

Secured Transactions
University of Florida Levin College of Law
Spring 2023 Syllabus – Law 6051 – 3 Credits

Professor: Lynn M. LoPucki

Office: Holland 317

Office Hours: Monday and Thursday, 1:30-2:30

Office Phone: (352) 273-0725

Email: lopucki@law.ufl.edu

Class Meeting Time: Monday, Tuesday, Thursday 11:00 am to 11:55 am.

Location: MLAC-106

1. Course Description:

Debt is pervasive in the American economy. Security interests, mortgages, and liens are the legal devices by which the parties to loans, deals, and other transactions establish the power relationship among them. The transactions explored range from routine consumer purchases to complex business transactions. Topics include the attachment, perfection, and priority of security interests; filing systems; foreclosure; repossession; replevin; judicial sales; default; acceleration; reinstatement and cure; the modification of debt in bankruptcy; and statutory liens. The course focuses on developing practical legal skills in problem solving, statutory interpretation, and the formulation of legal strategy.

2. Student Learning Outcomes: At the end of this course, students should be able to:

- Solve secured transactions problems that arise on bar exams
- Solve secured transactions problems that arise in practice
- Formulate legal strategies on behalf of clients regarding the creation, perfection, or enforcement of security interests and liens
- Read and understand secured transaction documentation
- Apply provisions of UCC Article 9, the Bankruptcy Code, statutory lien laws, and related statutes to facts
- Draft simple security agreements and financing statements

3. Required Reading Materials:

LOPUCKI, WARREN, AND LAWLESS, SECURED TRANSACTIONS: A SYSTEMS APPROACH (9th edition, 2020).

BANKRUPTCY AND ARTICLE 9: STATUTORY SUPPLEMENT (2022). This book is available in two versions. One or the other is required. The same statutes appear in both books. The statutes in the LoPucki & Warren VisiLaw Marked Version have been pre-marked to make them easier to read. The statutes in the Warren version

are unmarked. The VisiLaw Marked Version will be best for most students, but if the markings seem to be in your way, choose the Warren version.

Please bring the required reading materials to each class. You will need your own copies for the exam.

I will make all class announcements or adjustments in class or by email. Please monitor both.

4. Aids recommended for exam preparation: My 2020 and 2021 exams are posted on Canvas, along with model answers.

The following three books contain multiple-choice practice questions. I recommend them for exam preparation regardless of exam type. I am most familiar with Markell and Zinnecker and consider it excellent.

Bruce A. Markell & Timothy R. Zinnecker, Questions & Answers: Secured Transactions (4th edition 2022).

Scott J. Burnham, The Glannon Guide to Secured Transactions (3rd edition 2017).

Stephen L. Sepinuck, Secured Transactions, Exam Pro, Objective (2nd edition 2012).

Secured transactions is covered on the Florida Bar Exam and the Multistate Essay Exam (MEE). Recent Article 9 questions are posted on Canvas. You can download older MEE secured transactions questions free at <https://www.ncbex.org/exams/mee/preparing/>. Recent questions are available for purchase.

5. Other recommended reading and reference: The course includes material on personal property secured transactions, bankruptcy, judicial liens, statutory liens, mortgages, and deeds of trust. Article 9 of the Uniform Commercial Code is at the center.

Outside reading is not necessary, but if you want to do it, I recommend the following:

Brian A. Blum, Bankruptcy and Debtor/Creditor: Examples and Explanations (7th edition 2018).

James Brook & Stephen M. McJohn, Secured Transactions: Examples and Explanations (Wolters Kluwer 6th edition, 2019).

Grant Nelson & Dale Whitman, Real Estate Finance Law (West, 6th edition, 2014). This is the leading treatise on security interests in real estate.

Douglas J. Whaley, Secured Transactions (Gilbert Law Summaries, 14th edition 2020).

James J. White, et al., Uniform Commercial Code (one volume 7th edition 2022), four volumes, updated annually. This is the leading treatise on the Uniform Commercial Code.

James J. White, et al., Principles of Secured Transactions (West, 2nd ed. 2018).

6. Class Preparation:

Preparation is required. ABA Standard 310 requires that students devote 120 minutes to out-of-class preparation for every “classroom hour” of in-class instruction.

Preparation includes working each assigned problem to a solution and writing the solution prior to class. Please be prepared to state your answer to each problem, and the reasoning process by which you arrived at it. I reserve the right to adjust a student’s final grade up or down one third of a letter grade (*i.e.*, from an A- to an A or B+) based on class participation and attendance.

7. Class Attendance Policy:

Class attendance is required. You may have up to ten (10) absences (more than 25% of the scheduled classes) without penalty. I make no distinction between “excused” and “unexcused” absences. If you are absent from more than that number of classes, your grade in the course will be reduced by one grade (e.g. B+ to B). If you are absent from more than thirteen (13) classes, your grade in the course will be reduced by an additional grade.

I will attempt to provide notice to any student who reaches eight (8) absences. My assistant keeps the count. She can tell you how many classes you have missed. Her contact information is in section 10, below.

8. Video Recordings.

a. *Availability.* The College of Law video-records all class sessions. The recordings are available for viewing only by students enrolled in the class and only until the final exam. The recordings are not available for download.

b. *Permission to use.* I hereby grant permission for students currently enrolled in the course to access the video-recordings solely for the purpose of the course. The recordings may not be used by any person other than a student enrolled in the course or for any purpose other than to participate in the course.

c. *Recording tails.* Recording is remotely controlled. As a result, the recordings may include events in the classroom before the class begins, during class breaks, and after the class ends. Please do not discuss any confidential matters during those periods.

d. *Consent.* By enrollment in this course, each student consents to the recording and use described above.

9. Problem method

This course relies on the problem method. You learn by reading about the system, seeing the material applied in various situations in the text, and then applying the material in new situations as you work the problems. For the problem method to work, you must be an active participant. Reading the solutions to the problems from the notes of former students will prepare you neither for the final exam nor for practice. It may interfere with class discussions. For those reasons, use of notes made by someone other than yourself

regarding the answer to any problem, prior to the discussion of that problem in class, is prohibited. I encourage you to form study groups to work the problems before class.

10. Contacting me outside of class

There are four ways to contact me outside of class.

1. *After class*: Except when I have a conflicting appointment, I will stay after class until all questions are answered.

2. *Phone*: You can call me at (352) 273-0725 or (310) 694-2718.

3. *Email*: My address is lopucki@law.ufl.edu.

4. *Office*: My office hours are from 1:30-2:30, Monday and Thursday. I am generally in my office from 1:30 p.m. to 6:00 p.m. on the days class meets. Please feel free to stop by during those hours without an appointment.

Victoria Redd is my assistant. Her email address is redova@law.ufl.edu and her telephone number is (352) 273-0609.

11. PowerPoint Presentations. I use PowerPoint presentations to guide each class session. After class, my assistant will post the presentation on MyLaw. The slides are numbered so that you can easily reference them if you take notes. If the presentation for a class has not been posted to Canvas by 5:00 p.m., please feel free to remind me.

Each semester a few students request that I post the presentations prior to class so they can take notes on the presentations. That is not feasible for three reasons:

a. I modify slides as I prepare for class each day. If I posted the presentation in advance, it would not be the same version as the presentation used in class or the one posted after class. The slide numbers might change. The result would be confusing for everyone.

b. Some presentations use multiple slides to produce animation. They consist of large numbers of slides. If you took notes in the file, you would have difficulty accessing them later.

c. Short answers to problems and class questions appear on the presentations. Availability of this information prior to and during class would interfere with the class discussion.

12. The written assignments

The course includes two written assignments. Problem 9.7 is to prepare a skeletal security agreement. Problem 18.6 is to prepare a financing statement. Do not turn in your answer to a problem until I assign the problem in class. I grade the written assignments on a pass-fail basis and weigh them as equal to one point on the exam. Submit the written assignments on Canvas.

13. “Class version” of the Uniform Commercial Code

The Official Text of the Uniform Commercial Code, with these completions, constitutes the “class version.” The class version will apply on the final exam. I suggest that you mark these completions and selections on the statutes in your statutory supplement.

§9-311(a)(2). This subsection lists only the Uniform Motor Vehicle Certificate of Title and Anti-Theft Act.

§ 9-501(a)(2). The section should read: “the office of the Secretary of State in all other cases . . .”

§ 9-501(b). The blank is completed: “the Office of the Secretary of State.”

§ 9-503(a)(4) - (6) are Alternative A. Also, § 503(g) Alternative A, regarding Multiple drivers’ licenses is in effect.

§ 9-512, § 9-518, § 9-519, and § 9-522. Alternative A is adopted in each of those subsections.

§ 9-525(a). The blanks are completed with these amounts: \$40, \$43, \$43.

§ 9-525(b). The blanks are completed with these amounts: \$40, \$40.

§ 9-525(c). Alternative A is adopted.

§ 9-525(d). This section does not apply. (In Florida, unlike other states, UCC searches are online and no fees are charged.)

§ 9-526 and 9-527. The “appropriate governmental official” is “the Secretary of State.”

Bracketed language is optional for state adoption. For this course, all bracketed language throughout the UCC is considered adopted, except as otherwise indicated above.

The Model Provisions for Production-Money Priority are not adopted.

14. Suggestions for studying

a. Solve problems. My pedagogical theory is that students learn by doing. The exam will require that you solve problems in a manner similar to what you will do when you encounter secured transactions problems in practice. I recommend that you study for the exam by using the book and the *Statutory Supplement* to solve problems.

The first set of problems for you to solve are the problems in the casebook. You should read the assignment and solve the problems before class. As you do so, feel free to refer to the reading. *Do not use notes or PowerPoint presentations from prior semesters—their use will interfere with your learning.* During class, try to follow the many plausible lines of inquiry and alternative solutions to the problems. After class, review the problems

again—using the PowerPoint presentation—to make sure you understood the solutions correctly.

At the end of the semester, you should take my prior-semester exams and use the instructions in the model answers to grade your answers. You may also benefit from solving problems from one of the books recommended above for exam preparation. Keep in mind that those books may assume you have covered topics you have not. Only topics we cover in class or in the reading will be on the exam. Write your answers and check them against the key.

b. No takeaways. In some law school courses, you read cases, discuss material, and your task is extract “takeaways”—rules or understandings that you then apply on the exam. That is not what we are doing in this class. Here, you should immerse yourself in the mass of information and learn your way around in it by applying it to problems. Instead of applying takeaways on the exam, you will be applying statutes and materials from the casebook in new ways.

c. Notes. I do not recommend taking notes in class or turning those notes into outlines. The notes you would take are essentially the PowerPoint presentations and the outline you would make is the structure of the casebook. Your task in this course is neither to memorize nor organize material. It is to develop a mental model of the functioning of the secured credit system that will enable you to solve secured transactions problems. What you are doing is learning new concepts, making new connections within the materials, and making them permanent through repetition. The more problem solving you do, the better you will be at it.

These suggestions are based on my personal experience. If they do not sound like they will work for you, be skeptical of them. Wide variations exist in how people learn. Go with what you think is most likely to work for you.

15. Organization of the course.

For the first day of class, read the Introduction to *Secured Transactions* and the two-page post “What is Legal Strategy?” We will cover most of the Assignments in *Secured Transactions*, in numerical order, at the rate of a little less than one Assignment per day. As you read each Assignment, also read each section of the UCC or Bankruptcy Code to which reference is made. (If the reference is to a definition section, read only the definition of the word in issue.) Unless I indicate otherwise, prepare one full assignment ahead each day. Some assignments are divided into first and second halves. Each half includes text and problems. If I assign only the first half for a given day, assume we will cover the second half on the following class day.

16. Assignments:

The casebook is divided into 40 assignments. Each consists of text and problems. Time permitting, over 39 classes we will cover these 27 assignments in this order:

Introduction

Assignment 1. Remedies of Unsecured Creditors Under State Law

Assignment 2. Security and Foreclosure

Assignment 3. Repossession of Collateral (omit section E)

Assignment 4. Judicial Sale and Deficiency

Assignment 5. Article 9 Sale and Deficiency

Assignment 6. Bankruptcy and the Automatic Stay

Assignment 7. The Treatment of Secured Creditors in Bankruptcy

Assignment 8. Formalities for Attachment

Assignment 9. Which Collateral and Obligations Are Covered? (omit section E)

Assignment 10. Proceeds, Products, and Other Value-Tracing Concepts

Assignment 13. Default, Acceleration, and Cure Under State Law (omit section E)

Assignment 14. Default, Acceleration, and Cure Under Bankruptcy Law (omit problem 14.4)

Assignment 15. The Prototypical Secured Transaction (omit problems 15.2, 15.3, and 15.4)

Assignment 16. The Personal Property Filing Systems (omit second half of assignment, including problems set but keep 16.5)

Assignment 17. Article 9 Financing Statements: The Debtor's Name (omit problem 17.3)

Assignment 18. Article 9 Financing Statements: Other Information (omit problems 18.3 and 18.4)

Assignment 19. Exceptions to the Article 9 Filing Requirement (omit section D and problems 19.1.f and 19.5)

Assignment 20. The Land and Fixtures Recording Systems (omit section C.3 and problem 20.1.g and h)

Assignment 22. Maintaining Perfection Through Lapse and Bankruptcy (omit problem 22.5)

Assignment 23. Maintaining Perfection Through Changes of Name, Identity, and Use (omit section B and problem 23.4)

Assignment 26. The Concept of Priority: State Law (omit section C, section E, and problems 26.5 and 26.6)

Assignment 28. Lien Creditors Against Secured Creditors: The Basics (omit the part of section C after the first three paragraphs)

Assignment 32. Secured Creditors Against Secured Creditors: The Basics (omit section B.3, problem 32.6)

Assignment 33. Priority in Land and Fixtures (omit sections A through C and the entire problem set)

Assignment 35. Sellers Against Secured Creditors (omit section B, the Feresi case, and problems 35.4)

Assignment 36. Buyers Against Secured Creditors (omit problem 36.7)

17. Course Expectations and Grading Evaluation:

Your grade in the course will be based on a four-hour limited open book exam, the written assignments, and class attendance and participation. To assure that information about the nature and contents of the exam is accurate and equally available to all:

1. I do not answer questions or make statements about the nature or contents of an exam except in class or in an email addressed to all members of the class.
2. I do not answer questions or make statements about the contents of an exam until after I write the exam. Typically, that will be about one week before the exam.

18. Other Information.

Other information about UF Levin College of Law policies, including compliance with the UF Honor Code, Grading, Accommodations, and Course Evaluations can be found at this [link](#).

