

# Syllabus



## **LAW 5365 | Bankrptcy&Credits Rgts**

**Section:** 17307 | Face-to-Face

### **General Course Information**

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**(Optional: Enter Secondary Course Title)**

**Course Meeting Time: (Enter your class time)**

**Course Meeting Location: (Enter location or Delete this line)**

### **Instructor Information**

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R. J. Shannon

**Department:** Adjunct Professor, Law Center

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**Phone:** 713-714-5770

**Office Hours**

By Appointment

### **Course Objectives and Student Learning Outcomes**

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Houstonians know that every boom is followed inevitably by a bust. Do you want to be ready to address your client's questions about bankruptcy, where the answers are never obvious? Your client's future will hinge upon whether you can resolve seemingly impossible financial and legal issues. In this class, you will learn how to negotiate and litigate using the leverage created by the Bankruptcy Code to pursue

reorganization/rehabilitation and avoid liquidation. You will understand the roles, rights, and responsibilities of debtors, secured creditors, unsecured creditors, advisors, trustees, committees, acquirers, and bankruptcy courts. You will appreciate the differences among Ch. 11 business reorganizations, Ch. 13 consumer rehabilitations, and Ch. 7 liquidations. In addition to bankruptcy veterans serving as your instructors, guest lecturers from Houston's bankruptcy community will balance legal theory with practical examples.

From taking this course, students will (i) understand the roles, rights, and responsibilities of debtors, secured creditors, unsecured creditors, advisors, trustees, committees, acquirers, and bankruptcy courts, (ii) appreciate the differences among Ch. 11 business reorganizations, Ch. 13 consumer rehabilitations, and Ch. 7 liquidations, (iii) learn how to negotiate and litigate using the leverage created by the Bankruptcy Code, and (iv) hear practical practice points from seasoned bankruptcy professionals.

## Required Instructional Materials

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### Mandatory Materials

1. Warren/Westbrook/Porter/Pottow, *The Law of Debtors and Creditors* (Wolters Kluwer, 8th Edition 2020) ([Amazon](#))
2. U.S. Bankruptcy Code: <https://www.law.cornell.edu/uscode/text/11>
3. Federal Rules of Bankruptcy Procedure: <https://www.law.cornell.edu/rules/frbp>

### Recommended Materials

Students are encouraged to purchase a copy of the U.S. Bankruptcy Code and Federal Rules of Bankruptcy Procedure to use on the final exam. The final exam will be open to any printed materials, but not electronic materials.

## Course Schedule, Assignments, and Assessments

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<i>Date</i>	<i>Topic</i>	<i>Reading</i>	<i>Code/Rule</i>
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Monday, August 24	Bankruptcy Overview; Voluntary and Involuntary Petitions	Law of Debtors and Creditors pp. 1-19  Skim In re Ed and Joy petition; Overwatch Technologies, Inc. involuntary petition	11 U.S.C. §§ 301-303, 524  Fed. R. Bankr. P. 1002, 1003, 1006
Wednesday August 26	Lifecycle of Chapter 7, 11, and 13 Cases	Law of Debtors and Creditors pp. 71, 195, 328-333, 341-348	
<i>The Estate and its Administration</i>			
Monday August 31	The Bankruptcy Estate & Automatic Stay	Law of Debtors and Creditors pp. 51-69, 365-387	11 U.S.C. §§ 362, 541, 1115, 1306  Fed. R. Bankr. P. 4001, 6007
Wednesday September 2	Exemptions from Property of the Estate	Law of Debtors and Creditors pp. 73-97  Skim Ed & Joy Petition pp. 18 to 20.	11 U.S.C. § 522  Fed. R. Bankr. P. 4006
Monday September 7	No class—Labor Day.		
Wednesday, September 9	Claims Against the Estate	Law of Debtors and Creditors pp. 37-41, 121-136, 143-144, 323-328	11 U.S.C. §§ 501, 502, 503, 507, 726  Fed. R. Bankr. P. 3001-3008
Monday September 14	Secured Creditors and Adequate Protection	Law of Debtors and Creditors Appx. B (pp. 931-934), pp. 171- 175, 181-182, 199- 204.	11 U.S.C. §§ 101(37), 101(49), 101(51), 361, 506, 1141(c)

Wednesday September 16	Asset Sales	3 Collier on Bankruptcy P 363.01  In re TM Vill., Ltd., 2019 Bankr. LEXIS 651 (Bankr. N.D. Tex).	11 U.S.C. § 363  Fed. R. Bankr. P. 6004-6005
Monday September 21	Avoidance Actions: Preferences	Law of Debtors and Creditors pp. 453-474, 486	11 U.S.C. §§ 547, 551, 553(b)
Wednesday September 23	Avoidance Actions: Fraudulent Transfers	Law of Debtors and Creditors pp. 497-517	11 U.S.C. §§ 548, 551
Monday September 28	Avoidance Actions: Fraudulent Transfers (cont'd); Strong Arm Powers	Law of Debtors and Creditors pp. 519-542  Law of Debtors and Creditors pp. 437-444	11 U.S.C. §§ 548, 551  11 U.S.C. § 544
Wednesday September 30	Executory Contracts and Unexpired Leases	Law of Debtors and Creditors pp. 543-555, 559-566	11 U.S.C. §§ 365, 502(g)(1)  Fed. R. Bankr. P. 6006
Monday October 5	Employment & Payment of Professionals	3 Collier on Bankruptcy P 327.01  In re Woerner, 783 F.3d 266 (5th Cir. 2015)	11 U.S.C. §§ 327, 328, 330; 503(b)  Bankruptcy Rule 2014, 2016
<i>Chapter 7 &amp; Chapter 13 Cases</i>			
Wednesday October 7	Discharge	Law of Debtors and Creditors pp. 145-169	11 U.S.C. §§ 524, 727, 1141, 1328

Monday October 12	Chapter 7 v Chapter 13	Law of Debtors and Creditors pp. 267-291  United Student Aid Funds, Inc. v. Espinosa, 559 U.S. 260, 260 (2010).  Skim Southern District of Texas Form Ch. 13 Plan	11 U.S.C. §§ 707, 1322, 1325
Wednesday October 14	Means Test; BAPCPA	Law of Debtors and Creditors pp. 243-265  Skim Bankruptcy Official Form 122A-2	11 U.S.C. §§ 707
<i>Chapter 11 Cases</i>			
Monday October 19	Overview; Debtor-in-Possession	Law of Debtors and Creditors pp. 341-364	11 U.S.C. §§ 101(13), 521, 1101(1), 1107, 1108  Fed. R. Bankr. P. 2007.1, 4002
Wednesday October 21	Guardrails: U.S. Trustee, Official Creditor Committees, Chief Restructuring Officer, Trustee, Examiner	Law of Debtors and Creditors pp., 354-355, 735-757  Example Committee Solicitation Letter	11 U.S.C. § 1104
Monday October 26	First Day Motions, Cash Collateral, and Critical Vendors	Law of Debtors and Creditors pp. 391-415	11 U.S.C. §§ 105(a), 327, 328, 366, 1103(b)  Fed. R. Bankr. P. 1007

Wednesday October 28	DIP Financing	Law of Debtors and Creditors pp. 415-433	11 U.S.C. § 364
Monday November 2	Chapter 11 Plans: Overview of Plan Confirmation Process	Skim Disclosure Statement of National Bank of Kuwait	11 U.S.C. §§ 523, 524, 727, 1141  Fed. R. Bankr. P. 4004-4007  Skim 11 U.S.C. §§ 1125-1129
Wednesday November 4	Chapter 11 Plans: Exclusivity, Classification of Claims, Contents, Impairment, Disclosure Statement, and Voting	Law of Debtors and Creditors pp. 579-600	11 U.S.C. §§ 1121, 1122, 1123, 1124, 1125, 1126  Fed. R. Bankr. P. 3018
Monday November 9	Chapter 11 Plans: Best Interests of Creditors, Feasibility, and other Requirements for “Consensual” Plan Confirmation	Law of Debtors and Creditors pp. 605-623	11 U.S.C. §§ 1122, 1126, 1129(a), 1129(b)(2)
Wednesday November 11	Chapter 11 Plans: Fair and Equitable, Absolute Priority Rule, and Other Requirements for “Cram Down”/“Cram Up” Plan Confirmation	Law of Debtors and Creditors p. 625-646, 651, 664-672	11 U.S.C. §§ 1111, 1112, 1129(a)(10), 1129(b)

Monday November 16	Effect of Plan of Reorganization	Law of Debtors and Creditors pp. 579-600  Harrington v. Purdue Pharma L.P. [Forthcoming]	11 U.S.C. §§ 1141
Wednesday November 18	Other Chapter 11 Processes: Sales and Structured Dismissals	Law of Debtors and Creditors pp. 679-714  Czyzewski v. Jevic Holding Corp., 580 U.S. 451 (2017).	11 U.S.C. §§ 349, 363.
<i>Additional Topics</i>			
1. Monday November 23	Insolvency and Fiduciary Duties	TBD	
Wednesday November 25	No Class—Thanksgiving Holiday		
Monday December 30	Course Overview & Review	None	None
TBD	Final Exam		

## Discussion and Lecture Topics

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See Course Schedule, Assignments, and Assessments. The lecture and discussion topics are indicated therein.

## Grading Rubrics and Weights

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Final Exam (100% of grade): Date TBD. There will be multiple choice and short answer/essay questions. Further details will be provided towards the end of the semester.

Additionally, the Law Center's rules allow us to adjust a student's grade by as much as one-third of a letter grade (e.g., B to B+ or A to A-) based on class performance. Exceptional performance, either positively or negatively, will be considered grounds for adjusting your grade.

## **Course Policies and Procedures**

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### **Attendance**

The school's academic rules require that you attend at least 80% of the classes. We may lower a final grade or take other appropriate disciplinary action (up to entering a failing grade) if it is determined that a student is absent from more than 20% of the classes. Since we have 28 regularly scheduled classes, this means you should not miss more than five (5) sessions. We will treat the sign-in sheet circulated during each session as presumptive evidence of whether you were present.

### **Limited Remote Attendance**

We attend to offer "remote presence" (starting a Zoom meeting from the podium computer to enable student remote access on an occasional basis) for part or all of the semester. Students who need to attend a class session remotely should email the instructor in advance of the class start time. Unless there are extremely unusual circumstances (for example, major illness requiring hospitalization, etc.), students may utilize remote presence to attend class for no more than a quota of four (4) classes over the course of the semester. Failure to notify the instructor may result in being marked as absent.

### **Syllabus Change**

Please note that the instructor may need to make modifications to the course syllabus. Notice of such changes will be announced as quickly as possible through email.

### **AI Generated Text**

The software technology known as artificial intelligence has recently expanded its capability to generate text (AI Generated Text). Examples of the technology include what are known as "generative" large language models (LLMs), and a specific implementation what is well known in the general public is ChatGPT. These systems can generate text in response to prompts and/or input of other text/documents/code/images. The output, the

AI Generated Text, appears to have human mimicking “intelligence” and is thus potentially usable as a substitute for written work product one might generate themselves. AI Generated Text can include computer code or programs as well as human language content.

Your continuing enrollment in this course is deemed to be a pledge by you under the Honor Code to not prompt, generate, obtain, read, or use any AI Generated Text in relation to any activity or assessment in this course. This applies to AI Generated Text from yourself or others. This pledge includes that your assessment work product in the course is without any contribution from AI Generated Text. This specifically extends to the plagiarism policy and unauthorized aid/materials parts of the Honor Code: AI Generated Text will be treated as from another/other in applying the plagiarism policy to this course. The term “assessment” means any work product generated for this course that is submitted to the instructor or presented in a class session, regardless whether it is graded content or not. Assessments include mid-terms and final exams. AI Generated Text may not be used in the development or drafting of any assessments created by you in a non-proctored environment, such as a “take home” final examination unless specified as an exception below. The parts of the Honor Code that refer to unauthorized materials or aid are specifically prohibited from any use of AI Generated Text in this course unless specified as an exception below.

The following activities are exceptions to the immediately preceding paragraph; the intent of these exceptions is to allow use of AI Generated Text for specifically and narrowly defined activities in relation to this course:

- Creating content for an outline that you use exclusively to summarize the course content;
- “Conversing” with the AI Generated Text software system to create hypotheticals to better understand course content, alone or with others; and
- Otherwise studying the course material or related topics.

## **University Policies and Student Support Resources**

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### **Mental Health and Wellness Resources**

The University of Houston has a number of resources to support students’ mental health and overall wellness, including [CoogsCARE](#) and the [UH Go App](#). [UH Counseling and](#)

[Psychological Services \(CAPS\)](#) offers 24/7 mental health support for all students, addressing various concerns like stress, college adjustment and sadness. CAPS provides individual and couples counseling, group therapy, workshops and connections to other support services on and off- campus. For assistance visit [uh.edu/caps](http://uh.edu/caps), call 713-743-5454, or visit a [Let's Talk](#) location in-person or virtually. Let's Talk are daily, informal confidential consultations with CAPS therapists where no appointment or paperwork is needed.

**Need Support Now? If you or someone you know is struggling or in crisis, help is available. Call CAPS crisis support 24/7 at 713-743-5454, or the National Suicide and Crisis Lifeline: call or text 988, or chat [988lifeline.org](http://988lifeline.org).**

### **Title IX/Sexual Misconduct**

Per the UHS Sexual Misconduct Policy, your instructor is a “responsible employee” for reporting purposes under Title IX regulations and state law and must report incidents of sexual misconduct (sexual harassment, non-consensual sexual contact, sexual assault, sexual exploitation, sexual intimidation, intimate partner violence, or stalking) about which they become aware to the Title IX office (known at UH as the Equal Opportunity Services office or "EOS"). Please know there are places on campus where you can make a report in confidence. You can find more information about resources on the UH [Title IX/Sexual Misconduct Resources page](#). Please note that you may also report concerns of discrimination based on your protected class identity to EOS.

### **Reasonable Academic Adjustments/Auxiliary Aids**

The University of Houston is committed to providing an academic environment and educational programs that are accessible for its students. Any student with a disability who is experiencing barriers to learning, assessment or participation is encouraged to contact the Justin Dart, Jr. Student Accessibility Center (Dart Center) to learn more about academic accommodations and support that may be available to them. Students seeking academic accommodations will need to register with the Dart Center as soon as possible to ensure timely implementation of approved accommodations. Please contact the Dart Center by visiting the website: <https://uh.edu/accessibility/> calling (713) 743-5400, or emailing [jdcenter@Central.UH.EDU](mailto:jdcenter@Central.UH.EDU).

The [Student Health Center](#) offers a Psychiatry Clinic for enrolled UH students. Call 713-743-5149 during clinic hours, Monday through Friday 8 a.m. - 4:30 p.m. to schedule an appointment.

The [A.D. Bruce Religion Center](#) offers spiritual support and a variety of programs centered on well-being.

The [Center for Student Advocacy and Community \(CSAC\)](#) is where you can go if you need help but don't know where to start. CSAC is a "home away from home" and serves as a [resource hub](#) to help you get the resources needed to support academic and personal success. Through our [Cougar Cupboard](#), all students can get up to 30 lbs of FREE groceries a week. Additionally, we provide 1:1 appointments to get you connected to on- and off-campus resources related to essential needs, safety and advocacy, and more. The [Cougar Closet](#) is a registered student organization advised by our office and offers free clothes to students so that all Coogs can feel good in their fit. We also host a series of cultural and community-based events that fosters social connection and helps the cougar community come closer together. Visit the CSAC homepage or follow us on Instagram: [@uh\\_CSAC](#) and [@uhcupbrd](#). YOU belong here.

## **Cougar Parent and Family Engagement Office**

This office, under the Dean of Students Office (<https://www.uh.edu/dos/>), coordinates resources for Pregnant and Parenting Students (<https://www.uh.edu/dos/parenting-students/>), Parents and Family members of UH students (<https://www.uh.edu/dos/parents/>), and Sexual Misconduct Support Services (<https://www.uh.edu/dos/sexual-misconduct-support-services/>). A description of available support and resources are provided on the respective web pages. The Cougar Parent and Family Engagement Office is located in Student Center South, room B12. Additional announcements will be provided in late Jan 2026.

## **Academic Honesty Policy**

High ethical standards are critical to the integrity of any institution, and bear directly on the ultimate value of conferred degrees. All UH community members are expected to contribute to an atmosphere of the highest possible ethical standards. Maintaining such an atmosphere requires that any instances of academic dishonesty be recognized and addressed. The [UH Academic Honesty Policy](#) is designed to handle those instances with

fairness to all parties involved: the students, the instructors, and the University itself. All students and faculty of the University of Houston are responsible for being familiar with this policy.

## **Excused Absence Policy**

Regular class attendance, participation, and engagement in coursework are important contributors to student success. Absences may be excused as provided in the University of Houston [Undergraduate Excused Absence Policy](#) and [Graduate Excused Absence Policy](#) for reasons including medical illness of student or close relative, death of a close family member, legal or government proceeding that a student is obligated to attend, recognized professional and educational activities where the student is presenting, and University-sponsored activity or athletic competition. Under these policies, students with excused absences will be provided with an opportunity to make up any quiz, exam or other work that contributes to the course grade or a satisfactory alternative. Please read the full policy for details regarding reasons for excused absences, the approval process, and extended absences. Additional policies address absences related to [military service](#), [religious holy days](#), [pregnancy and related conditions](#), and [disability](#).

## **Recording of Class**

Students may not record all or part of class, livestream all or part of class, or make/distribute screen captures, without advanced written consent of the instructor. If you have or think you may have a disability such that you need to record class-related activities, please contact the [Justin Dart, Jr. Student Accessibility Center](#). If you have an accommodation to record class-related activities, those recordings may not be shared with any other student, whether in this course or not, or with any other person or on any other platform. Classes may be recorded by the instructor. Students may use instructor's recordings for their own studying and notetaking. Instructor's recordings are not authorized to be shared with anyone without the prior written approval of the instructor. Failure to comply with requirements regarding recordings will result in a disciplinary referral to the Dean of Students Office and may result in disciplinary action.