

**SECURED FINANCING**  
**Professor Jim Hawkins**  
**Spring 2014**

**Course Description**

Because lenders are concerned with ensuring debtors repay them, a lot of lending only occurs if the debtor puts up some collateral for the loan. This course examines the law that governs these transactions—the law of secured financing—found in Article 9 of the Uniform Commercial Code. We will discuss how a lender obtains a security interest in a debtor's property, how a lender perfects its interest, and what happens when two lenders claim an interest in the same property. The course is taught using a problem-based approach.

The objectives of the course are for you to learn the rules and doctrines of the law of secured financing; for you to understand the ethical and professional issues that arise in connection with secured financing; and for you to be able to integrate the information you learn in this class with other practical and analytical skills necessary to the practice of law.

**Course Material**

The two required texts for this course are:

LoPucki and Warren, *Secured Credit: A Systems Approach* (7<sup>th</sup> 3d. 2012)

Any recent version of Article 9 and the Bankruptcy Code that includes the comments. For example, you could use Elizabeth Warren, *Bankruptcy and Article 9* (2013), from Aspen Publishers.

**Attendance**

The Law Center requires students to attend at least 80% of the scheduled classes. Students who do not attend 80% of the classes can be automatically dropped from the course. I will keep track of attendance by passing around a sign-in sheet after class starts. It is an Honor Code violation to sign in for another student.

If a class has to be rescheduled, I will notify you as soon as possible and schedule a makeup class at a time during which you do not have any other classes.

**Grading**

Your grade will be based on a final examination consisting of multiple choice and essay questions. You may use any written materials you would like during the examination. The final examination will take place May 8, 2014 from 1:00 pm to 4:00 pm.

Class participation will also be part of determining your grade and is important to learning the material. I will call on students each day to discuss the assigned material. I will divide the class into two sections based on where your last name falls in the alphabet. Names starting A - J will be on call on Tuesdays, and K - Z will be on call on Thursdays. I will call on people within the designated section randomly. If you are in class but unprepared on two occasions that I call on you, I will lower your grade by one step (e.g., from a B to a B-). To be prepared for class, you must complete the assigned reading and work the assigned problems. It is important to spend time grappling with each assigned problem but you do not need to have the “correct” answer. I strongly suggest that the best way to prepare for class and for the exam is to write down your answers to the problems before class.

### **Contact Information/Office Hours**

Office: Bates Law Building #130  
Office Hours: Tuesday 2:30 – 3:30pm  
Tuesday 5:00pm – 6:00pm  
Telephone: 713-743-5018  
E-mail: jrhawkins@uh.edu

Please feel free to stop by my office during office hours or anytime, to e-mail me, or to set an appointment in order to discuss the class material or anything else of interest to you.

### **Accommodation of Disabilities**

The University of Houston Law Center strives to assure equal access and full participation by people with disabilities. If you require services because of a disability, you may notify Sharon Nellums-Goosby, Academic Records Coordinator in the Office of Student Services, in person in room 44A TU II, by e-mail at SNellums@central.uh.edu, or by phone at 713-743-2187. This voluntary self-identification allows the University to prepare any necessary and appropriate support services to facilitate your learning.

Any requests for exam accommodations should be directed to Linda Lee at LLee@central.uh.edu or 713-743-1751 and should be made as soon as possible to allow adequate time to document and process the request.

### **Assignments**

All of the assignments are from the casebook (CB) or from other sources that you should be able to locate easily. **Please read all of the Article 9 provisions mentioned in the assigned reading and the comments to those sections.**

PART I: THE BENEFITS OF BEING A SECURED CREDITOR

**Assignment 1:** CB xxxi – xxxv, 3 – 14, 19. Problems 1.1, 1.2.

**Assignment 2:** CB 14 – 21; Tex. Prop. Code §§ 41.001 - 41.002, 42.001 - 42.002, 42.003 (you will have to find this statute yourself). Problems 1.3 – 1.6. For 1.5, work the problem assuming both that Ted lives in Wisconsin and then that he lives in Texas.

**Assignment 3:** CB 22 – 38. Problems 2.1a (use Wisconsin law and Texas law), 2.2, 2.3a.

**Assignment 4:** CB 40 – 50; 54. Problems 3.1 – 3.4.

**Assignment 5:** CB 50 – 54; 58 – 60; 65 – 68; 70 – 76 (as you can tell, we are skipping the cases in this part). Problems 3.5 – 3.6; 4.1, 4.3, 4.4

**Assignment 6:** CB 78 – 90. Problems 5.1 – 5.4.

**Assignment 7:** CB 93 – 110. Problems 6.1 – 6.5.

**Assignment 8:** CB 112 – 130. Problems 7.1 – 7.5, 7.7.

PART II: HOW TO BECOME A SECURED CREDITOR (forthcoming)

PART III: RESOLVING COMPETITION FOR COLLATERAL (forthcoming)