



# Evidence and implications of the finance law

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## DESCRIPTION

Financial laws are regulations in the insurance, derivatives, commercial banks, capital markets, and investment management sectors. Understanding financial law is important for understanding the creation and formation of banks and financial regulations, as well as the general financial framework. Financial law forms an important part of commercial law, especially the world economy, and the legal burden depends on sound and clear legal policies regarding financial transactions. Therefore, financial law as a law of the financial sector includes matters based on public and private law (Asimov et al., 1996). Understanding the legal implications of transactions and structures such as indemnity and overdrafts is important for assessing the impact on financial transactions. This is the essence of financial law (Boudia, 2007)

Therefore, financial law differs significantly from commercial or corporate law in that it focuses primarily on financial transactions, financial markets, and their participants. For example, selling goods may be part of commercial law, but not part of financial law. It can be understood that financial law consists of three comprehensive methods or pillars of law

formation and is classified into five transaction silos that make up the various financial conditions prevailing in finance (Howell, 1995). Financial law is a broad category that covers multiple legal disciplines to ensure fair competition by protecting the economic interests of companies and their investors. Antitrust law, bankruptcy law, and securities law are some of the most common areas of law related to financial law (Kevles, 1997). Antitrust laws relate to other competition laws that protect consumers from anti-competitive mergers and business practices. The Federal Trade Commission (FTC) and many private organizations approve or reject transactions that they consider to be anti-competitive practices. Bankruptcy law, on the other hand, explains the effects of taxes and how to avoid the bankruptcy of large companies from small businesses (Linde, 2016).

The securities law is primarily coordinated to help listed companies disclose financial information to investors and corporate stakeholders (Taylor, 1979). The Securities and Exchange Commission (SEC) handles most of this part of the law to ensure that a company meets certain financial and reporting

requirements. A recent fiscal law issue that has attracted the attention of the media is political contributions. The Federal Election Commission (FEC) governs and enforces laws related to financial contributions to politicians. The latest jurisprudence is from the Supreme Court, as the government is trying to define this vague territory of law (Whittemore, 1986).

The financial law program is in the public, private and non-profit sectors in all aspects of business and financial law, including corporate law, securities and financial regulation, accounting, antitrust law, bankruptcy and restructuring, and entrepreneurship. Prepare students for their legal practice.

## **CONCLUSION**

In addition to domestic and cross-border financial regulations, additional rules have been enacted to stabilize financial markets by increasing the usefulness of collateral. In Europe, there are two restrictions on collateral carving out, Financial Collateral Directive (FCD) and Financial Collateral Regulation (FCR). The development of financial collateral directives by the EU is interesting only from a regulatory perspective. It is clear that the law here has evolved through market practices and private law reforms. The EU has played an important role in this area to promote and encourage the transfer and utilization of assets and liquidity within the market. This provision fits well with short-term transactions such as repos and derivatives.

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