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Yearbook 2003/2004



INSTITUTE FOR LAW AND FINANCE
JOHANN WOLFGANG GOETHE-UNIVERSITÄT FRANKFURT



A Note of Welcome

page

Dear Students, Members and Friends,

As this Yearbook 2003/2004 goes to print, we may happily say that the Institute for Law and Finance has established itself as a viable and innovative European graduate institution. We are currently welcoming our third class of students in Frankfurt: they are 32 students in all, range in age from 20 to 40 years, and come from 23 different countries. You will certainly agree that few graduate institutions can offer similar international diversity, especially in such an exclusively small student body.

During the academic year that we have just completed, the ILF strove toward an All-Finanz curriculum by broadening its offering of courses to include all major areas of international finance. We added two new courses in Tax Law and a course in Project and Acquisition Finance in addition to setting up brief, introductory courses in European Union Law and Financial Mathematics. Beginning with the current academic year, our All-Finanz curriculum will be complete, as it will include courses in Insurance Law as well as a course on effective negotiations. The past academic year also saw the ILF firmly establish itself as a forum for ideas on law and finance. We sponsored a conference of expert panelists to discuss the reform of the German law on bond issues, hosted lectures by some of the world's leading corporate law experts, and continued our series of lectures by officials from Germany's Ministry of Finance.

As the ILF enters its third academic year, we look forward to expanding on these auspicious beginnings. We also remember that these achievements would not have been possible without our committed students, our dedicated lecturers and staff, and our generous sponsors.

We thank you all!

Prof. Dr. Theodor Baums

ILF Executive Board



Prof. Dr. Andreas Cahn

ILF Director
ILF Executive Board



Prof. Dr. Manfred Wandt

ILF Executive Board



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The ILF Successfully Completes its Second Year



Prof. Rudolf Steinberg

President of Johann Wolfgang Goethe University and member of ILF Board of Trustees



Dr. Herbert Walter

Chairman of the Board of Managing Directors Dresdner Bank AG, Chairman of the ILF Board of Trustees

Our Students: The Class of 2003/2004

The second academic year at the Institute for Law and Finance began in October 2003 with the entry of a new class of 25 students from 17 different countries, including China, Italy, Russia, the Czech Republic, Romania, India, Germany, Greece, Belgium and Norway. They held degrees from Duke University, St. Petersburg State University, Glasgow University, Stockholm University, University of Tartu, Genoa University, Beijing University, and the University of Leiden, to name only a few. Several students came to the ILF from established careers. They were selected from a pool of more than 200 applicants on the basis of their academic excellence and their overall suitability for the LL.M. Finance Program. A characteristic feature of the LL.M. Finance program at the ILF is its interdisciplinary approach. This is reflected by our student body which consists both of law and economics graduates, some of them with prior professional experience. This year, fourteen students had a law background, five students had a first degree in business and/or economics and six participants had academic qualifications in both law and business/economics. The talents, diverse backgrounds and strength of character of the class of 2003/2004 ensured a stimulating and successful academic year for students and faculty alike. Many of the students were able to attend the LL.M. Finance program thanks to generous scholarships from our sponsors.

Gaining Professional Experience: The ILF Student Internships

A central part of the ILF degree program is a two-month practical training at one of the ILF's various sponsors from the financial, regulatory, central banking, international law and accounting areas. The ILF internship program adds a practical component to the students' academic studies. In 2004, students responded very positively to their internship experiences. Here is a sampling of such experiences:

- A student who came to the ILF from a career in insurance/investment management found an internship in the Debt & Capital Markets department of Commerzbank Securities, which allowed him to gain valuable insights into the investment banking industry. He worked on one of the largest securities trading floors in the world in the teams concentrating on the origination and syndication of asset-backed securities and covered bonds; performed research and market analysis, in particular on embed-

ded-value securitization for life insurance companies; was introduced to the legal concepts and documentation of various transactions; and produced marketing presentations for clients.

- A student who interned in the Trading & Capital Markets department of SEB worked as an analyst in the foreign exchange team, identifying the needs of client companies for FX trading and hedging and developing an in-house corporate risk model. He recounts: "I got first-hand experience in analyzing companies from an FX perspective. I could not have gotten a more suitable internship... At the end of my internship I even joined a meeting with a major client in Hamburg, a perfect end to an excellent internship experience. SEB has become my first priority for a full-time position when I graduate." Upon graduation, this student joined SEB's FX department in Oslo.
- One student was given an internship with the Department of Banking Supervision of the German Bundesbank. She was asked to draft a position paper on the securitization of non-performing loan portfolios, addressing both regulatory and tax issues. Throughout the internship, she worked under the active supervision and in regular consultation with a senior member of the department. She remarked: "One of the most important advantages that makes the ILF internship 'unique' is the chance to get to know very high quality professionals..."
- Another student worked in the Banking & Capital Markets department of the international law firm of Clifford Chance, where she prepared documentation for the project finance of a major highway project.
- A student who worked in the Financial Institutions Department of ING BHF Bank compiled country reports, did work on such areas as credit risk assessment and structured trade finance, and received hands on training in correspondent banking and letters of credit practice.
- Another student interned in the Tax Department of Clifford Chance, where he worked on loan agreements between major German banks and corporations, and attended meetings with clients. He notes: "It was definitely a very good and useful internship."
- An intern who worked in the Banking Department of Freshfields Bruckhaus Deringer performed due diligence investigations, drafted shareholder resolutions and director's certificates, and participated in a ≈3.3 billion leveraged financing.
- A student who interned with the international law firm of Hengeler Mueller, working on the securitization of finance assets and the issuance of asset-backed securities (ABS), explained: "The internship gave me a very good overview of ABS transactions."
- An intern who was taken on by Allen & Overy worked on a novel interest rate swap agreement that included a delivery provision permitting an investment bank to repay obligations to an insolvent counterpart with debt instruments issued by the very same counterpart. A lot of different questions were touched under this proposed agreement, in particular conflict of law analysis, penalty clause, set-off, possible hedging.

We thank all participating companies and institutions for their assistance and their great support of our students!



Student Research Prize of the Estonian Academy of Sciences goes to ILF student of the inaugural year

We are happy to congratulate Ms Ingrid Ulst, LL.M Finance, from the class 2002/2003 on the award of the prestigious student research prize of the Estonian Academy of Sciences for her ILF Master Thesis. The thesis is entitled "Financial Conglomeration Linkages between the European Union and Accession Countries: A Study on Developments and Implications of Financial Conglomeration" and was supervised by Professor Paul Spahn, who is a lecturer at the ILF and Professor of Public Finance at Johann Wolfgang Goethe University. Ms Ulst has presented her thesis at the Student Research Conference of the Estonian Academy of Sciences in October 2004.

The ILF Boards

Members of the ILF Boards (as of November 2004)

page

The Board of Trustees

At its annual meeting on February 27, 2004, the Board of Trustees of the ILF officially welcomed five new members. Dr. Herbert Walter, CEO of Dresdner Bank AG, was named Chairman of the ILF Board, taking the place of Professor Bernd Fahrholz, who resigned from his position. The Board and the Executive Committee extended their deep gratitude to Professor Fahrholz for his invaluable contribution to the establishment of the ILF. Four other distinguished professionals also joined the ILF Board of Trustees. They are Dr. Berthold Kusserow, Partner, Linklaters Oppenhoff & Rädler, Mr. Thomas Kerkhoff, Mütze Korsch Rechtsanwaltsgesellschaft mbH, Mr. Bernd Knobloch, Executive Director of Eurohypo AG, and Mr. Jochen Sanio, President of the Federal Agency for the Supervision of Financial Services (Bundesanstalt für Finanzdienstleistungsaufsicht – BaFin).

The Executive Committee

In addition, Prof. Manfred Wandt, Director of the Institute for Insurance Law at the University of Frankfurt, was elected to the ILF Executive Committee, joining Prof. Theodor Baums and Prof. Andreas Cahn.

The Donors' Committee

Over the course of the year, the ILF was proud to be able to add five new members to its distinguished Donors' Committee. They were Mrs. Marcia L. MacHarg, Partner, Debevoise & Plimpton LLP; Mr. Okko Hendrik Behrends, Partner, Allen & Overy LLP; Dr. Günther Bräunig, General Agent for the KfW Bankengruppe; Prof. Jens Ekkenga, Special European Counsel, Willkie Farr & Gallagher LLP; and Dr. Bernd Erle of KPMG Deutsche Treuhand-Gesellschaft AG Wirtschaftsprüfungsgesellschaft.



The ILF Boards meet on February 27, 2004.



Chairman of the Board of Trustees:

- Dr. Herbert Walter, Chairman of the Board of Managing Directors, Dresdner Bank AG

Further members of the ILF Board of Trustees are:

- Mr. Hans Eichel, Federal Minister of Finance
- Prof. Dr. Bernd Fahrholz, Ehrensenator, Johann Wolfgang Goethe University (Honorary Senator of the University of Frankfurt)
- Mr. Dieter Haferkamp, Vice-Chairman of the ILF Board of Trustees, former Member of the Governing Board, Deutsche Bundesbank
- Mr. Thomas Kerkhoff, Partner, Mütze Korsch Rechtsanwaltsgesellschaft mbH
- Mr. Bernd Knobloch, CEO Eurohypo AG, Chairman of Eurohypo Stiftung
- Prof. Dr. Jan-P. Krahen, Professor of Finance, Johann Wolfgang Goethe University
- Dr. Berthold Kusserow, Partner, Linklaters Oppenhoff & Rädler
- Dr. Günther Merl, Chairman of the Board of Managing Directors, Landesbank Hessen-Thüringen
- Mr. Klaus Patig, Member of the Board of Managing Directors, Commerzbank AG
- Prof. Dr. Joachim Rückert, Dean, Department of Law, Johann Wolfgang Goethe University
- Mr. Antonio Sáinz de Vicuña, General Counsel, European Central Bank
- Mr. Jochen Sanio, President, Bundesanstalt für Finanzdienstleistungsaufsicht
- Prof. Dr. Rudolf Steinberg, President, Johann Wolfgang Goethe University
- Dr. Tessen von Heydebreck, Member of the Board of Managing Directors, Deutsche Bank AG
- Mr. Karlheinz Weimar, Minister of Finance of the State of Hesse

Members of the ILF Executive Committee:

- Prof. Dr. Theodor Baums, Director of the Institute for Banking Law, Johann Wolfgang Goethe University
- Prof. Dr. Andreas Cahn, Director of the Institute for Law and Finance
- Prof. Dr. Manfred Wandt, Director of the Institute for Insurance Law, Johann Wolfgang Goethe University

Members of the ILF Donors' Committee:

- Dr. Klaus-Albert Bauer, Managing Partner, Freshfields Bruckhaus Deringer
- Dr. Heiko Beck, General Counsel, DekaBank Deutsche Girozentrale
- Mr. Okko Hendrik Behrends, Partner, Allen & Overy LLP
- Dr. Holger Berndt, Executive Director, Deutscher Sparkassen- und Giroverband
- Dr. Wolfgang Bosch, Partner, Gleiss Lutz
- Dr. Günther Bräunig, General Manager, KfW Bankengruppe
- Prof. Dr. Wulf Döser, Senior Counsel, Baker & McKenzie
- Prof. Dr. Jens Ekkenga, Special European Counsel, Willkie Farr & Gallagher LLP
- Dr. Bernd Erle, Senior Tax Partner Member of the Board, KPMG
- Dr. Thomas Gasteyer, Partner, Clifford Chance
- Prof. Dr. Wilhelm Haarmann, Partner, Haarmann Hemmelrath
- Mr. Karl Herold, Partner, Jones Day
- Mr. John Jetter, Chairman of the Board of Managing Directors, J.P. Morgan AG
- Mr. Matthias Kasch, Partner, White & Case, Feddersen Law Firm
- Mrs. Marcia L. MacHarg, Partner, Debevoise & Plimpton LLP
- Mr. Frank Mattern, Director, McKinsey & Co., Inc.
- Mr. Volker Potthoff, Member of the Board of Managing Directors, Deutsche Börse AG
- Mr. Dietmar Schmid, Member of the Board of Managing Directors ING, BHF-Bank AG
- Mr. Stefan Seip, Chief Executive Officer, BVI Bundesverband Deutscher Investment- und Vermögensverwaltungs-Gesellschaften e.V.
- Dr. Stephan Steuer, Deputy General Executive Manager and General Counsel, Bundesverband Deutscher Banken (The Association of German Banks)
- Dr. Joachim von Harbou, President of the Frankfurt Chamber of Commerce and Industry
- Dr. Philipp von Randow, Partner, Latham & Watkins Schön Nolte
- Dr. Andreas Zahn, Partner, Ashurst

Prominent Visiting Professors and Guest Lecturers



During the past year, the ILF was pleased to welcome two visiting professors, host guest lectures by some of the world's most prominent legal scholars, and act as a public forum for presentations by officials of Germany's Ministry of Finance.

Commerzbank Stiftung Visiting Professors

The Commerzbank Stiftung Visiting Professor for the 2003/2004 winter semester was Prof. Bob Wessels, who taught a course in European Insolvency Law. Prof. Wessels is a professor of Civil and Commercial Law, Law Faculty, Vrije University in Amsterdam, a Deputy Justice at the Court of Appeal, The Hague, and a Partner of Holland Van Gijzen Attorneys at Law, Amsterdam, as well as a founder of the Dutch Insolvency Law Review (Tijdschrift voor Insolventierecht) and a member of the American Bankruptcy Institute. Prof. Wessels has published widely in the areas of insolvency and corporate law.

Prof. Geoffrey Miller, Stuyvesant P. and William T. III Comfort Professor of Law at New York University School of Law, was the Commerzbank Stiftung Visiting Professor for the 2004 summer semester. Prof. Miller is one of America's leading experts on Banking Law. Before joining the NYU faculty, he taught at the University of Chicago Law School for over ten years, and has lectured as a visiting professor at many leading universities around the world. Prof. Miller was Editor-in-Chief of the Columbia Law Review and clerked for U.S. Supreme Court Justice Byron R. White, as well as holding research and advisory positions at the Bank of Japan and the Federal Reserve Bank, Chicago.

Visiting Lecturers

Prof. Richard Buxbaum, Professor of International Law at the University of California at Berkeley Law School, delivered two guest lectures in October of 2003. He spoke on the U.S. Sarbanes-Oxley Act of 2002 and on the manner in which U.S. courts have received the German law enacted to compensate persons who were forced to conduct slave labor under National Socialism („Das Gesetz zur Erinnerung, Verantwortung und die Zukunft in der neueren US-Amerikanischen Rechtsprechung“).

Prof. Melvin A. Eisenberg, Koret Professor of Law at the University of California at Berkeley Law School, visiting professor at Columbia University School of Law, and Chief Reporter of the American Law Institute's Principles of Corporate Governance project, delivered two guest lectures in March 2004 entitled: "Disclosure in Contract Law," and "Standards of Conduct and Review in Corporation Law." These lectures were made possible by the generous sponsorship of Deutsche Bank AG.

Prof. Ronald J. Gilson, Stern Professor of Law and Business, Columbia Law School, and Professor of Law, Stanford Law School, delivered a guest lecture in May entitled "Complicating the Controlling Shareholder Taxonomy." This lecture was made possible by the generous support of Deutsche Bank AG.

Prof. Jean du Plessis, Professor of Law at the Deakin Law School in Victoria, Australia, delivered a guest lecture in November 2003 entitled "Mandatory or Voluntary Corporate Governance? The Role of Corporate Regulators in Overseeing Good Governance Practices."

Prof. Roberta Romano, Allen Duffy/Class of 1960 Professor of Law, Yale Law School, delivered two guest lectures in June 2004 entitled: "The Sarbanes-Oxley Act and the Making of Quack Corporate Governance," and "The Advantage of Competition for Corporate Charters." Prof. Romano spoke as part of the Harald Voss Memorial Lectures series generously sponsored by Freshfields Bruckhaus Deringer.

Prof. Erich Schanze, Director, Institute for Comparative Law, Philipps University Marburg, and former visiting professor at U.C. Berkeley, University of Chicago, Columbia University, Harvard University, Stanford University, and University of Virginia, delivered a guest lecture in June 2004 entitled "Directors' Duties and Behavioral Economics."

Dr. Sabine Schlemmer-Schulte, fellow at the Max Planck Institute, Heidelberg, visiting professor of International Law, University of Leiden, and former Senior Legal Counsel, World Bank, presented four guest lectures in January 2004 entitled: "The International Financial Architecture: From Bretton Woods to the Era of Globalization," "IMF/World Bank Adjustment Lending and 'Washington Consensus' based Conditionality: Economic and Financial Growth, or Mismanaged Globalization?," "Developing Countries and Sovereign Debts: The HIPC (Heavily Indebted Poor Countries) Initiative, the SDRM (Sovereign Debt Restructuring Mechanism) Initiative, and Beyond," and "International Financial Institutions and the Governance Challenge: Improving the 'Rule of Law' within International Organizations."

Prof. Kenneth E. Scott, Ralph M. Parsons Professor Emeritus in Law and Business, Stanford Law School, and Senior Research Fellow, Hoover Institution, presented two guest lectures in June 2004 entitled: "Mutual Fund Scandals – Late Trading and Market Timing" and "Mutual Fund Problems – Distribution Costs and Expense Disclosure."

Mr. Paul H. Silverman, partner of the U.S. international law firm of Alston & Bird LLP, presented a guest lecture in October 2003 entitled "How to Acquire U.S. Bankrupt Company Assets."

The BMF Series

We are grateful to the German Ministry of Finance (Bundesministerium der Finanzen – BMF) for continuing to donate the time of their key regulatory officials to give guest lectures at the ILF.

Mr. Dietrich Jahn, Ministerialdirigent of the Ministry of Finance, gave a valuable presentation in June 2004 on the implementation of the amended EU Investment Services Directive into German law (Die Novellierung der EU-Wertpapierdienstleistungsrichtlinie und ihre Umsetzung ins deutsche Recht). This was only the first of a series of four annual presentations that will be given at the ILF on current legal policy themes.

Mr. Jörg Vollbrecht of the Ministry of Finance presented a paper in November 2003 on the implementation of European fund rules in Germany through the recently enacted Investment Act, entitled "OGAW II: Europäischer Binnenmarkt für Investmentfonds – Herausforderungen bei der Umsetzung der Richtlinie."

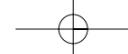
The BMF lectures are held according to the Chatham House Rules of strict confidentiality to ensure free and open debate of current issues.

The Lecturers of the ILF for the Year 2003-2004

The quality and the variety of the ILF lecturers has been one of the most outstanding features of our program. This again proved to be the case for the 2003-2004 academic year. The following professors and lecturers taught at the ILF during the past academic year:

The Lecturers of the ILF for the Academic Year 2003-2004:

- Dr. Klaus-Albert Bauer, LL.M., Partner, Freshfields Bruckhaus Deringer: Law of Corporate Finance
- Mr. Okko H. Behrends, Partner, Allen & Overy: Capital Markets and Securities Law
- Mr. Christoph Besch, Partner, PricewaterhouseCoopers Deutsche Revision AG: Comparative Corporate Taxation
- Ms. Cecilie Burwitz, Morgan Stanley: Corporate Finance
- Prof. Andreas Cahn, LL.M., Director, Institute for Law and Finance: International and National Company Law; Law of Corporate Finance
- Dr. David Donald, Research Associate, Institute for Law and Finance: International and National Company Law
- Mr. Gabriel Fagan, Econometric Modelling Division, European Central Bank: Principles of Economics
- Ms. Simone Fischer, Senior Manager, KPMG: Comparative Accounting
- Dr. Thomas Gasteyer, LL.M., Partner, Clifford Chance: Commercial Banking
- Dr. Andreas Hackethal, Assistant Professor, Johann Wolfgang Goethe University: Financial Markets and Institutions
- Mr. Stephen J. Hodgson, International Partner, White & Case, Feddersen: Law of Investment Banking and Project Finance
- Dr. Thomas F. Huertas, former Vice President of Citigroup: Financial Intermediation and Risk Management
- Prof. Stefan Kadelbach, LL.M., University of Münster, Basics of EU Law
- Dr. Christoph Keller, Financial Law Unit Head, Deutsche Bundesbank: Central Banking Law
- Prof. Jan P. Krahn, Professor of Finance, Johann Wolfgang Goethe University: Fundamentals of Finance I
- Mr. Heiko Lohuis, Associate, Loyens & Loeff: Comparative Corporate Taxation
- Ms. Kerstin Lopatta, Research Associate, Chair of Business Management, Department of Business Economics, Johann Wolfgang Goethe University: Basics of Accounting
- Dr. Manuel Lorenz, Partner, Baker & McKenzie Frankfurt: Investment Banking and Project Finance Law
- Dr. Rainer Magold, Partner, Baker & McKenzie: Investment Banking and Project Finance Law
- Prof. Maria C. Malaguti, LL.M., Professor of Law, University of Lecce; Counsel: DG Payment Systems, European Central Bank: EU Competition Law
- Prof. Raimond Maurer, Professor of Economics, Johann Wolfgang Goethe University: Fundamentals of Finance I
- Dr. Marcus Mick, Attorney and Tax Accountant, Flick Gocke Schaumburg: Comparative Corporate Taxation
- Prof. Geoffrey Miller, New York University School of Law: Banking Law
- Ms. Anke Müßig, Research Associate, Chair of Business Management, Department of Business Economics, Johann Wolfgang Goethe University: Basics of Accounting
- Mr. Erwin Nierop, Deputy General Counsel & Head, Financial Law Division, European Central Bank: Central Banking Law
- Mr. Stefan Niessner, Deutsche Bundesbank: European Regulation of Financial Markets and Institutions
- Dipl.-Kfm. Frank Reiner, Department of Finance, Johann Wolfgang Goethe University: Basics of Financial Mathematics
- Prof. Hanns-Christian Salger, LL.M., Partner, Salger Rechtsanwälte: Drafting of Contracts
- Prof. Christian Schlag, Professor of Economics, Johann Wolfgang Goethe University: Fundamentals of Finance II
- Prof. Reinhardt H. Schmidt, Faculty of Business and Economics, Johann Wolfgang Goethe University: Fundamentals of Finance II
- Mr. Steve Sorotzkin, PricewaterhouseCoopers LLP: Comparative Corporate Taxation
- Prof. Paul B. Spahn, Professor of Public Finance, Johann Wolfgang Goethe University: Monetary Policy and Financial Regulation
- Mr. Pedro Gustavo Teixeira, European Central Bank: European Regulation of Financial Markets and Institutions
- Prof. Mark Wahrenburg, Professor of Business Banking, Johann Wolfgang Goethe University: Financial Markets and Institutions
- Dr. Michael Weller, Board of Managers, Clifford Chance: Commercial Banking
- Prof. Bob Wessels, Holland van Gijzen Advocaten en Notarissen, Dordrecht, Netherlands: International Insolvency Law
- Dr. Chiara Zilioli, LL.M., Deputy General Counsel, European Central Bank: Central Banking Law



ILF Is Not Just Hard Study— the Social Program

During the busy 2003/2004 academic year, the ILF also managed to squeeze in two outings for students and staff: one to Berlin and one to Heidelberg.

Heidelberg Castle



Winter Semester

In December of 2003, ILF students went on their first organized trip to the historic town of Heidelberg and its ancient university. This Christmas trip offered a pleasant opportunity for students and staff to get to know each other and socialize in an informal setting. An English-speaking guide showed them around the historic sights of Heidelberg, and a number of students found the university hall and the curious old prison especially interesting. The group then strolled through Heidelberg's traditional Christmas Market and wrapped up the day by enjoying a typical German Christmas dinner of roast duck (to the horror of all vegetarians present!), rotkraut and dumplings.

Summer Semester

In the spring of 2004, nine students and three staff members visited the much refurbished capital of Germany -- Berlin. In the course of a merry sightseeing tour accompanied by pouring rain and much laughter, the group became acquainted with this fascinating and multi-faceted city. The group took advantage of the opportunity to visit many of the numerous museums, particularly the Jewish Museum, and the many historic sites of the city. It happened that the European Football Championship was in progress at the time, so the group resourcefully located restaurants with optimal TV reception. To the great sorrow of Messrs. Dialti, Galantini and Leonardi, the Italian team lost. Yet, the following evening, over a dinner of "Eisbein and Sauerkraut" all could celebrate the victory of Ms. Sipkova's Czech team.



Throughout the course of the Summer Semester, the students also scheduled informal get-togethers with ILF lecturers and their colleagues from several law firms. The social program complemented the hard work expected of all ILF students, particularly during the periods leading up to exams, and gave lecturers, sponsors and students an opportunity to deepen their acquaintance.

A special occasion during the Summer Semester was the dinner for students and faculty at the University guest house in Frauenlobstraße in June 2004. This dinner has become a cherished tradition at the ILF to bring together students and lecturers in an informal setting and thank our faculty for their commitment and dedication throughout the year. All guests enjoyed the meal and conversation as well as the opportunity to get to know each other outside the classroom.

End-of-year Dinner

On July 22, ILF students, faculty and staff came together to celebrate the completion of classes. The dinner was held at a handsome villa near Frankfurt's "Palmengarten" which the University maintains as a Guest House. It was a nice summer evening, which made for a pleasant and festive atmosphere in the villa's garden.

Prof. Cahn kicked off the evening with a brief speech thanking the faculty and staff and praising the Class of 2004. The Dean of the University's Faculty of Law, Prof. Joachim Rückert, then presented each student with a certificate of congratulations for completing their coursework. The student body president, Avvocato Davide Galantini, gave a speech describing the year's highlights from the students' point of view. He presented Prof. Cahn and Dr. Rima Dapous with gifts of appreciation on behalf of the student body and also conveyed the students' thanks to the ILF faculty and staff.

The presentation was followed by a delicious Lebanese buffet and barbecue eaten on the villa's garden terrace. It was a warm, relaxing evening – which for many lasted until the early hours of the morning.



The ILF as a Forum for Ideas

Conference on the Reform of German Law Affecting Debt Securities

In its role as a center for policy studies in the areas of corporate and financial law, the ILF hosted a day-long conference on February 5, 2004, entitled Reform of German Legislation Affecting Debt Securities. The conference drew more than 80 interested professionals from banks, law firms, and universities.

The conference participants discussed the German government's plans to replace the current law governing bonds (Schuldverschreibungsrecht) with state-of-the-art legislation. Any significant reform of such legislation is of major significance because Germany is one of the most active markets for debt issues in the European Union. For the ILF and many of its sponsors, the topic was especially interesting as many financial professionals in Frankfurt are involved in bond pricing, issuance or trading on a daily basis.

The German Ministry of Justice granted the conference speakers access to an unpublished draft of the planned legislation for the sole purpose of discussion at the conference. The speakers addressed the most important aspects of debt issues, from the negotiation of the terms and conditions, to the role of the trustee and collective action by bondholders, to restructuring and substitution of parties. Leading securities lawyers from Britain, Switzerland and the United States compared the proposed German law to their domestic legislation.

The conference speakers were **Dr. Jürgen Than**, General Counsel of Dresdner Bank AG; **Dr. Phillip von Randow**, Partner, Latham & Watkins Schön Nolte; **Dr. Hannes Schneider**, Partner, Hengeler Mueller, Rechtsanwälte; **Dr. Hans-Gert Vogel**, General Counsel of Deutsche Sparkassen- und Giroverband; **Dr. Georg Maier-Reimer**, Partner, Linklaters Oppenhoff & Rädler; **Dr. Christoph Keller**, Legal Counsel of the Deutsche Bundesbank; **Dr. Rene Bosch**, Partner, Homburger Rechtsanwälte, Zurich; **Mr. Lachlan Burn**, Partner, Linklaters, London; **Mr. Patrick Kenadjian**, Partner, Davis Polk & Wardwell.

Research at the ILF

Working Papers

During the 2003/2004 academic year, the ILF continued to conduct research and publish works on relevant issues in law and finance. The following is a list of the ILF Working Papers published to date:

WP001: Andreas Cahn

Verwaltungsbefugnisse der Bundesanstalt für Finanzdienstleistungsaufsicht im Übernahmerecht und Rechtsschutz Betroffener

WP002: Axel Nawrath

Rahmenbedingungen für den Finanzplatz Deutschland: Ziele und Aufgaben der Politik, insbesondere des Bundesministeriums für Finanzen

WP003: Michael Senger

Die Begrenzung von qualifizierten Beteiligungen nach § 12 Abs. 1 KWG

WP004: Georg Dreyling

Bedeutung internationaler Gremien für die Fortentwicklung des Finanzplatzes Deutschland

WP005: Matthias Berger

Das Vierte Finanzmarktförderungsgesetz - Schwerpunkt Börsen- und Wertpapierrecht

WP006: Felicitas Linden

Die europäische Wertpapierdienstleistungsrichtlinie - Herausforderung bei der Gestaltung der Richtlinie

WP007: Michael Findeisen

Nationale und internationale Maßnahmen gegen die Geldwäsche und die Finanzierung des Terrorismus – ein Instrument zur Sicherstellung der Stabilität der Finanzmärkte

WP008: Regina Nößner

Kurs- und Marktpreismanipulation – Gratwanderung zwischen wirtschaftlich sinnvollem und strafrechtlich relevantem Verhalten

WP009: Franklin R. Edwards

The Regulation of Hedge Funds: Financial Stability and Investor Protection

WP010: Ashley Kovas

Should Hedge Fund Products Be Marketed to Retail Investors? A Balancing Act for Regulators

WP011: Marcia L. MacHarg

Waking up to Hedge Funds: Is U.S. Regulation Taking a New Direction?

WP012: Kai-Uwe Steck

Legal Aspects of German Hedge Fund Structures

WP013: Jörg Vollbrecht

Investmentmodernisierungsgesetz - Herausforderungen bei der Umsetzung der OGAW-Richtlinien

WP014: Jens Conert

Basel II – Die Überarbeitung der Eigenkapitalregelungen der Kreditinstitute im Fokus von Wirtschafts- und Wettbewerbspolitik

WP015: Bob Wessels

Germany and Spain Lead Changes Towards International Insolvencies

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Consolidated and Supplementary Supervision of Financial Groups in the European Union

WP020: Andreas Cahn

Das richterliche Verbot der Kreditvergabe an Gesellschafter und seine Folgen

WP021: David C. Donald

The Nomination of Directors under U.S. and German Law

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The Duty of Care in American Corporate Law

WP023: Jürgen Than

Rechtsfragen bei der Festlegung von Emissionsbedingungen für Schuldverschreibungen unter besonderer Berücksichtigung der Dematerialisierung und des Depotgesetzes

WP024: Philipp Von Randow

Inhaltskontrolle von Emissionsbedingungen

WP025: Hannes Schneider

Die Änderung von Anleihebedingungen durch Beschluss der Gläubiger

WP026: Hans-Gert Vogel

Die Stellung des Anleihetreuhänders nach deutschem Recht

WP027: Georg Maier-Reimer

Rechtsfragen der Restrukturierung, insbesondere der Ersetzung des Schuldners

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Umschuldung von Staatsanleihen unter Berücksichtigung der Problematik einer Aggregation aller Anleihegläubiger

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Die Emission von Schuldverschreibungen nach schweizerischem Recht – ein Rechtsvergleich mit dem geplanten deutschen Schuldverschreibungsrecht

WP030: Lachlan Burn

Bond Issues under U.K. Law: How the proposed German Legislation compares

WP031: Patrick S. Kenadjian

Bond Issues under New York and U.S. Law: Considerations for the German Law Maker from a U.S. Perspective

WP032: Andreas Cahn

Bankgeheimnis und Forderungsverwertung

Publications

In June 2004, the inaugural volume of the "ILF Series," *Hedge Funds: Risks & Regulations*, was published by de Gruyter Recht. This volume contains the proceedings of the May 2003 conference entitled "Hedge Funds: Risks and Regulation", which the ILF organized in collaboration with the Deutsches Aktieninstitut. The book discusses the economic characteristics of hedge funds and regulatory strategies for addressing them, as well as presenting detailed analyses of the regulatory regimes used in Germany, the United Kingdom and the United States. *Hedge Funds: Risks and Regulation*, eds. Theodor Baums, Andreas Cahn (Berlin: de Gruyter Recht, 2004; ISBN 3-89949-149-1).

ILF Public Relations

'ILF Newsletter' to Students and Friends of the ILF

In fall 2003, the ILF began publication of a biannual "ILF Newsletter." The newsletter covers ILF developments and events that are of general interest to students, lecturers and sponsors and friends of the ILF. It enables its readers to follow the development of the Institute as it grows.

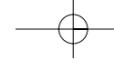
ILF in the Media

In addition to being present on many national and international internet platforms, the ILF has enjoyed extensive coverage in a number of German and international publications. These include the *Frankfurter Allgemeine Zeitung*, the *Frankfurter Rundschau*, the *Financial Times Deutschland*, *Die Bank*, *Finance Magazin* (Switzerland/Austria), the *German Law Journal*, *Wirtschaftswoche*, and the *Financial Times*.

Thanks to the support of a number of people and institutions, we were able to present our first graduating class in the Frankfurter Allgemeine Zeitung. The one-page advertisement in the FAZ business section featured a picture of each student and the logos of the participating sponsors.



The ILF at the Expatriates-Newcomers' Festival in Wiesbaden



The Class of 2003/2004

We are proud to present here the graduating members of the Institute for Law and Finance Class of 2003/2004:



Agafonova, Anna
Ukraine
State Technical University Donetsk: Diploma in Economics; Otto-von-Guericke University Magdeburg, Germany: BA in Management



Azanda, Ieva
Latvia
Concordia International University Law School Estonia: LL.B.; University of Sussex



Chernyanskaya, Ekaterina Borisovna
Russia
St. Petersburg State University: Diploma in Law; Baltic Business College



Landolt, Stefan
Switzerland
Ecole des Hautes Etudes Commerciales (HEC), University of Lausanne: Licence en Sciences Economiques. CFA charterholder



Laub, Gerd
Estonia
University of Tartu, Faculty of Law: LL.B.; University of Tartu, Faculty of Economics and Business Administration: Diploma in Business Administration



Lauro, Bernadette
Italy
University of Bari, BA in Economics



Chichinadze, Davit
Georgia
Georgia State University, Tbilisi: Diploma in Law



Christiansen, Rune
Norway
University of Strathclyde: BA in Finance; Nanyang Technological University, Singapore



Christofilis, Panagiotis
Greece
Law School of Athenian Kapodistriakon University: LL.B.; Leiden University, Netherlands: LL.C., LL.M. in European Community Law



Leonardi, Marco
Italy
University of Genoa Faculty of Law: J.D.



Owusu-Ansah, Joanna Acheampomaa
Ghana
Kwame University of Science & Technology, Ghana: BA of Arts (Law and English)



Parment, Carl Hugo
Sweden
Stockholm University, Faculty of Law: LL.M.; Stockholm University, Faculty of Business and Economics: B.Sc.Econ.



Radocea, Sebastian
Romania
University of Bucharest Faculty of Law: First and Second Juridical State Examinations



Ciocarlan, Lucia
Republic of Moldova
Free International University of Moldova: LL.B.; Newport University, USA: Bachelor of Business Administration



Colle, Maxime G.C.F.
Belgium
University of Ghent: Licentiate Law



Deng, Xiaojing
China
Beijing University School of Law: LL.M.; Beijing Foreign Studies University, Institute of Russian Studies: BA



Dialti, Francesco
Italy
University of Florence School of Law: Degree in Law; European University Institute, Florence; Tulane University School of Law, Humboldt University, Berlin



Sipkova, Tereza
Czech Republic
Charles University School of Law, Prague: LL.B.



Starparu, Iuliana Mirela
Romania
Academy of Economic Studies Bucharest: Bachelor in Finance and Banking; DOFIN – Doctoral School of Finance and Banking, Bucharest: MSc. in Finance and Banking



Dr. von Schweinitz, Oliver
Germany
Ruprecht Karls University, Germany: Erstes Staatsexamen, Pantheon-Sorbonne University, Paris: Diplôme d'Etudes Universitaires Générales; Duke University School of Law: LL.M.



Galantini, Davide
Italy
Faculty of Law, University of Bologna School of Law: Degree in Law; Roma Tre University; Padua Notary School



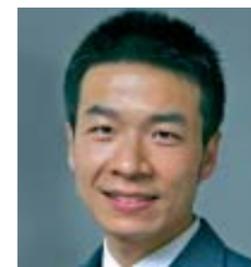
Gupta, Pooja Ashok
India
R.A. Podar College of Commerce and Economics, Mumbai: B.Com.; Institute of Chartered Accountants of India: C.A.; University of Mumbai Government Law College: LL.B.



Koblovsky, Petr
Czech Republic
Masaryk University Faculty of Law, Brno: Master of Law; University of Economics, Prague: Master of Economics (Ing.); Helsinki School of Economics & Business Administration, Prague: Master on International Management; Charles University in Prague, Ph.D. program in Financial Law and Finance

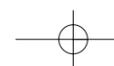


Wang, Shengzhe
China
Johns Hopkins University-Nanjing University: Graduate Certificate; Jilin University, Changchun: BA (Economics), MA (Economics)



Xiang, Zhang
China
South West University of Political Science & Law, Chongqing: LL.B.; Guangzhou Finance Management Institute

We congratulate Mrs. Anna Agafonova on the birth of her son Lev Skvortsov!



Our Sponsors

The 2003/2004 academic year was also a successful year for sponsorship support. In April, the prominent international law firm of **Linklaters Oppenhoff & Rädler** joined the ILF Board of Trustees. That firm's generous donation has enabled the ILF to broaden its curriculum and extend its marketing efforts.

The **Eurohypo Foundation (Eurohypo Stiftung)**, of Eurohypo AG, has made a generous financial contribution to build up the ILF's library collection, which substantially supplements support received from various public institutions. Thanks to the generous donation of Eurohypo, the ILF was able to significantly enlarge its collection in the areas of banking, financial markets, and company law, as well as to subscribe to key legal periodicals.

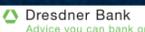
In 2004, the **Hertie Foundation (Gemeinnützige Hertie-Stiftung)**, Frankfurt am Main, announced that it would grant three scholarships, each covering a full year's tuition cost of € 15,000 for the academic year 2004/2005. The scholarships are specifically aimed at business or law school graduates from Central and Eastern Europe. The Hertie Foundation will mentor each scholarship recipient during the course of his or her study, and then welcome the recipient into the Hertie Foundation's alumni network upon graduation.

Applicants for Hertie Foundation Scholarships are required to have an excellent academic record, have made a demonstrated contribution to their community or society, and a proven fluency in English together with a working knowledge of German.

Three top students from Poland, the Czech Republic, and Serbia and Montenegro, were selected for these scholarships by a joint committee consisting of members of the Hertie Foundation and the ILF's Admissions Committee. We extend our gratitude to the Hertie Foundation for generously enabling the winning students to enroll in the ILF.

Many other existing and new sponsors from the public and private sectors have also made a variety of generous contributions during the 2003/2004 academic year to enable the ILF to continue and broaden its teaching and research activities. We thank all our sponsors, old and new, for their commitment and generosity.

We thank our friends and sponsors for their generous support of the Institute for Law and Finance.

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	Bundesministerium der Finanzen		IKB Deutsche Industriebank AG
	Bundesverband Deutscher Banken		ING BHF-Bank
	BVI Bundesverband Deutscher Investment- und Vermögens- verwaltungsgesellschaften e.V.		J.P. Morgan AG
	Citibank Privatkunden AG		Johann Wolfgang Goethe-Universität Frankfurt am Main
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	Deutsche Bundesbank		McKinsey & Company
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