

**April 2009**<http://www.law.berkeley.edu/centers/bclbe>**BCLBE****Faculty Co-Directors:****Jesse Fried**[jfried@law.berkeley.edu](mailto:jfried@law.berkeley.edu)**Eric Talley**[etalley@law.berkeley.edu](mailto:etalley@law.berkeley.edu)**Staff****Ken Taymor***Executive Director*[ktaymor@law.berkeley.edu](mailto:ktaymor@law.berkeley.edu)**John P. Hunt***Research Director*[jhunt@law.berkeley.edu](mailto:jhunt@law.berkeley.edu)**Anita K. Krug***Research Fellow*[akrug@law.berkeley.edu](mailto:akrug@law.berkeley.edu)**Anthony Zaloom***Director, China Program*[azaloom@law.berkeley.edu](mailto:azaloom@law.berkeley.edu)**Contact Us**

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## News and Research Update

**March was a productive month for BCLBE's *Project on Innovation and Stability in Financial Institutions and Capital Markets*. This month's project highlights include:**

**Subprime Mortgage Modifications:** BCLBE is examining the contractual limits on residential loan modifications. Industry participants and commentators argue that mortgage servicing contracts discourage or prevent subprime loan modifications, even modifications that prevent defaults to the benefit of both borrowers and lenders. BCLBE has undertaken the first and only systematic, large scale review of securitized subprime mortgage servicing agreements to evaluate this alleged obstacle to housing and overall economic stability. The preliminary results can be found in, "[What Do Subprime Securitization Contracts Actually Say About Loan Modification?](#)"

**Investment Company Regulation:** In response to the widespread calls for increased regulation of hedge funds, other private investment companies and their managers, BCLBE is examining these actors' economic benefits and risks. BCLBE's second white paper on this issue, "[The Regulatory Response to Madoff](#)," explores how the Madoff fraud informs the debate over regulation of this part of the investment industry.

**BCLBE held the final panel in its series on the global financial crisis: "[Global Financial & Economic Crisis: What Should the G20 Do?](#)"** Scholars from UC Berkeley's School of Law, HAAS School of Business and Economics Department provided their perspectives on strategies that the leaders of the G20 countries could take to stem the tsunami washing over the world economy. A video of the program, background information on the G20 meeting, and links to recordings of previous panel discussions on the financial crisis are available on BCLBE's website, <http://www.law.berkeley.edu/2573.htm>

**Credit Rating Agency Regulation:** BCLBE Research Director, John P. Hunt, submitted comments to the SEC regarding the agency's proposed new regulations of the Credit Rating Agency industry. A copy is available at: [link](#).

**Recent highlights in BCLBE's research on *venture capital law and finance* include:**

Brian Broughman published, "[Investor Opportunism and Governance in Venture Capital](#)."

The Ewing Marion Kauffman Foundation has generously provided BCLBE with support for the ongoing operation of the [Berkeley Law VC Blog](#).

## Events

**BCLBE's Luncheon Speaker Series** for this year concluded with the following presentations:

On April 3, 2009, **Samuel W. Buell**, Washington University in St. Louis "[Good Faith Is a State of Mind](#)" To listen to an audio recording click [here](#).

On March 31<sup>st</sup>, **Harvey Rowen '67**, presented at the last of BCLBE's Luncheon Speaker Series on "[Re-Regulating Wall Street](#)." To view the video, follow this [link](#).

More details as well as an archive of all BCLBE events can be found on our [Speaker Series](#) page or in the [Conference Archive](#).