

***Challenges to Corporate Governance:
Policy and Ethical Considerations in a Time of Change***

Continuing Legal Education Ethics Course

**2:00 pm to 4:00 pm, Thursday, July 8, 2010
Rayburn House Office Building, Banquet Room B-340**

Course Description

This course will examine the interplay of federal and state common law with an emphasis on the impact of changes in federal law upon common law fiduciary duties in corporate governance.

The ongoing capital markets turmoil has challenged fundamental theories of market operation and regulation, and spurred tremendous legislative and regulatory activity at the federal level in the area of corporate governance, including sweeping reform legislation recently passed in both Chambers of Congress.

The reaction to the markets crisis has brought about many changes to the “regular” order of the financial and corporate worlds that promises to significantly alter the previous legal landscape.

- The federal government has become the conservator of the GSEs Fannie and Freddie, a dominant shareholder in the financial services and automotive sectors, and has acquired controlling interests in hundreds of the nation’s largest banks as well as the insurance giant AIG under the mandate of the Emergency Economic Stabilization Act of 2008 (TARP).
- Proposed changes to shareholder voting and proxy access regulations might well prove to be the most comprehensive preemption of state corporate law since the 1934 passage of the Securities Exchange Act.

Panel I will examine questions such as:

- How will proposed changes impact proxy access and shareholder rights?
- Does the unique and unprecedented role of the federal government as financial services shareholder have ramifications for capital markets and the private sector?
- What is the appropriate role of the states in regulating corporate governance issues?

Meanwhile, on the state side, as the home of many corporations, Delaware and its courts continue to play a crucial role in developing the common law of fiduciary duty in corporate governance. How the Delaware courts respond to questions about systemic problems with stockholder voting rights and the ability of stockholder litigation to enforce standards of director conduct carries lessons for attorneys across the country.

Timed Agenda

Panel I: 2:00 – 2:45 pm (General CLE Credit)

Government Ownership and New Proxy Powers for Shareholders

J.W. VERRET, JD/MA, is Senior Scholar at the Mercatus Center at George Mason University, and an assistant professor of law at George Mason University School of Law. His research interests are hedge funds, corporate governance, Sarbanes-Oxley, securities, and state and federal regulatory jurisdiction.

He received his JD and MA in Public Policy from Harvard Law School and the Harvard Kennedy School of Government, respectively, in 2006. While in law school, Professor Verret served an Olin Fellowship in Law and Economics at the Harvard Program on Corporate Governance under the guidance of Professor Lucian Bebchuk.

Professor Verret then served as a law clerk for Vice-Chancellor John W. Noble of the Delaware Court of Chancery. Prior to joining the faculty at Mason Law, Professor Verret was an associate in the SEC Enforcement Defense Practice Group at Skadden, Arps in Washington, D.C.

Panel II - 2:45 – 3:45 pm (Ethics Credit)

Ethical Dilemmas in Corporate Governance

MR. JOEL FRIEDLANDER, JD, partner at Bouchard Margules & Friedlander law firm in Delaware, has litigated numerous contract disputes and matters of Delaware corporate law. He was selected for inclusion in *The Best Lawyers in America*, *Benchmark Litigation*, and the annual list of Delaware “Super Lawyers” published by *Philadelphia Magazine* in 2007, 2008 and 2009.

He received his J.D. from the University of Pennsylvania School of Law in 1992, where he was the Executive Editor of the *University of Pennsylvania Law Review* and the recipient of the Fred G. Leebron Award for Constitutional Law.

He has served as Member of the Delaware Supreme Court Rules Committee, as a member of the Board of Advisors to the University of Pennsylvania Institute of Law and Economics (2006-2009), on the Executive Committee of the Delaware State Bar Association (2006-2008), as an Associate Member of the Delaware Board of Bar Examiners (1998-2003), on the Editorial Board of the Delaware Lawyer (1998-2003), and as Adjunct Professor at Widener Law School, teaching Equity (1998).

3:45 – 4:00 pm

Discussion/Question & Answer Session

About Continuing Legal Education Courses Offered through the Mercatus Center:

Mercatus Center Capitol Hill Campus CLE courses are offered at no cost to Congressional, Federal Agency and Library of Congress attorneys and counsels.

This course has been approved for CLE credit by the following:

- **Virginia State Bar:** 2 credit hours, including 1 Ethics/Professionalism credit hour
- **Pennsylvania Continuing Legal Education Board:** 2 credit hours, including 1 **Ethics/Professionalism credit hour**
- **Kentucky Bar Association:** 2 credit hours, including 1 Ethics/Professionalism credit hour

Application for approval for this course for ethics and general CLE credit is pending with the states of **Delaware** and **Florida**.

Attorneys licensed in other jurisdictions may apply for credit subject to the rules of their states. We provide a Certificate of Attendance to assist with this process. In addition, some states, such as **New Jersey** and **New York**, allow for CLE credit reciprocity for our CLE courses. Please contact Anna Shopen-Duran at ashopen@gmu.edu if you have questions or need assistance with CLE credit.