

Secured Transactions - Spring 2012
Adjunct Professor Richard Benham

Office: Room 306

Office Hours: Monday 1:00 – 2:00, Tuesday 9:30 – 13:00 and by appointment

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Meets: Monday & Tuesday 8:00 – 9:22 a.m. Room **R107**

Exam: Monday, 4/23/2012 8:30 a.m. -11:30 a.m. Room **TBD**

SYLLABUS AND CLASS INFORMATION¹

TEXTBOOKS

Picker, Randal C., Security Interests in Personal Property: Cases, Problems and Materials, Foundation Press, 4th ed.

Commercial and Debtor-Creditor Law: Selected Statutes (2009 edition) (or any recent edition).

You should bring both of these books to class with you each day². The leading commercial law treatise, Uniform Commercial Code (5th ed.) by White and Summers, is on reserve in the library.

If you have a different version of the UCC that would be fine as well, so long as it is from the last few years.

CLASS OBJECTIVES

This class is an overview of the law of secured transactions under Article 9 of the Uniform Commercial Code (July 1, 2001 Revision). Through review of the code, cases, and problems, students will be exposed to creation, perfection, and enforcement of security interests in personal property. The objective is to learn basic principles and application of secured transactions, particularly Article 9 of the Uniform Commercial Code.

CLASS ATTENDANCE & PARTICIPATION

Class attendance is required and I will take attendance via an attendance sheet that will be circulated during class. In accordance with the Law School's accreditation requirements, if you miss more than 20% of the scheduled class meetings (6 classes for the spring semester), you will not receive credit for the course. Of course, if you are sick, you should not come to class.

¹ With appreciation to Professor Bridgeman for sharing his syllabus, much of which remains below.

² The UCC and Bankruptcy code (which we will reference from time to time) is also available on-line through your WestLaw Next accounts. You may use this alternative if that is your preference.

Important: Please be in class on time. The Business Bar does not tolerate late arrivals and student's need to develop the habit of being on time, or better, a few minutes early.³ If you are going to be unavoidably late or absent, I ask that you email me notice in advance.

I treat class much like a business meeting. As with any business meeting, everyone is expected to be prepared for class. For students, this means you should read the assigned material in the Picker text and the related sections of the code (including the comments). It is my policy to encourage class participation and students will need to be prepared to join the discussion. Students who are on time to class, prepared, and participate in the discussion will be eligible for an upward adjustment to their course grade. Conversely, students who miss class frequently, are late to class, or who do not participate in the class discussion may be subject to a downward adjustment to their final grade. Internet access during class is allowed, but should only be used to access course related content.

OFFICE HOURS AND GENERAL ADMINISTRATION

As an Adjunct, I am not frequently on campus. I will generally be on campus for an hour after class on Tuesdays and after my Contract Drafting class on Mondays. I will also be glad to schedule an appointment with any student(s) upon request. Questions are welcome by email at any time. Of course, I encourage you to ask questions in person when needed.

FSU HONOR CODE

Cheating, plagiarism or any dishonesty in your work is not tolerated at this university. Please refer to your student handbook for more information about FSU's academic honor system, and come to see me if any part of the code is unclear.

STUDENTS WITH DISABILITIES

Students with disabilities needing academic accommodations should register with and provide documentation to the Student Disability Resource Center (SDRC). The Center's phone number is 644-9566. Please bring a letter to class from the SDRC indicating you need academic accommodations. This should be done within the first week of class. Please talk to me if you have any questions or concerns.

EXAM / GRADING

Grades will be based on a three-hour objective exam comprised primarily of multiple choice questions with some short-answer questions. The exam will be open book and students may use the textbook, Commercial Code book, any material posted on the course Blackboard (in hard copy), and their own individual notes. Students may NOT use commercial outlines, study aids, or other materials.

Internet access will NOT be allowed during the exam so students relying on Westlaw/Lexis for access to the code will need to print hard copies of those materials before the exam.

Final grades will be assigned in accordance with the Law School's grade policy (curved) and may be adjusted for class participation (see *Participation*, above).

³ Our class will meet at **8:00 a.m.** during the spring 2012 term. Students are advised to conduct a scrupulous self-assessment to consider whether this early start will present an insurmountable problem.

CLASS READINGS

Weekly assignments are listed below. *Each assignment is tentative*, and may be changed by prior announcement in class. For each week's assignment, you can assume that we will cover about half of the material on Monday and the second half on Tuesday. That said, I encourage students to complete the reading in "weekly segments" because the material will be better understood if read all at once.

In addition to the textbook, success in this course *will require time spent with the Uniform Commercial Code*. Very often I will use simple hypotheticals in class to illustrate basic principles. When possible, I will give you the hypotheticals before class (usually by posting them on the Blackboard), so that you may work through them on your own with the code.

Whereas in first-year classes basic principles are often taught with cases, in this class the basic principles are best learned through simple examples provided by me or the textbook. You should view the cases as more complicated hypotheticals which you will usually only understand after having mastered the basics. *At the very least, it is imperative that you study the code provisions on which we are focusing each class as part of your reading*. This is a code-based course, perhaps more so than any other course you will take in law school (since the code leaves little open to interpretation).

<u>Week 1, Introduction</u>	<u>Reading (Picker text unless otherwise noted)</u>
Context of Transactions	p. 1-4, 20-38, 39-47
Uniform Laws?	
Overview of Article 9	
Plight of Unsecured Creditors	
Nature of a Security Interest	
<u>Week 2, Attachment</u>	
<i>NOTE: No Class Monday January 16th</i>	
Authenticated Security Agreement	p. 47-58, 58-69
Description of the Collateral	
<u>Week 3, Attachment (cont.) / Perfection</u>	
Sufficient Rights in the Collateral	p. 71-81, 87-98
Value Given	
Sample Security Agreement	
Concept of Perfection	p 99-109
Categorizing the Collateral	
<u>Week 4, Perfection (Cont.)</u>	
Requirement of the Debtors Name	p. 109-135, 136-145, 145-153
The Secured Creditor's Name	
Identification of the Collateral	
<u>Week 5, Perfection (Cont.)</u>	
Possession	p. 157-169, 169-170, 178-186, 186-189
Perfection Through Control	
Misc. Perfection Approaches	
Review Attachment & Perfection	

Week	Topic	Reading
Week 6, Priority	Introduction Rights between Ordinary Secured Creditors	p. 192-206, 206-223
Week 7, Priority (Cont.)	Rights Between Secured/Unsecured Creditors Purchase Money Security Interests (PMSI) Review of Priority	p. 223-237, 237-262
Week 8, Proceeds & Transfers of Property	Introduction Definition of Proceeds & Attachment Proceeds & Priority Transfers	p. 263-283, 283-289
<i>SPRING BREAK (Week of March 5, 2012)</i>		
Week 10, Changes	Change in Location/Choice of Law After Acquired Property / Future Advances Name Changes, Incorporations, Mergers	p. 291-315, 316-335, 335-357
Week 11, Default	Default & Repossession Commercially Reasonable Sales Retention	p. 358-402
Week 12, Limits of Article 9	Excluded Areas Intellectual Property Other Federal Rights	p. 404-432, 432-442
Week 13, Limits of Article 9 (Cont.)	Set Off Characterization Problems	p. 443-452, 452-476
Week 14, Limits of Article 9 (Cont.)	Sales of Accounts & Securitization Fixtures	p. 477-495, 515-523
Week 15, Review	<i>NOTE: Last Class only Monday April 16</i> Big Picture Review Q&A	None