LAW 322 – Secured Transactions
Spring 2024
(2 Credit Hours)

Teacher Contact Information:

Prof. William Henning
Email: My GMU email is whenning@gmu.edu, but I teach at the Texas A&M University School of Law and your message will reach me more quickly if you address it to bhenning@law.tamu.edu.

Office Hours:

I will hold three office-hour sessions during which I will answer any questions you may have regarding the readings, discussion questions, or anything else related to the course. The office hours will be held via Zoom and are scheduled in weeks 2, 4, and 7 of this asynchronous course. The precise date and time for each session will be announced later. You are not required to attend, but I encourage you to do so. Each session will be recorded and the video made available to you.

You can access each of the office-hour sessions from Blackboard. The link can be found by clicking the left-hand side vertical menu item labeled "Office Hours (Zoom)."

You may ask questions regarding the readings, assignments, or anything else related to the course at any time, not just during the formal office hours. The best way to present your questions to me is by email. Remember, please address your emails to bhenning@law.tamu.edu.

Course Description:

This course introduces the law governing secured transactions, including the attachment of a security interest to personal property or fixtures, the perfection of security interests, basic rules governing priority contests, special purchase-money priority rules, and the rights of secured party and debtor following default on the secured obligation.

Learning Outcomes:

Successfully concluding each module in this course means you will be able to:

1) recognize the types of transactions that are within the scope of UCC Article 9 and the types of transactions that are excluded from the article's scope;

2) be able to define and apply the terms commonly used in secured transactions;

3) be able to state the conditions that must be satisfied for a security interest to attach to collateral and demonstrate an ability to analyze differing factual hypotheses to determine whether attachment has occurred;

4) demonstrate an understanding of the different methods of perfecting a security interest and the effect of perfection on the priority rights of a secured party; and

6) demonstrate an understanding of the rules that govern the foreclosure of a security interest.

Required Textbook:

W. Lawrence, W. Henning, R. Freyermuth, Understanding Secured Transactions, 5th ed. (Carolina Academic Press 2012)
ISBN: 978-1-4224-9083-9 (print)
ISBN: 978-1-5791-1032-1 (ebook)

Course Structure Generally:

This asynchronous course consists of seven modules, one for each week. Each module nominally begins on a Monday (or, for the first module, a Tuesday), but you are not prohibited from working on a module before its opening date. Modules 1 through 6 have three parts each, and Module 7 has two parts.

For Module 1, you should proceed in the following order: 1) read the assigned material from the textbook and also read the material in Handout 1; 2) watch the first two lectures; 3) analyze each of the problems in Handout 2; 4) watch the third lecture. You will be required to post on Blackboard your analysis of specified problems in Handout 2, and you are strongly encouraged to do so before watching the third lecture. You must in any event post your analysis by 11:59 EST on Friday, January 19.

For Modules 2 through 6, you should proceed in the following order: 1) read the assigned material from the textbook; 2) watch the first two lectures; 3) analyze each of the problems in the handout or handouts for the module; 4) watch the third lecture. You will be required to post on Blackboard your analysis of specified problems in the handout or handouts for each module, and you are strongly encouraged to do so before watching the module's third lecture. You must in any event post your analysis of the problems by 11:59 EST on the Friday of the week during which the module is being covered.

For Module 7, you should proceed in the following order: 1) read the assigned material from the textbook and also analyze each of the problems in Handout 10; 2) watch the two lectures. You will be required to post your analysis of specified problems in Handout 10, and you are strongly encouraged to do so before watching either of the lectures. You must in any event post your analysis of the problems by 11:59 EST on *Thursday*, March 1.

After you post your analysis of a set of problems, you will be able to see the posts of the other students in the course.

Grading the Problem Analyses

The analyses of the problems that you post on Blackboard will be graded on an all or nothing basis. You will receive full credit for a post if I conclude that you have made a good-faith effort to analyze the assigned problem. Each problem is analyzed in the related video.

Posts made after the deadline will receive no credit, although I reserve the right to grant an extension of time for emergency circumstances entirely beyond a student's control. A student seeking an extension *must* inform me of the emergency before the deadline if possible.

If you have not participated in online discussions before, please watch this tutorial first: "How to Use Blackboard Discussions." Access to this link can also be found in Module 1 of the course.

Final Exam:

There will be a final exam covering the entire course. The exam will consist of 40 multiple-choice questions. The exam will be open book and will not be timed. You may access the exam at any time beginning at 9:00 a.m. EST on Friday, March 1, and you must complete it no later than 11:59 p.m. EST on Sunday, March 3. Information about accessing the exam and submitting your answers will be provided at the appropriate time.

Grading:

The final exam will count for 80% of your final grade. The problem analyses posted on Blackboard will count cumulatively for 20% of your final grade.

Blackboard Login Instructions:

Access to MyMason and GMU email are required to participate successfully in this course. Please make sure to update your computer and prepare yourself to begin using the online format BEFORE the first day of class. Check the IT Support Center website. Navigate to the Student Support page for help and information about Blackboard. In the menu bar to the left you will find all the tools you need to become familiar with this course. Take time to learn each. Make sure you run a systems check a few days before class. Become familiar with the attributes of Blackboard and online learning.

Technology Requirements:

Hardware: You will need access to a Windows or Macintosh computer with at least 2 GB of RAM and access to a fast and reliable broadband internet connection (e.g., cable, DSL). A larger screen is recommended for better visibility of course material. You will need speakers or headphones to hear recorded content. A headset with a microphone is recommended for the best experience. For the amount of Hard Disk Space required taking a distance education course, consider and allow for:

1. the storage amount needed to install any additional software and

2. space to store work that you will do for the course.

If you consider the purchase of a new computer, please go to [Patriot Tech](#) to see recommendations.

Software: This course uses Blackboard as the Learning Management System (LMS). You will need a browser and operating system that are listed compatible or certified with the Blackboard version available on the [myMason Portal](#). See [supported browsers and operating systems](#). Log in to [myMason](#) to access your registered courses. Online courses typically use [Acrobat Reader](#), [Flash](#), [Java](#), and [Windows Media Player](#), [QuickTime](#) and/or [Real Media Player](#). Your computer should be capable of running current versions of those applications. Also, make sure your computer is protected from viruses by downloading the latest version of Symantec Endpoint Protection/Anti-Virus software for free [here](#).

Students owning Macs or Linux should be aware that some courses may use software that only runs on Windows. You can set up a Mac computer with Boot Camp or virtualization software so Windows will also run on it. Watch [this video](#) about using Windows on a Mac. Computers running Linux can also be configured with virtualization software or configured to dual boot with Windows.

Note: If you are using an employer-provided computer or corporate office for class attendance, please verify with your system administrator that you will be able to install the necessary applications and that system or corporate firewalls do not block access to any sites or media types.

Assignments

Each module includes a reading assignment, a handout or handouts that include problems to be analyzed, and three video lectures (two lectures for Module 7). In addition, for each module you must post an analysis of specified handout problems by Friday at 11:59 p.m. EST (Thursday at 11:59 p.m. EST for Module 7). The assigned readings are from the Understanding Secured Transactions textbook.

Note: Since this is an online course, all assignments are available and should be submitted from your online course via Blackboard. Each module inside this course contains a Module Overview that includes a section called, "What to Complete." Look there for the weekly assignments. See below for details and dates on what to complete each week.

Module 1 (begins January 16):

Introduction and Terminology; Attachment

Readings from the text:

Synopsis for Part I (pp. 2-6)
§§ 1.01, 1.02, 1.03[A] (pp. 9-12)
§§ 2.01, 2.02 (pp. 65-83)

Handouts:

You should review Handout 1 before watching Lecture 1. There are two handouts for Module 1. Handout 1 explains the difference between secured and unsecured credit and introduces some of the basic terminology used in the course. *Please review Handout 1 before you watch Lecture 1.*

You should analyze the problems in handout 2 after watching Lectures 1 and 2 and before watching Lecture 3. Handout 2 contains a set of problems for you to analyze. Each problem contains a reference to the relevant UCC provisions. You should analyze each problem based on the readings, the material in Lectures 1 and 2, and the relevant UCC provisions. Answers to the problems will be provided in Lecture 3 and you will get the most out of the course if you analyze the problems before watching that lecture.

Problem Analyses:

Analyze Problems 1 and 5 in Handout 2 and post your answers on the discussion board. You must post your answers by 11:59 p.m. on the Friday of the week during which Module 1 is scheduled. You are strongly encouraged to post your answers before you watch Lecture 3.

Module 2 (begins January 22):

Office Hour: An office hour will be held this week. The precise date and time will be announced.

After-Acquired Property and Future-Advance Clauses; Collateral Classifications

Readings from the text:

§§ 3.01, 3.02, 3.03 (pp. 91-99)
§ 1.04 through Part [A] (pp. 17-26)

Handouts:

You should analyze the problems in Handouts 3 and 4 after watching Lectures 1 and 2 and before watching Lecture 3.

Problem Analyses:

Analyze Problem 2 in Handout 3 and Problem 5 in Handout 4 and post your answers on the discussion board. You must post your answers by 11:59 p.m. on the Friday of the week during which Module 2 is scheduled. You are strongly encouraged to post your answers before you watch Lecture 3.

Module 3 (begins January 29):

Perfection by Filing, Possession, Control, and Pursuant to Certificate of Title Law

Readings from the text:

Chapter 4 (pp. 107-113) except as follows:

● Omit § 4.02[D] (Temporary Perfection), [E] (Perfection under Federal Law), and [H] (Delivery) (pp. 107-113 with omissions as indicated)

Chapter 5 (pp. 115-151) except as follows:

● In § 5.03[B][1] (Debtor Names) read the first paragraph on debtor names generally and omit the rest of [B][1], which deals with debtor names in specific contexts.

● Omit § 5.03[C] (Effect of Errors and Changes), § 5.03[D] (May a Financing Statement Function as a Security Agreement), § 5.04 (When to File).

● In § 5.05 (Where to File) ignore the exceptions to central filing in the last paragraph.

Chapter 6 (pp. 153-176) except omit §§ 6.02, 6.03, and 6.04[A]

Handouts:

You should analyze the problems in Handout 5 after watching Lectures 1 and 2 and before watching Lecture 3.

Problem Analyses:

Analyze Problem 9 in Handout 5, Part I, Problem 2 in Handout 5, Part II, and Problem 1 in Handout 5, Part III, then post your answers on the discussion board. You must post your answers by 11:59 p.m. on the Friday of the week during which Module 3 is scheduled. You are strongly encouraged to post your answers before you watch Lecture 3.

Module 4 (begins February 5):

Office Hour: An office hour will be held this week. The precise date and time will be announced.

Automatic Perfection; Basic Priority Rules

Readings from the text:

§ 9.03 (pp. 211-215)

§ 7.01 (pp. 178-181) except omit the last paragraph in subsection [C]

Part IV Synopsis (pp. 226-228)

§ 14.01, 14.02[A], 14.03[A] except ignore references to 9-317(d) (pp. 293, 294-296, 298-300)

§ 11.01, 11.03[A][1] except omit [A][1][a] and [A][1][b] (pp. 251-253, 258-259)

§ 10.01 (pp. 229-233)

Handouts:

You should analyze the problems in Handouts 6 and 7 after watching Lectures 1 and 2 and before watching Lecture 3.

Problem Analyses:

Analyze Problem 1 in Handout 6, Part II, and Problems 4 and 5 in Handout 7, Part I, then post your answers on the discussion board. You must post your answers by 11:59 p.m. on the Friday of the week during which Module 4 is scheduled. You are strongly encouraged to post your answers before you watch Lecture 3.

Module 5 *(begins February 12)*:

Possessory Liens; Purchase-Money Priority Rules

Readings from the text:

§ 13.01 (pp. 283-285)

§ 1.05[A] (pp. 41-43)

§ 11.03[2] (pp. 265-266)

§ 14.02[A], [B], 14.03[B] (pp. 294-297, 300)

§ 10.04 (pp. 240-244)

Handout:

You should analyze the problems in Handout 8 after watching Lectures 1 and 2 and before watching Lecture 3.

Problem Analyses:

Analyze Problems 3 and 9 in Handout 8, Part II, then post your answers on the discussion board. You must post your answers by 11:59 p.m. on the Friday of the week during which Module 5 is scheduled. You are strongly encouraged to post your answers before you watch Lecture 3.

Module 6 (begins February 19):

Fixtures, Accessions, and Commingled Goods; Multijurisdictional Issues

Readings from the text:

§ 15.01, 15.02, 15.03[A]-[D] (pp. 303-311)

§ 15.05, 15.06 (pp. 317-321)

§ 9.01, 9.02[A], 9.04[A][1] (pp. 199-207, 215-218)

Handout:

You should analyze the problems in Handout 9 after watching Lectures 1 and 2 and before watching Lecture 3.

Problem Analyses:

Analyze Problem 2 in Handout 9, Part I, and Problem 5 in Handout 9, Part II, then post your answers on the discussion board. You must post your answers by 11:59 p.m. on the Friday of the week during which Module 6 is scheduled. You are strongly encouraged to post your answers before you watch Lecture 3.

Module 7 (begins February 26):

Office Hour: An office hour will be held this week. The precise date and time will be announced.

Post-Default Procedures

Readings from the text:

Text: Chapters 17, 18, and 19

Handouts:

You should analyze the problems in Handout 10 after watching Lectures 1 and 2 and before watching Lecture 3.

Problem Analyses:

Analyze Problem 5 in Handout 10, Part II and Problem 2 in Handout 10, Part III, then post your answers on the discussion board. You must post your answers by 11:59 p.m. on the **THURSDAY** of the week during which Module 7 is scheduled. You are strongly encouraged to post your answers before you watch Lecture 3.

APPENDIX

University Policies and Resources

a. <u>Academic Honesty:</u> Students are expected to be familiar with and abide by the University's Honor Code. The Code can be found [here](#). It is the student's responsibility to contact the professor with any questions about these policies. George Mason University has an honor code that states the following:

> *To promote a stronger sense of mutual responsibility, respect, trust, and fairness among all members of the George Mason University community and with the desire for greater academic and personal achievement, we, the student members of the University Community have set forth this:*

b. Students must follow the university policy for [Responsible Use of Computing](#).

c. <u>Student Services:</u> The University provides a range of services to help students succeed academically. Students should make use of these services if helpful. Contact the professor (the earlier the better) if questions. Here are a few helpful links.
   - Keep Learning, Learning Services ([learningservices.gmu.edu/keeplearning/](#))
   - University Libraries ([library.gmu.edu)](#)
   - Writing Center ([writingcenter.gmu.edu](#))
   - Counseling and Psychological Services ([caps.gmu.edu)](#)

d. [The George Mason University Writing Center](#) staff provides a variety of resources and services (e.g., tutoring, workshops, writing guides, handbooks) intended to support students as they work to construct and share knowledge through writing. University Writing Center: Robinson Hall Room A114, 703-993-1200. The Writing Center includes assistance for students for whom English is a second language.

e. [The George Mason University Counseling and Psychological Services (CAPS)](#) staff consists of professional counseling and clinical psychologists, social workers, and counselors who offer a wide range of services (e.g., individual and group counseling, workshops, and outreach programs) to enhance students' personal experience and academic performance. Counseling Center: Student Union I, Room 364, 703-993-2380.

f. Students are responsible for the content of university communications sent to their George Mason University email account and are required to activate their account and check it regularly. All communication from the university, college, school, and program will be sent to students solely through their Mason email account in accordance with [Family Educational Rights and Privacy Act (FERPA)](#). For more on student privacy and student rights under FERPA, reference: https://registrar.gmu.edu/ferpa/

g. Students with disabilities who seek accommodations in a course must be registered with the [George Mason University Office of Disability Services (ODS)](#) and inform their instructor, in writing, at the beginning of the semester. All academic accommodations must be arranged through that office. Please note that accommodations <u>MUST BE MADE BEFORE</u> assignments or exams are due. Student grades cannot be adjusted after the fact. In requesting accommodations from Disability Services, students will need to provide appropriate documentation ([ds.gmu.edu/forms/).](#)

h. Students must follow the university policy stating that all sound emitting devices shall be turned off during class unless otherwise authorized by the instructor.

    i.   Diversity: George Mason University promotes a living and learning environment for outstanding growth and productivity among its students, faculty and staff. Through its curriculum, programs, policies, procedures, services and resources, Mason strives to maintain a quality environment for work, study and personal growth.

    j.   Holiday Observation: As it pertains to religious holiday observation, within the first two weeks of the semester, students are responsible for letting their instructor know the dates of major religious holidays when their absence or unavailability is anticipated due to religious observances. The Mason University Life religious holiday calendar can be found at: https://ulife.gmu.edu/religious-holiday-calendar/. For important academic calendar dates, see: https://studentaccounts.gmu.edu/calendars/