

**LAW 6051 SECTION 60WZ
UNIVERSITY OF FLORIDA LEVIN COLLEGE OF LAW
PROFESSOR WENTONG ZHENG
SPRING 2020**

SECURED TRANSACTIONS

Syllabus

(Last Updated: January 6, 2020)

Course Information

Credits: 3

Class meeting time and place: Mon/Wed, 2:00-3:25 pm, Classroom 285C

Office hours: Mon & Wednesday, 12:00-2:00 pm or by appointment

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Course Description

This course surveys the law applicable to secured transactions in personal property. This body of law includes primarily Article 9 of the Uniform Commercial Code (“UCC”), the Federal Bankruptcy Code, and miscellaneous state laws.

The main goal of the course is to acquaint students with the fundamentals of Article 9 of the UCC. The major subjects that will be explored in this course include: the scope of Article 9, the creation of security interests (attachment), the perfection of security interests, the priority of security interests, default and the foreclosure process, and the treatment of security interests in bankruptcy. To help students acquire a “systems” view of secured credit, towards the end of the course we will briefly discuss security interests that are not governed by Article 9, such as mortgages.

Course Objectives

Throughout the course students will learn not only the black-letter rules, but also the commercial and policy justifications for such rules. By the end of the course, a reasonably diligent student should be able to accomplish the following:

- Understand how to create a legally enforceable security interest;
- Understand how to perfect a security interest;
- Understand how to analyze the priority of a security interest;
- Understand how to enforce a security interest;

- Understand the commercial and policy justifications for rules in UCC Article 9;
- Understand how security interests are treated in bankruptcy;
- Acquire knowledge and skills necessary for law practice in commercial financing.

Course Materials

The primary reading materials for this course are UCC Article 9 and its official comments. You can find them in *Commercial Law: Selected Statutes* by Warren and Walt (2019-2020 or earlier editions, Foundation Press) or any other statutory supplements that contain the 2010 amendments to UCC Article 9 as well as the Bankruptcy Code.

For each class, I will post on TWEN a class powerpoint in advance, and I expect you to use it as the starting point for class preparation. I will also assign chapters from *Examples & Explanations: Secured Transactions* by James Brook (Sixth Edition, Wolters Kluwer) for supplemental reading purposes. The assignments from *Examples & Explanations* may not fully correspond to the class powerpoints. You are not responsible for subjects that appear in *Examples & Explanations* but do not appear in the class powerpoints.

Course Web Site

You must register as course participants on our web site, which is listed under my name on The West Education Network <http://lawschool.westlaw.com/twen> (no password required). If you are a law student and do not have a Westlaw account, please contact your student Westlaw representative. If you are not a law student, please ask me to register you as a Guest user and obtain a temporary Westlaw account for you. I will use the web site to post assignments and class materials and correspond with you.

Class Attendance

Attendance is mandatory and you are expected to be on time. Beginning in the second week of the semester, you will be required to sign an attendance sheet for every class. However, I understand that circumstances beyond your control may cause you to miss classes. Therefore, each student is allowed to have two (2) absences with no negative consequences. Provided that your total number of absences does not exceed two (2), you do NOT have to notify me of the absences in advance or provide any justifications for them.

If you expect your total number of absences to exceed two (2), however, please do notify me in advance of the anticipated absences. If the circumstances causing the anticipated absences are extraordinary—a determination to be made by me alone—I may exempt you from the class attendance policy for the absences. Extraordinary circumstances include, but are not limited to, medical emergency (with doctor's note), protracted illness (with doctor's note), and job interviews (with interviewer's note). Absences due to observance of religious holidays are exempted from the class attendance requirement, too.

If your total number of absences in the semester exceeds two (2) and you did not obtain advance approval from me, I reserve the right to lower your final grade by one level (A to A-, A- to B+, and so on). If your total number of absences in the semester exceeds six (6) and you did not obtain advance approval from me, I reserve the right to lower your final grade by two levels (A

to B+, A- to B, and so on).

Class Participation

You will be assigned to a panel of four or five students who will be “on call” for one—and only one—week in the semester. The panel schedule will be distributed separately at the end of the first week. Please make sure that you are prepared for class discussions during your assigned week. You are encouraged to participate in class discussions even if you are not on call. Your performance in class participation will account for ten (10) points in the calculation of your final grade (see more details below in Grading).

Final Exam

Date: May 4, 2020, 1-4 pm

The final exam for this course will be a three-hour open book exam consisting of twenty (20) guided-short-answer questions. Each question has four possible answers, only one of which is correct. For each question, you will be asked to record your choice of the correct answer and then justify your choice by briefly explaining the rationales for your choice. NO credits will be given if you choose the correct answer but give no justifications or wrong justifications. Partial credits WILL be given if you choose the wrong answer but give partially correct justifications. The final exam will account for one hundred (100) points of your final grade.

Grading

The composition of your final grade for this course is as follows:

Class Participation: 10 points

Final Exam: 100 points

As explained above in Class Attendance, I reserve the right to adjust your final grade based on your class attendance record.

I adhere to the College of Law’s posted grading policies. Below is a table listing the possible letter grades and their corresponding point equivalents.

Letter Grade	Point Equivalent
A (Excellent)	4.0
A-	3.67
B+	3.33
B	3.0
B-	2.67
C+	2.33
C (Satisfactory)	2.0
C-	1.67
D+	1.33
D (Poor)	1.0
D-	0.67

E (Failure)	0.0
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The law school grading policy is available at: <http://www.law.ufl.edu/student-affairs/current-students/academic-policies#9>.

Generally, I will grant grade change requests only for calculation errors. Substantive review and re-grading of answers to specific questions will not be granted unless answers to ALL questions are reviewed and re-graded.

Academic Honesty

Academic honesty and integrity are fundamental values of the University community. Students should be sure that they understand the UF Student Honor Code at <http://www.dso.ufl.edu/students.php>.

Accommodation

Students requesting accommodation for disabilities must first register with the Disability Resource Center (<http://www.dso.ufl.edu/drc/>). Once registered, students will receive an accommodation letter which must be presented to the Assistant Dean for Student Affairs (Dean Mitchell) when requesting accommodation. Students with disabilities should follow this procedure as early as possible in the semester.

Online Course Evaluation Process

Students are expected to provide professional and respectful feedback on the quality of instruction in this course by completing course evaluations online via GatorEvals. Guidance on how to give feedback in a professional and respectful manner is available at <https://gatorevals.ua.ufl.edu/students/>. Students will be notified when the evaluation period opens and can complete evaluations through the email they receive from GatorEvals in their Canvas course menu under GatorEvals or via <https://ufl.bluera.com/ufl/>. Summaries of course evaluation results are available to students at <https://gatorevals.ua.ufl.edu/public-results/>.

Class Schedule and Assignments

The following class schedule is subject to change. Note that “E&E” in the “Assignments” column refers to *Examples & Explanations*. If supplemental readings are assigned, please go to the “Assignments” section of the course website on TWEN to download the supplemental materials. For each class, please also read the class powerpoint that will be posted on TWEN prior to the class. For each class hour, you should expect to spend about two hours reading the assigned materials.

Dates	Topic	Assignments
Module I: Overview		
Jan. 13	Rights of Unsecured Creditors; Overview of Security Interest	Supplemental reading; UCC §1-201(b)(35), §9-109(a)(1), §9-102(a)(12), §9-102(a)(73), §9-

		102(a)(28), §9-102(a)(59); E&E pp. xxi-xxii, Ch. 1
Jan. 15	Overview of Secured Credit; Prototypical Secured Transaction	Supplemental transaction forms; supplemental reading
Module II: Attachment of Security Interests		
Jan. 22	Attachment (I)	UCC 9-203(a)-(b), 1-204, 9-102(a)(7), 9-102(a)(70), 9-102(a)(74), 9-108, 9-102(a)(26); E&E Ch. 3
Jan. 27	Attachment (II); After-Acquired Property and Future Advances	Supplemental cases; UCC 9-204, Cmt. 3 to 9-108; E&E Ch. 4
Jan. 29	Collateral	UCC 9-102(a)(44), 9-102(a)(48), 9-102(a)(33), 9-102(a)(34), 9-102(a)(23), 9-102(a)(30), 7-104(a); 9-102(a)(2), 9-102(a)(11), 9-102(a)(42), 9-102(a)(47), 9-102(a)(61), 9-102(a)(65), 9-102(a)(29); 9-102(a)(49), 8-102(a)(15), 8-102(a)(4), 8-102(a)(2), 8-102(a)(13), 8-102(a)(18), 8-102(a)(14), 8-102(a)(7), 8-102(a)(17), 8-501(a); E&E Ch. 5
Feb. 3	Scope of Article 9 (I)	UCC 9-109, 1-203; E&E Ch. 2; supplemental case
Feb. 5	Scope of Article 9 (II)	UCC 9-109, Cmt. 4 to UCC 9-109; supplemental transaction forms
Module III: Perfection of Security Interests		
Feb. 10	Perfection by Filing (I)	UCC 9-308(a), 9-310(a), 9-502(a), 9-502(d), Cmt. 2 to 9-502, 9-503, 9-102(a)(71), 9-102(a)(68), 9-506, Cmt. 2 to UCC 9-506, 9-504, 9-509, 9-516, 9-520; E&E Chs. 6, 7; supplemental transaction forms
Feb. 12	Perfection by Filing (II)	UCC 9-338, 1-201(b)(29), 9-102(a)(52), 9-507, 9-515; E&E Chs. 6, 7, 12
Feb. 17	Perfection by Possession or Control	UCC 9-310(b), 9-313(a), 7-102(a)(1), 9-312(c), 9-312(d), 9-313(c), Cmt. 3 to 9-313, 9-312(a), 9-312(b), 9-314(a), 9-104; E&E Ch. 8
Feb. 19	Automatic Perfection: Purchase Money Security Interest	UCC 9-309(1), 9-103(a)-(b), (d), (f)-(h), Cmt. 3 to 9-103, 9-309(3), 9-309(4); E&E Ch. 9
Feb. 24	Proceeds	UCC 9-102(a)(64), 9-203(f), 9-315(a)(2), 9-102(a)(9), 9-315(b)(2), Cmt. 3 to 9-315, 9-315(c)-(e); E&E Ch. 17
Feb. 26	Multistate Transactions (I)	UCC 1-301, 9-301(1)-(3), 9-307, Cmt. 5 to 9-301; E&E Ch. 7.
Mar. 9	Multistate Transactions (II)	UCC 9-304, 9-305, UCC 9-316(a)-(b); E&E Ch. 12.
Module IV: Priority of Security Interests		
Mar. 11	Overview of Priority of Security Interests; Secured Parties v. Secured Parties (I) (First-to-File-or-Perfect Rule; Future Advances; Priority of Security Interests in Proceeds)	UCC 9-322(a)(1), Cmt 4 to 9-322, 9-339, 9-204(c), 9-322(a)(2)-(3), 9-322(b)(1), Example 5 from Cmt. 6 to 9-322; E&E Chs. 13, 4, 17
Mar. 16	Secured Parties v. Secured Parties (II) (Priority of PMSIs; Non-	UCC 9-324(a)-(b), 9-324(g)(1), 9-102(a)(9), Cmt. 7 to 9-322, 9-327, 9-328, 9-104(a); E&E

	Temporal Priority in Nonfiling Collateral)	Ch. 14
Mar. 18	Secured Parties v. Buyers (I)	UCC 9-201, 9-315(a), 9-317(b), 9-320(a), 1-201(b)(9), Cmt. 3 to 9-320, 9-320(b), 9-320(e); E&E Ch. 16
Mar. 23	Secured Parties v. Buyers (II); Purchasers of Chattel Paper	UCC 9-317(b), 9-317(e), 9-323(d)-(e), 9-330(a), (b), (e), 9-324(b), Cmt. 8 to 9-324; E&E Chs. 16, 18
Mar. 25	Purchasers of Instruments; Secured Parties v. Secured Parties: Non-Temporal Priority in Proceeds (I)	UCC 9-330(d), 9-331, 9-322(c), 9-322(d), 9-322(e), Examples 6, 7, 10, 11 from Cmt. 8 to 9-322; E&E Ch. 18
Mar. 30	Secured Parties v. Secured Parties: Non-Temporal Priority in Proceeds (II)	Sample Exam Questions 16-19
Apr. 1	Security Interests v. Statutory Liens; Secured Parties v. Lien Creditors (I)	Bankr. Code 101(37), UCC 9-333, 9-102(a)(52), 9-317(a)(2), 9-317(e); E&E Chs. 13, 14; supplemental problems
Apr. 6	Secured Parties v. Lien Creditors (II)	UCC 9-323(b); E&E Ch. 13; supplemental problems
Apr. 8	Overview of Bankruptcy; Treatment of Security Interests in Bankruptcy (I)	Bankruptcy Code §§ 362(a), 362(d)(1)-(2), 101(5)(A), 506(a), 1325(a)(5), 544(a), 546(b), 362(b)(3); supplemental problems
Apr. 13	Treatment of Security Interests in Bankruptcy (II)	Bankruptcy Code §§ 547(b), 547(e)(2), 362(b)(3); supplemental problems
Module V: Enforcement of Security Interests		
Apr. 15	Default; Repossession of Collateral	UCC 9-601(a), (d), (e), 9-609; E&E Ch. 20; supplemental cases
Apr. 20	Foreclosure Sale; Deficiency, Redemption, and Strict Foreclosure; Discussions of Sample Exam Questions	UCC 9-610, 9-611, 9-612, 9-603(a), 9-613, 9-614, Cmt. 7 to 9-610, Cmt. 3 to 9-612, 9-615, 9-626(a)(3), 9-617, 9-620, 9-621, 9-622, 9-623; E&E Chs. 21, 22; Sample Exam Questions to be posted on TWEN