

**LAW 6051 CLASS 23846
UNIVERSITY OF FLORIDA LEVIN COLLEGE OF LAW
PROFESSOR WENTONG ZHENG
FALL 2023**

SECURED TRANSACTIONS

Syllabus

(Last Updated: Aug. 7, 2023)

Course Information

Credits: 3

Class meeting time and place: Tue/Thu, 9:00 am-10:25 pm, Classroom: HH 355C

Office hours: Tue & Thursday, 1:00-2:00 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 (2023-2024 or earlier editions, Foundation Press) or any other statutory supplements that contain the 2010 and 2022 amendments to UCC Article 9 as well as the Bankruptcy Code.

For each class, I will post on Canvas 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 (Seventh 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.

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 four (4) absences with no negative consequences. Provided that your total number of absences does not exceed four (4), 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 four (4), 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 four (4) 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 eight (8) 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 are expected to regularly participate in class discussions. Beginning in the second week of the semester, I will randomly call on students to participate in class discussions. I reserve my right to adjust your final grade by one level based on your class participation performance.

Course Workload

It is anticipated that you will spend approximately 2 hours out of class reading and/or preparing for in class assignments for every 1 hour in class.

Ungraded Quizzes

Throughout the semester, I will distribute five (5) ungraded quizzes to be completed by you off class. The purposes of these quizzes are to provide you with feedback on your performance in the class and to familiarize you with the format of the final exam. I will distribute model answers for the quizzes so that you can evaluate your answers by yourself.

Final Exam

Date: December 6, 2023

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:

Final Exam: 100 points

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

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.

UF Levin College of Law Standard Policies

Other information about UF Levin College of Law policies, including compliance with the UF Honor Code, Grading, Accommodations, Class Recordings, and Course Evaluations can be found at this link: <https://ufl.instructure.com/courses/427635/files/74674656?wrap=1>.

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 Canvas to download the supplemental

materials. For each class, please also read the class powerpoint that will be posted on Canvas 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		
Aug. 22	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
Aug. 24	Overview of Secured Credit; Prototypical Secured Transaction	Supplemental transaction forms; supplemental reading
Module II: Attachment of Security Interests		
Aug. 29	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
Aug. 31	Attachment (II); After-Acquired Property and Future Advances	Supplemental cases; UCC 9-204, Cmt. 3 to 9-108; E&E Ch. 4
Sept. 5	Quiz #1 ; 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
Sept. 7	Scope of Article 9 (I)	UCC 9-109, 1-203; E&E Ch. 2; supplemental case
Sept. 12	Scope of Article 9 (II)	UCC 9-109, Cmt. 4 to UCC 9-109; supplemental transaction forms
Module III: Perfection of Security Interests		
Sept. 14	Cancelled	
Sept. 19	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
Sept. 20 (makeup)	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
Sept. 21	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
Sept. 26	Quiz #2 ; 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
Sept. 28	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
Oct. 3	Multistate Transactions (I)	UCC 1-301, 9-301(1)-(3), 9-307, Cmt. 5 to 9-301; E&E Ch. 7.

Oct. 5	Multistate Transactions (II); Overview of Priority of Security Interests; Secured Parties v. Secured Parties (I) (First-to-File-or-Perfect Rule)	UCC 9-304, 9-305, UCC 9-316(a)-(b); E&E Ch. 12; UCC 9-322(a)(1)
Module IV: Priority of Security Interests		
Oct. 10	Quiz #3 ; Secured Parties v. Secured Parties (II) (First-to-File-or-Perfect Rule; Future Advances; Priority of Security Interests in Proceeds)	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
Oct. 12	Secured Parties v. Secured Parties (II) (Priority of PMSIs; Non-Temporal Priority in Nonfiling Collateral)	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 Ch. 14
Oct. 17	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
Oct. 19	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
Oct. 24	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
Oct. 26	Secured Parties v. Secured Parties: Non-Temporal Priority in Proceeds (II)	Sample Exam Questions 16-19
Oct. 31	Quiz #4 ; 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
Nov. 2	Secured Parties v. Lien Creditors (II)	UCC 9-323(b); E&E Ch. 13; supplemental problems
Nov. 7	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
Nov. 9	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		
Nov. 14	Default; Repossession of Collateral	UCC 9-601(a), (d), (e), 9-609; E&E Ch. 20; supplemental cases
Nov. 16	Quiz #5 ; Foreclosure Sale; Deficiency, Redemption, and Strict Foreclosure	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 Canvas