



LAW 5397 | Selected Topics

Section: 20078 | Face-to-Face

Instructor Information

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By Appointment

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General Course Information

While bankruptcy has rightly been described as the last bastion of the generalist, it is also unlike ordinary litigation or transactional practice. Contested matters are litigated with notice and time for discovery measured in days or weeks, not months or years. Transactions involving millions and billions of dollars occur with only the barest of covenants from the seller. The Bankruptcy Code and Federal Rules of Bankruptcy Procedure make that possible.

This course provides an in-depth look at the core aspects of business bankruptcy, using fact patterns and briefing from actual recent cases. You will become familiar with not only the law, but how that law is put into practice in business bankruptcy cases.

Course Objectives and Student Learning Outcomes

Students taking this course should learn key concepts applicable to business bankruptcy. For students who go on to practice bankruptcy law, the course should provide them with a solid foundation to address many of the most important matters in the business bankruptcy process, and chapter 11 in particular. For other students, the course should provide them with awareness of important ways that bankruptcy may influence the litigation, policy, regulatory, or transactional matters that form their focus.

Required Instructional Materials

The instructors will upload articles, briefing, and transactional documents that will form the bulk of the reading materials for this course. Additional reference to title 11 of the United States Code (the “Bankruptcy Code”) and the Federal Rules of Bankruptcy Procedure are available here:

1. Bankruptcy Code: <https://www.law.cornell.edu/uscode/text/11>
2. Federal Rules of Bankruptcy Procedure: <https://www.law.cornell.edu/rules/frbp>

Course Schedule, Assignments, and Assessments

Class	Topic	Reading/Assignment
Week 1	Basics: Overview of Bankruptcy and Chapter 11 Process	Read: Ayer, et al., “Welcome to the Jungle,” 22 -Aug. Am. Bankr. Inst. J. 24 (available at https://www.abi.org/abi-journal/welcome-to-the-jungle). Friedland, et al., “Chapter 11 – 101 The Nuts and Bolts of Chapter 11 Practice,” National Association of Credit Management (2008).
Week 2	Basics: Principal	Read:

	<p>Players in a Chapter 11 Bankruptcy Case and Their Respective Interests</p>	<p>Kuney, G. & Friedland, J., “Secured Creditors & Chapter 11,” Daily DAC (February 2016) (available at https://www.dailydac.com/dealing-with-distress-for-fun-profit-secured-creditors-chapter-11/).</p> <p>Brandess, M. & Smith, L., “An Introduction to Chapter 11 for Unsecured Creditors: Every Unsecured Creditor Should Know,” Daily DAC (March 6, 2017) (available at https://www.dailydac.com/dealing-with-distress-for-fun-profit-an-introduction-to-chapter-11-for-unsecured-creditors/)</p> <p>United States Trustee Committee Solicitation Letter from In re Athenex, Inc., Case No. 23-90295 (Bankr. S.D. Tex.).</p>
<p>Week 3</p>	<p>“First-Day” Motions: First Day Declaration; Administrative Procedures; Employee Motion, Critical Vendors</p>	<p>Read:</p> <p>Declaration of Nicholas K. Campbell in Support of Debtor’s Chapter 11 Petition for Day Relief from In re Athenex, Inc, et al., Case No. 23-90295 (Bankr. S.D. Tex.).</p> <p>Skim:</p> <p>First-Day Presentation from In re Athenex, Inc, et al., Case No. 23-90295 (Bankr. S.D. Tex.).</p> <p>Debtors’ Emergency Motion for Entry of an Order Authorizing the Debtors to Pay and/or Honor Prepetition Wages, Salaries, Bonus Payments, Employee Benefits, Compensation; (II) Remit Withholding Obligations and Deductions; (III) Make and Pay Employee Compensation and Benefits Programs and Pay Related Administrative Obligations; and (IV) Have Applicable Banks and Other Financial Institutions Process, Honor, and Pay Certain Checks Presented for Payment and Honor Certain Transfer Requests from In re Athenex, Inc, et al., Case No. 23-90295 (Bankr. S.D. Tex.).</p>
<p>Week 4</p>	<p>“First-Day” Matters: Cash Collateral and DIP Financing</p>	<p>Read:</p> <p>Excerpt from Emergency Motion of Debtors for Entry of Interim and Final Order Authorizing the Debtors to Obtain Postpetition Financing, (B) Authorizing the Debtors to Use Cash Collateral, (C) Granting Liens and Providing Claims With Superpriority Administrative Expense Status, (D) Granting Adequate Protection to the Prepetition Secured Parties, (E) Modifying the Automatic Stay, (F) Scheduling a Final Hearing, (G) Granting Related Relief from In re Core Scientific, Inc., et al., Case No. 23-90295 (Bankr. S.D. Tex.).</p>

		<p>Objection of Ad Hoc Equity Group to the Emergency Motion of Debtors for Interim and Final Orders (A) Authorizing the Debtors to Obtain Postpetition Authorizing the Debtors to Use Cash Collateral, (C) Granting Liens and Provisions With Superpriority Administrative Expense Status, (D) Granting Adequate Protection to the Prepetition Secured Parties, (E) Modifying The Automatic Stay, (F) Scheduling a Final Hearing, And (G) Granting Related Relief from In re Core Scientific, Inc., Case No. 22-90341 (Bankr. S.D. Tex.).</p> <p>Skim:</p> <p>Reservation of Rights and Limited Objection to the Emergency Motion of Debtors for Interim and Final Orders (A) Authorizing the Debtors to Obtain Postpetition Financing, (B) Authorizing the Debtors to Use Cash Collateral, (C) Granting Providing Claims With Superpriority Administrative Expense Status, (D) Granting Adequate Protection to the Prepetition Secured Parties, (E) Modifying The Automatic Stay, (F) Scheduling a Final Hearing, and (G) Granting Related Relief from In re Core Scientific, Inc., et al., Case No. 22-90341 (Bankr. S.D. Tex.).</p> <p>BlockFi Lending LLC's (I) Limited Objection to Emergency Motion of Debtors for Interim and Final Orders (A) Authorizing the Debtors to Obtain Postpetition Financing, (B) Authorizing the Debtors to Use Cash Collateral, (C) Granting Liens and Claims with Superpriority Administrative Expense Status, (D) Granting Adequate Protection to the Prepetition Secured Parties, (E) Modifying the Automatic Stay, (F) Scheduling a Final Hearing, and (G) Granting Related Relief, (II) Joinder in Objection of Barings BDC, Inc., Barings Capital Investment Corporation, and Private Credit Corp. to the DIP Motion, and (III) Reservation of Rights from Scientific, Inc., et al., Case No. 22-90341 (Bankr. S.D. Tex.).</p>
Week 5	<p>Administering the Estate:</p> <p>Employment of Professionals;</p> <p>Fiduciary Duties; and</p> <p>Ethical Considerations</p>	<p>Read:</p> <p>Application to Retain Jackson Walker LLP as Counsel for the Debtor and Debarment of Possession from In re 4E Brands Northamerica LLC, Case No. 22-50009 (Bankr. S.D. Tex.).</p> <p>United States Trustee's Amended and Supplemental Motion for (1) Relief from Stay Pursuant to Federal Rule of Civil Procedure 60(B)(6) and Federal Rule of Bankruptcy Procedure 9024 Approving the Retention and Compensation Applications of</p>

		<p>Walker LLP, (2) Sanctions, and (3) Related Relief from In re 4E Brands North Case No. 22-50009 (Bankr. S.D. Tex.).</p> <p>Skim:</p> <p>Jackson Walker LLP’s Response in Opposition to the United States Trustee’s Supplemental Motion for (1) Relief from Judgment Pursuant to Federal Rule Procedure 60(B)(6) and Federal Rule of Bankruptcy Procedure 9024 Approving Retention and Compensation Applications of Jackson Walker LLP, (2) Sanctions, and (3) Related Relief from In re 4E Brands Northamerica LLC, Case No. 22-50009 (Bankr. S.D. Tex.).</p> <p>Optional:</p> <p>United States Trustee’s Reply to Jackson Walker LLP’s Response in Opposition to the United States Trustee’s Amended and Supplemental Motion for (1) Relief from Judgment Pursuant to Federal Rule of Civil Procedure 60(B)(6) and Federal Rule of Bankruptcy Procedure 9024 Approving the Retention and Compensation Applications of Jackson Walker LLP, (2) Sanctions, and (3) Related Relief from In re 4E Brands Northamerica LLC, Case No. 22-50009 (Bankr. S.D. Tex.).</p> <p>Jackson Walker LLP’s Sur-Reply in Support of its Opposition to the U.S. Trustee’s Amended and Supplemental Motion for (1) Relief from Judgment Pursuant to Federal Rule of Civil Procedure 60(B)(6) and Federal Rule of Bankruptcy Procedure 9024 Approving the Retention and Compensation Applications of Jackson Walker LLP, (2) Sanctions, and (3) Related Relief from In re 4E Brands Northamerica LLC, Case No. 22-50009 (Bankr. S.D. Tex.).</p>
Week 6	Administering the Estate: Section 363 Sales	<p>Read:</p> <p>Debtors’ Motion for Entry of an Order (I) Approving the Bid Procedures, (II) Approving the Sale of the Debtors’ Assets Free and Clear, and (III) Granting Related Relief from In re IEH Auto Parts Holding LLC, et al., Case No. 23-90054 (Bankr. S.D. Tex.) (Motion; Skim Exhibits).</p> <p>Transcript of Sale Hearing in In re IEH Auto Parts Holding LLC, et al. Case No. 23-90054 (Bankr. S.D. Tex.).</p> <p>Skim:</p>

		<p>Form Asset Purchase Agreement from In re IEH Auto Parts Holding LLC, et al., Case No. 23-90054 (Bankr. S.D. Tex.) [ECF No. 96].</p> <p>Bid Coversheet from In re Galleria 2425 Owner, LLC, Case No. 23-34815 (Bankr. S.D. Tex.).</p>
Week 7	Administering the Estate: Settlements in Bankruptcy	<p>Read:</p> <p>Fed. R. Bankr. P. 9019</p> <p>Chapter 7 Trustee's Motion under 11 U.S.C. §§ 105(a) and 363, Bankruptcy F 9019 and Local Rule 9013-1 for Approval of The Delaware Settlement from Corporation, et al., Case No. 18-32106 (Bankr. S.D. Tex.).</p> <p>Skim:</p> <p>Stipulation and Agreed Order Granting Limited Relief from the Plan Injunction in In re ED Solutions, LLC, Case No. 23-90367 (Bankr. S.D. Tex.).</p>
Week 8	Plan of Reorganization: Overview of Process & Negotiating Plan	<p>Read:</p> <p>Ayer, J. et al., "Confirming a Plan," ABI Journal, Vol. XXIII, No. 10, December 2005.</p> <p>11 U.S.C. §§ 1123, 1141</p> <p>Redacted Issue List regarding Proposed Plan of Reorganization (or one filed in a case)</p>
Week 9	Plan of Reorganization: Disclosure Statement; Adequate Information; Approval & Solicitation	<p>Read:</p> <p>11 U.S.C. § 1125</p> <p>Skim:</p> <p>Excerpt from Disclosure Statement regarding Debtor and Official Committee of Creditors' Joint Chapter 11 Plan from In re Tehum Care Services, Inc., Case No. 23-90367 (Bankr. S.D. Tex.).</p> <p>Objection of the United States Trustee to Joint Emergency Motion for Entry of Order Conditionally Approving the Adequacy of the Disclosure Statement, (II) Appellate Solicitation and Notice Procedures with Respect to Confirmation of the Joint</p>

		<p>Plan, (III) Approving the Forms of Ballots and Notices in Connection Therev Scheduling Certain Dates with Respect Thereto, and (V) Granting Related R Tehum Care Services, Inc, Case No. 23-90086 (Bankr. S.D. Tex.).</p> <p>Arizona Department of Corrections, Rehabilitation, and Reentry’s limited Ol Debtor’s Disclosure Statement from In re Tehum Care Services, Inc., Case N (Bankr. S.D. Tex.).</p> <p>Transcript of Hearing on October 19,2023, in In re Tehum Care Services, Inc 90086 (Bankr. S.D. Tex.).</p>
Week 10	<p>Plan of Reorganization: Section 1129(a) & 1129(b) Requirements</p>	<p>Read:</p> <p>11 U.S.C. § 1129(a); 1129(b)</p> <p>Skim:</p> <p>Revised Order Confirming the Third Amended Joint Chapter 11 Plan of Reo the EVPS Debtors (Technical Modifications) from Envision Healthcare Corp Case No. 23-90342 (Bankr. S.D. Tex.).</p>
Week 11	<p>Plan of Reorganization: Chapter 11, Subchapter V</p>	<p>Read:</p> <p>Walters, J. & Curtis, W., “Subchapter V. vs. ‘Ordinary Chapter 11 Practice C Small Business Debtors,” Bloomberg Law (2021) (available at https://www.womblebondnickinson.com/sites/default/files/2021-09/SubchapterV_vs_Ordinary_Chapter11_Practice_Changes_Small_Busines</p> <p>Debtor’s First Amended Plan of Reorganization Pursuant to § 1190 of the Ba from In re Sourcewater, Inc., Case No. 23-30960 (Bankr. S.D. Tex.).</p> <p>Energy Debt Holdings LLC’s Objection to Confirmation of Amended Plan o Reorganization from In re Sourcewater, Inc., Case No. 23-30960 (Bankr. S.D.</p>
Week 12	<p>Claims Administration: Claims Bar Date, Proofs of Claim; Claim Objections</p>	<p>Skim:</p> <p>Order (I) Setting Bar Dates for Filing Proofs of Claim (II) Establishing Ame Bar Date and Rejection Damages Bar Date, (III) Approving the Form of and Filing Proofs of Claim, (IV) Approving Notice of Bar Dates, and (V) Grantin Relief from In re Tehum Care Services, Inc., Case No. 23-90086 (Bankr. S.D.</p>

		<p>Proof of Claim No. 93 from 4512 Steffani Property, LLC from In re Watson Inc., Case No. 20-30968 (Bankr. S.D. Tex.)</p> <p>Read:</p> <p>John Watson's Omnibus Objection to Proof of Claim No. 48 and Proof of Claim No. 93 filed by 4512 Steffani Property, LLC from In re Watson Valve Services, Inc., Case No. 20-30968 (Bankr. S.D. Tex.).</p> <p>4512 Steffani Property, LLC's Response to John Watson's Objection to Proof of Claim No. 48 and Proof of Claim No. 93 filed by 4512 Steffani Property, LLC from In re Watson Valve Services, Inc., Case No. 20-30968 (Bankr. S.D. Tex.)</p> <p>John Watson's Reply to 4512 Steffani Property, LLC's Objection to Proof of Claim No. 48 and Proof of Claim No. 93 filed by 4512 Steffani Property, LLC from In re Watson Valve Services, Inc., Case No. 20-30968 (Bankr. S.D. Tex.)</p>
Week 13	Practice Topics: Contested Matters and Adversary Proceedings	<p>Read:</p> <p>Fed. R. Bankr. Proc. 7001, 9013, & 9014</p> <p>Motion to Authorize Setoff and for Turnover of Property of the Estate in In re Watson Valve Services, Inc., Case No. 16-10816 (Bankr. W.D. Tex.).</p> <p>Travelers's Objection to Debtor's Witness and Exhibits and Objection to Proposed Turnover of Property by Motion as Opposed to Adversarial Action from In re Watson Valve Services, Inc., Case No. 16-10816 (Bankr. W.D. Tex.).</p> <p>Order Denying without Prejudice Motion for Setoff and Turnover from In re Watson Valve Services, Inc., Case No. 16-10816 (Bankr. W.D. Tex.).</p> <p>Complaint from Fired Up, Inc. v. The Travelers Indemnity Company, et al. (In re Watson Valve Services, Inc.), Adv. Proc. No. 16-10816 (Bankr. W.D. Tex.).</p>

Discussion and Lecture Topics

Generally, we will spend the Monday class with a lecture going over the topic for that week and then discuss the particular issue presented in the reading at the Wednesday class. Participation will be critical.

Grading Rubrics and Weights

Your grade will be determined based on a final paper discussing the intersection of bankruptcy law with another substantive area of law of your choice.

Course Policies and Procedures

Attendance and participation are important to this course. The Law Center has a minimum 80% attendance policy for students. Students who do not make an effort to participate will have their grades lowed by one-third of a letter grade (i.e., B+ to A-). Students with exceptional participation (considering quality as well as quantity) may have their grades increased by 1/3 of a letter grade.

University Policies and Student Support Resources

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, 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.

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.

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.

Women and Gender Resource Center

The mission of the [WGRC](#) is to advance the University of Houston and promote the success of all students, faculty, and staff through educating, empowering, and supporting the UH community. The WGRC suite is open to you. Stop by the office for a study space, to take a break, grab a snack, or check out one of the WGRC programs or resources. Stop by Student Center South room B12 (Basement floor near Starbucks and down the hall from Creation Station) from 9 am to 5 pm Monday through Friday.

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.