CIP-ENG-Repurchase.pdf>)

### **AREA 3: DOMESTIC AND CROSS-BORDER TAKE-OVER BIDS IN THE EU**

#### **Theme 1**

Required Reading:

- Directive 2004/25/EC on takeover bids (<https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:02004L0025-20140702&from=EN>).
- Prospectus of Siemens Energy's AG voluntary tender offer over Siemens Gamesa Renewable Energy, S.A. (2022) (<https://www.siemens-energy.com/global/en/home/investor-relations/sgre.html>)

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| <b>TEACHING METHODOLOGY - Prof. Quesada</b>   |
| General methodological aspects of the subject   |
| <b>Material to be provided</b>  |
| One month in advance to the first class of the " <i>EU Banking, Finance and Capital Markets Law</i> " module, the students will be provided with the following materials on Moodle:   |
| <b>1. Power Point Presentations</b>   |
| The Power Point presentations for all the lessons.  |
| <b>2. Reading materials and case studies to all students</b>  |
| The following reading materials and case studies:   |
| 2.1 " <i>The High Level Group on Financial Supervision in the EU – Chaired by Jacques de Larosi re – Report</i> " (Brussels, 25 February 2009)  |
| 2.2 Title V ( <i>Provisions concerning the freedom of establishment and the freedom to provide services</i> ) and Annex I ( <i>List of Activities subject to mutual recognition</i> ) of the Directive 2013/36/EU of the European Parliament and of the Council of 26 June 2013 on access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms (CRD IV)<br><br>Title 3 ( <i>Procedures for the Right of Establishment and Freedom to provide services</i> ) of Regulation (EU) No 468/2014 of the European Central Bank of 16 April 2014 establishing the framework for cooperation within the Single Supervisory Mechanism between the European Central Bank and national competent authorities and with national designated authorities (SSM Framework Regulation) |
| 2.3 Annex I ( <i>Depositor Information Table</i> ) of Directive 2014/49/EU of the European Parliament and of the Council of 16 April 2014 on deposit guarantee schemes  |
| 2.4 Articles 34 and 35 of Chapter III (Rights of Investment Firms), Annex 1 (List of Services and Activities and Financial Instruments) and Annex II (Professional Clients for the purpose of this Directive) of the MIFID 2 Directive (i.e. Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments)   |
| 2.5 Example of Suitability Test (JPMorgan Private Bank) & Examples of Appropriateness Test (JPMorgan Private Bank; Saxo PrivatBank; and Aviva Investors)  |
| 2.6 Key Investor Information (Allianz Global Investors Fund – Allianz RCM Oriental Income AT (USD))   |

## 2.7 LMA Multicurrency Term and Revolving Facilities Agreement

2.8 The following case studies:

2.8.1 *Passporting and conduct of business rules*

2.8.2 *From Term Sheet to Loan Document Exercise*

2.8.3 *Securitisation*

Case studies consist of real cases or hypothetical scenarios, whereby students are asked to draft a memo providing a practical solution to the client or to draft legal documentation. Each memo should be brief, client focused and clearly structured.

As indicated below, there will be time to resolve the case studies in class (although the students should thoroughly read the materials and the case studies before the classes).

### Contact hours methodology: Activities

#### AREA 1: Introduction to Loan Finance (3 hours, 30 minutes)

During this lesson the students will resolve the case study "From Term Sheet to Loan Document Exercise".

The aim of the case study is to make the students familiar with how loans are documented in the markets and the fundamentals behind drafting loan facility documentation.

There will also be a chance to discuss in substance many of the provisions of the facility agreement.

Although the case study will be resolved and discussed in class, the paper will be collected and graded.

#### AREA 2: Project Finance (2 hours, 30 minutes)

In this lesson the students will learn about the basics of Project Finance (see the content above).

**AREA 3: Securitisation (3 hours)**

This lesson will be both theoretical (the students will learn the basics about Securitisation – see the content above) and practical (the students will resolve and discuss the case study "Securitisation").

The aim of the case study is to make the students familiar with the fundamentals behind a securitisation transaction.

Although the case study will be resolved and discussed in class, the paper will be collected and graded.

**AREA 4: Introduction to EU Financial Regulation and Regulatory Response to the Financial Crisis (2 hours)**

In this lesson the students will learn about EU Financial Regulation and Regulatory Response to the Financial Crisis (see the content above).

**AREA 5: Banking Union – Some key elements (1 hour)**

In this lesson the students will learn about the Banking Union (see the content above).

**AREA 6: Banking and Banking Supervision Law Regulation (3 hours)**

This second lesson will be both theoretical (the students will learn about the basics about Banking and Banking Supervision Law Regulation – see the content above) and practical (the students will resolve and discuss the first part of the case study "*Passporting and conduct of business rules*").

The case study will provide the students with a good knowledge about the provision of banking and investment services in Europe and the benefits of using of the European passport.

Although the case study will be resolved and discussed in class, the paper will be collected and graded.

**AREA 7: Markets and Securities Law Regulation (3 hours)**

This lesson will be both theoretical (the students will learn the basics about Markets and Securities Law Regulation – see the content above) and practical (the students will resolve and discuss the second part of the case study "*Passporting and conduct of business rules*").

The case study will provide the students with a good knowledge about the provision of banking and investment services in Europe and the benefits of using of the European passport.

Although the case study will be resolved and discussed in class, the paper will be collected and graded.

**AREA 8: Banking Consumer Law and Payments (2 hours)**

The students will be provided three weeks in advance with key questions and hypothetical scenarios in relation to each of the following themes:

- (i) Payment Services Directive;
- (ii) Distance Marketing of Financial Services Directive;
- (iii) Directive on Credit Agreements for consumers;
- (iv) Electronic Money Institutions Directive; and
- (v) Anti-Money Laundering Directive

**Independent study methodology: Activities**

The students should read in advance the Power Point presentations and prepare the classes and the case studies as indicated below.

This is **essential** and will enable the students to benefit as much as possible from the course.

**AREA 1: Introduction to Loan Finance**

In order to resolve the case study "From Term Sheet to Loan Document Exercise" in class, the students should: (i) read Chapters 1 to 5 and 7 to 9 of the book "Banking and Capital Markets 2013 (Paperback)" mentioned above; and (ii) have a brief review of the LMA Multicurrency Term and Revolving Facilities Agreement (in order to be familiar with the structure of a facility agreement).

**AREA 2: Project Finance**

For this lesson the students will only need to read the Power Point presentation.

**AREA 3: Securitisation**

For this lesson the students will need to read (i) the Power Point presentation and (ii) the "Securitisation" case study.

**AREA 4: Introduction to EU Financial Regulation and Regulatory Response to the Financial Crisis**

For this lesson the students will only need to read the Power Point presentation.

**AREA 5: Banking Union – Some key elements**

For this lesson the students will only need to read the Power Point presentation.

**AREA 6: Banking and Banking Supervision Law Regulation**



The students will read (i) Title V (Provisions concerning the freedom of establishment and the freedom to provide services) and Annex I (List of Activities subject to mutual recognition) of the Directive 2013/36/EU of the European Parliament and of the Council of 26 June 2013 on access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms (CRD IV); (ii) Title 3 (Procedures for the Right of Establishment and Freedom to provide services) of Regulation (EU) No 468/2014 of the European Central Bank of 16 April 2014 establishing the framework for cooperation within the Single Supervisory Mechanism between the European Central Bank and national competent authorities and with national designated authorities (SSM Framework Regulation) and (iii) the "*Passporting and conduct of business rules*" case study.

This is essential in order to resolve the "*Passporting and conduct of business rules*" case study in class.

#### AREA 7: Markets and Securities Law Regulation

The students will read (i) Articles 34 and 35 of Chapter III (Rights of Investment Firms), Annex 1 (List of Services and Activities and Financial Instruments) and Annex II (Professional Clients for the purpose of this Directive) of the MIFID 2 Directive (i.e. Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments) and (ii) the "*Passporting and conduct of business rules*" case study.

This is essential in order to resolve the "*Passporting and conduct of business rules*" case study in class.

#### AREA 8: Banking Consumer Law and Payments

For this lesson the students will only need to read the Power Point presentation.

### Prof. Quesada

| SUMMARY OF STUDENT WORK HOURS |                         |                                   |                       |
|-------------------------------|-------------------------|-----------------------------------|-----------------------|
| Activity                      | Number of contact hours | Number of independent study hours | Total number of hours |
| Lecture                       | 7                       | 0                                 | 7                     |
| Practical class               | 3                       | 0                                 | 3                     |
| Debate                        | 3                       | 0                                 | 3                     |
| In class presentation         | 0                       | 0                                 | 0                     |
| Individual work               | 0                       | 25                                | 25                    |
| Work in collaboration         | 1                       | 15                                | 16                    |

|                              |    |    |           |
|------------------------------|----|----|-----------|
| Evaluation: one minute paper | 0  | 0  | 0         |
| Evaluation: class test       | 0  | 5  | 5         |
| Evaluation: exam             | 5  | 0  | 4         |
| Evaluation: exam review      | 1  | 0  | 1         |
| Others                       | 0  | 0  | 0         |
| ECTS Credits:                | 20 | 45 | <b>65</b> |

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| <b>TEACHING METHODOLOGY - Prof. Redonet</b>  |
| General methodological aspects of the subject  |
| Material to be provided  |
| One month in advance of the first class of the " <i>EU Banking, Finance and Capital Markets Law</i> " module, the students will be provided with the following materials on Moodle:  |
| <b>1. Power Point Presentations</b>  |
| The Power Point presentations for all the lessons.   |
| <b>2. Reading materials and case studies</b>   |
| The following reading materials and case studies:  |
| <p>2.1 Legislative materials:</p> <ul style="list-style-type: none"> <li>• Regulation (EU) No. 1129/2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market;</li> <li>• Directive No. 2004/109/EC on the harmonisation of transparency requirements in relation to information about issuers whose securities are admitted to trading on a regulated market;</li> <li>• Regulation (EU) No. 596/2014 on Market Abuse;</li> <li>• Directive 2004/25/EC on takeover bids;</li> <li>• European Parliament's briefing on the EU Listing Act Package;</li> <li>• Proposal for a Directive of the European Parliament and of the Council on multiple-vote share structures in companies that seek the admission to trading of their shares on an SME growth market</li> <li>• Proposal for a Regulation of the European Parliament and of the Council amending Regulations (EU) 2017/1129, (EU) No 596/2014 and (EU) No 600/2014 to make public capital markets in the Union more attractive for companies and to facilitate access to capital for small and medium-sized enterprises</li> </ul> |
| <p>2.2 Case studies to be discussed in class (no need to produce a written response)</p> <ul style="list-style-type: none"> <li>• Acciona Energía, S.A.'s 2021 IPO prospectus;</li> <li>• Cellnex Telecom's 2021 rights issue prospectus;</li> <li>• Almirall's 2023 primary ABO launch and pricing announcements;</li> </ul>  |

- Ferrovial SE's 2023 listing on the Amsterdam Stock Exchange and the Spanish stock exchanges;
- Offering Circular of Iberdrola's 2021 Deeply Subordinated Green Bond issue;
- Cellnex Telecom's 2023 convertible bond issue and buyback;
- Prospectus of Siemens Energy's 2022 voluntary tender offer over Siemens Gamesa Renewable Energy

2.3 Case study to be prepared in writing by students and handed to the professor by not later than the final session

- A separate case study will be provided to students on Moodle on or before the first session for each student to solve in writing and submit its responses to the professor by not later than the final session

#### Contact hours methodology: Activities

#### AREA 1: THE EU PROSPECTUS REGULATION, THE EU TRANSPARENCY DIRECTIVE AND THE EU MARKET ABUSE REGULATION. (2 hours, 30 minutes)

During this lesson we will review the fundamental principles underlying the regulation of the three pillars of primary and regulated secondary markets in the EU: The Prospectus Regulation, the Transparency Directive and the Market Abuse Regulation.

Students are expected to have reviewed both the legislative instruments provided and the presentation for the lesson. Students will be invited to participate in class in discussing the rationale behind the various rules analysed.

#### AREA 2: EQUITY OFFERINGS AND CROSS-BORDER LISTINGS. DEBT AND HYBRID INSTRUMENTS OFFERINGS. (5 hours)

These two lessons will be both theoretical (the students will learn the basics of the most usual equity and debt capital market transactions -see the content above-) and practical (the students will discuss in class the various case studies relating to the transaction materials provided, responding to the specific questions that will be posed by the professor ahead of the class).

#### AREA 3: DOMESTIC AND CROSS-BORDER TAKE-OVER BIDS IN THE EU (2 hours)

This lesson will be both theoretical (the students will learn the basics about takeover bids regulation in the EU –see the content above-) and practical (the students will resolve and discuss in class the case study relating to the transaction materials provided, responding to the specific questions that will be posed by the professor ahead of the class).

Students must submit by the last session their responses in writing to the specific case study for the purposes of their continuous evaluation assessment.

#### Independent study methodology: Activities

The students should read in advance the Power Point presentations and prepare the classes and the case studies as indicated below.

This is **essential** and will enable the students to benefit as much as possible from the course.

| SUMMARY OF STUDENT WORK HOURS |                         |                                   |                       |
|-------------------------------|-------------------------|-----------------------------------|-----------------------|
| Activity                      | Number of contact hours | Number of independent study hours | Total number of hours |
| Lecture                       | 3                       | 6                                 | 9                     |
| Practical class               | 6                       | 12                                | 18                    |
| Debate                        | 0                       | 0                                 | 0                     |
| In class presentation         | 0                       | 0                                 | 0                     |
| Individual work               | 0                       | 0                                 | 0                     |
| Work in collaboration         | 0                       | 0                                 | 0                     |
| Evaluation: one minute paper  | 0                       | 0                                 | 0                     |
| Evaluation: class test        | 0                       | 0                                 | 0                     |
| Evaluation: exam              | 1                       | 0                                 | 0                     |
| Evaluation: exam review       | 1                       | 0                                 | 0                     |
| Others                        | 0                       | 0                                 | 0                     |
| <b>ECTS Credits:</b>          | <b>10+1</b>             | <b>18</b>                         | <b>28+1</b>           |

## GRADE EVALUATION AND CRITERIA

### Prof. Quesada

| Evaluation Activities | Indicators  | Evaluation Weighting |
|-----------------------|---|----------------------|
| Continuous evaluation | Case study exam "From Term Sheet to Loan Document Exercise" (20%)<br>Case study exam "Securitisation" (20%) | 40%                  |
| Final evaluation      | Case study exam "Passporting and conduct of business rules"   | 50%                  |
| Attendance            | Attendance to class   | 10%                  |

### Prof. Redonet

| Evaluation Activities | Indicators  | Evaluation Weighting |
|-----------------------|---|----------------------|
| Attendance            | Attendance  | 10%                  |
| Participation         | Participation in class  | 5%                   |
| Continuous evaluation | Responding in writing to a case study by not later than the final session | 35%                  |
| Final evaluation      | Answering a multiple choice test at final session                         | 50%                  |