

## LAWS70023 Derivatives Law and Practice

<b>Credit Points:</b>	12.5
<b>Level:</b>	7 (Graduate/Postgraduate)
<b>Dates &amp; Locations:</b>	This subject is not offered in 2015.
<b>Time Commitment:</b>	Contact Hours: The total class time is between 24 and 26 hours. Total Time Commitment: The pre-teaching period commences four weeks before the subject commencement date. From this time, students are expected to access and review the Reading Guide that will be available from the LMS subject page and the subject materials provided by the subject coordinator, which will be available from Melbourne Law School. Refer to the Reading Guide for confirmation of which resources need to be read and what other preparation is required before the teaching period commences.
<b>Prerequisites:</b>	None
<b>Corequisites:</b>	None
<b>Recommended Background Knowledge:</b>	Applicants without legal qualifications should note that subjects are offered in the discipline of law at an advanced graduate level. While every effort will be made to meet the needs of students trained in other fields, concessions will not be made in the general level of instruction or assessment. Most subjects assume the knowledge usually acquired in a degree in law (LLB, JD or equivalent). Applicants should note that admission to some subjects in the Melbourne Law Masters will be dependent upon the individual applicant's educational background and professional experience.
<b>Non Allowed Subjects:</b>	None
<b>Core Participation Requirements:</b>	The Melbourne Law Masters welcomes applications from students with disabilities. The inherent academic requirements for study in the Melbourne Law Masters are: The ability to attend a minimum of 75% of classes and actively engage in the analysis and critique of complex materials and debate; The ability to read, analyse and comprehend complex written legal materials and complex interdisciplinary materials; The ability to clearly and independently communicate in writing a knowledge and application of legal principles and interdisciplinary materials and to critically evaluate these; The ability to clearly and independently communicate orally a knowledge and application of legal principles and interdisciplinary materials and critically evaluate these; The ability to work independently and as a part of a group; The ability to present orally and in writing legal analysis to a professional standard. Students who feel their disability will inhibit them from meeting these inherent academic requirements are encouraged to contact the Disability Liaison Unit: <a href="http://www.services.unimelb.edu.au/disability/">www.services.unimelb.edu.au/disability/</a>
<b>Contact:</b>	For more information: Email: <a href="mailto:law-masters@unimelb.edu.au">law-masters@unimelb.edu.au</a> ( <a href="mailto:law-masters@unimelb.edu.au">mailto:law-masters@unimelb.edu.au</a> ) Phone: +61 3 8344 6190 Website: <a href="http://www.law.unimelb.edu.au/masters">www.law.unimelb.edu.au/masters</a> ( <a href="http://www.law.unimelb.edu.au/masters">http://www.law.unimelb.edu.au/masters</a> )
<b>Subject Overview:</b>	<p>This subject considers the law and practice of the international derivatives markets. It has a distinctly practical focus. A key objective is to provide students with skills they can apply in legal practice. The lecturer will draw on his extensive experience as well as bring in guest lecturers from a variety of backgrounds to add to an interactive and challenging subject. It will also include a negotiation session.</p> <p>Principal topics of the subject will include:</p> <ul style="list-style-type: none"> <li># Derivatives markets generally (exchange-traded, over-the-counter and embedded derivatives) and their commercial drivers and legal risks, on central clearing in practice</li> <li># Derivative products (ranging from plain interest rate derivatives to credit derivatives and niche products such as weather and emission trading derivatives)</li> <li># The structure, mechanics, key features and pitfalls of ISDA derivatives documentation</li> <li># Regulation of international derivatives markets and their key risks (including a comparison of United States derivatives regulation under Frank-Dodd and the European Union implementation under the EMIR regulation)</li> </ul>

	<ul style="list-style-type: none"> <li># The interrelationship between derivatives and other financial products (the use and documentation of swaps in structured finance, for instance securitisation and covered bonds)</li> <li># Analysis of the role of derivatives, especially credit derivatives, in the Greek crisis as well as the Eurocrisis</li> <li># The risk of mis-selling derivative products and potential liabilities (examples from Australian, Asian and other overseas transactions)</li> <li># Explanation of the role derivatives can play in international development finance.</li> </ul>
<b>Learning Outcomes:</b>	<p>A student who has successfully completed this subject should:</p> <ul style="list-style-type: none"> <li># Understand the commercial drivers and legal risks of derivatives</li> <li># Be aware of the pitfalls in negotiating derivatives documentation</li> <li># Understand derivatives regulation, both on a national and an international level</li> <li># Understand basic, advanced and novel derivatives products</li> <li># Be able to analyse the differences between the various derivatives markets</li> <li># Understand the interrelationship of derivatives to structured finance</li> </ul> <p>A key objective of this subject is to provide students with skills that can be applied in legal practice.</p>
<b>Assessment:</b>	Class participation (10%) 8,000 word research paper (90%) on a topic approved by the subject coordinator
<b>Prescribed Texts:</b>	Core subject materials will be provided free of charge to all students. Some subjects require further texts to be purchased. Details regarding any prescribed texts will be provided prior to the commencement of the subject.
<b>Breadth Options:</b>	This subject is not available as a breadth subject.
<b>Fees Information:</b>	Subject EFTSL, Level, Discipline & Census Date, <a href="http://enrolment.unimelb.edu.au/fees">http://enrolment.unimelb.edu.au/fees</a>
<b>Links to further information:</b>	<a href="http://www.law.unimelb.edu.au/subject/LAWS70023/2013">www.law.unimelb.edu.au/subject/LAWS70023/2013</a>
<b>Notes:</b>	This subject has a quota of 30 students. Please refer to the website <a href="http://www.law.unimelb.edu.au/masters/courses-and-subjects/subjects/subject-timing-and-format">www.law.unimelb.edu.au/masters/courses-and-subjects/subjects/subject-timing-and-format</a> ( <a href="http://www.law.unimelb.edu.au/masters/courses-and-subjects/subjects/subject-timing-and-format">http://www.law.unimelb.edu.au/masters/courses-and-subjects/subjects/subject-timing-and-format</a> ) for further information about the management of subject quotas and waitlists.