

<b>PREFACE</b>	<b>xxvii</b>
<b>CHAPTER 1 INTRODUCTION TO THE UNIFORM COMMERCIAL CODE</b>	<b>1</b>
I. A Bit of History	1
II. The Creation of the Uniform Commercial Code	2
III. Federal Law	3
IV. Article 1 of the Code	4
V. The Official Comments	6
<b>PART 1 SALE AND LEASE OF GOODS</b>	<b>7</b>
<b>CHAPTER 2 BASIC CONCEPTS</b>	<b>9</b>
I. Introduction	9
II. Scope of Article 2	10
	<b>xi</b>

<b>xii</b>	<b>Contents</b>
A. “Transactions in Goods”	10
<i>Audio Visual Artistry v. Tanzer</i>	13
<i>Simulados Software, Ltd. v. Photon Infotech Private, Ltd.</i>	29
<i>Anthony Pools v. Sheehan</i>	35
B. Merchants	43
<i>Frix v. Integrity Medical Systems, Inc.</i>	43
III. Scope of Article 2A	50
IV. International Sales	52
<b>CHAPTER 3    CONTRACT FORMATION</b>	<b>57</b>
I. The Statute of Frauds	57
<i>Ellig v. Molina</i>	58
<i>St. Ansgar Mills, Inc. v. Streit</i>	66
<i>J.B.B. Investment Partners, Ltd. v. Fair</i>	74
II. The Parol Evidence Rule	85
<i>Columbia Nitrogen Corp. v. Royster Co.</i>	86
III. Offer and Acceptance	91
A. General Rules	91
B. The Battle of the Forms	92
<i>Diamond Fruit Growers, Inc. v. Krack Corp.</i>	94
<i>Bayway Refining Co. v. Oxygenated Marketing and</i>	
<i>Trading A.G.</i>	100
<i>Ultraflex Systems of Florida, Inc. v. Veritev Operating Co.</i>	107
<i>Klocek v. Gateway, Inc.</i>	117
<b>CHAPTER 4    WARRANTIES</b>	<b>129</b>
I. The Warranty of Title	130
<i>Moore v. Pro Team Corvette Sales, Inc.</i>	131
<i>Lindholm v. Brant et al.</i>	135
II. Warranties of Quality	140
A. Express Warranties	140
<i>In re Toshiba America HD DVD Marketing and Sales</i>	
<i>Practices Litigation</i>	142
B. Implied Warranties	147

<b>Contents</b>	<b>xiii</b>
1. Merchantability	147
<i>Shaffer v. Victoria Station, Inc.</i>	147
<i>Webster v. Blue Ship Tea Room, Inc.</i>	152
<i>In re Carrier IQ, Inc.</i>	157
2. Fitness for a Particular Purpose	166
C. Warranty Disclaimers and Limitations	168
1. Disclaiming Express Warranties	168
<i>Bell Sports, Inc. v. Yarusso</i>	168
2. Disclaiming Implied Warranties	176
<i>Cate v. Dover Corp.</i>	176
<i>Carrigg v. General R.V. Center, Inc.</i>	185
3. Timing of the Disclaimer	195
<i>Bowdoin v. Showell Growers, Inc.</i>	195
<i>Rinaldi v. Iomega Corp.</i>	200
4. Limitations on the Warranty	205
<i>Wilson Trading Corp. v. David Ferguson, Ltd.</i>	205
<i>Pierce v. Catalina Yachts, Inc.</i>	212
<i>Helena Chemical Co. v. Williamson</i>	218
D. Defenses in Warranty Actions	222
1. Notice	222
<i>Fitl v. Streck</i>	223
2. Privity	228
<i>Reed v. City of Chicago</i>	231
4. A Note on Strict Products Liability	233
<i>Lincoln Company v. Detroit Diesel Corporation General</i>	
<i>Insurance</i>	235
E. UCC Warranties and the Magnuson-Moss Act	241
<i>Ventura v. Ford Motor Corp.</i>	243
F. Warranties and Article 2A	255
<i>Information Leasing Corporation v. GDR Investments, Inc.,</i>	
<i>d/b/a/ Pinnacle Exxon.</i>	256
G. Warranties in International Sales	262
<b>CHAPTER 5    TERMS OF THE CONTRACT</b>	<b>267</b>
I. Filling in the Gaps	267
<i>Cassellie v. Shell Oil Company</i>	269

<b>xiv</b>	<b>Contents</b>
II. Unconscionability	274
<i>Sacramento E.D.M., Inc. v. Hynes Aviation Industries</i>	276
<i>Green Tree Servicing, LLC v. Duncan</i>	278
III. Identification of the Goods	282
IV. Risk of Loss: No Breach	283
A. General Rules	283
B. Delivery Terms	284
<i>Cook Specialty Co. v. Schrlock</i>	286
<i>Rheinberg-Kellerei GmbH v. Vineyard Wine Co.</i>	290
<b>CHAPTER 6    PERFORMANCE OF THE CONTRACT</b>	<b>299</b>
I. Installment Sales	300
<i>Cherwell-Ralli, Inc. v. Rytman Grain Co.</i>	301
II. The Perfect Tender Rule	303
<i>Larson v. Burton Construction, Inc.</i>	304
III. Cure	316
<i>Wilson v. Scampoli</i>	317
IV. Rejection and Acceptance	320
<i>Koviack Irrigation and Farm Services, Inc. v. Maple Row Farms, LLC</i>	320
<i>Ramirez v. Autosport</i>	324
<i>Plateq Corp. of North Haven v. Machlett Laboratories, Inc.</i>	332
V. Revocation of Acceptance	336
<i>Waddell v. L.V.R.V. Inc.</i>	337
<i>Accettura v. Vacationland, Inc.</i>	344
VI. Risk of Loss: Breach	354
<i>Jakowski v. Carole Chevrolet, Inc.</i>	354
VII. Impossibility of Performance	358
<i>Arabian Score v. Lasma Arabian Ltd.</i>	359
<i>Louisiana Power &amp; Light Co. v. Allegheny Ludlum Industries, Inc.</i>	363
<b>CHAPTER 7    REMEDIES</b>	<b>377</b>
I. Special Remedies	377
A. Remedies on Insolvency	378

<b>Contents</b>	<b>xv</b>
B. Liquidated Damages	379
C. The Breaching Buyer's Restitution	379
II. Seller's Remedies	380
A. Accepted Goods	380
B. Unaccepted Goods	381
<i>Peace River Seed Co-Operative, Ltd. v. Proseeds Marketing, Inc.</i>	382
<i>Teradyne, Inc. v. Teledyne Industries, Inc.</i>	393
III. Buyer's Remedies	401
A. Accepted Goods	401
B. Unaccepted Goods	404
<i>Mirion Technologies (Canberra), Inc. v. Sunpower, Inc.</i>	404
<i>Hughes Communications Galaxy, Inc. v. United States</i>	411
<i>Tongish v. Thomas</i>	420
IV. Anticipatory Repudiation	427
V. The Statute of Limitations	428
<i>Mydlach v. DaimlerChrysler Corporation</i>	429
<i>Central Washington Refrigeration, Inc. v. Barbee</i>	439
<b>PART 2     PAYMENT</b>	<b>449</b>
<b>CHAPTER 8    NEGOTIABILITY</b>	<b>451</b>
I. Introduction	451
II. Types of Negotiable Instruments	452
III. The Negotiability Concept	454
A. "Writing"	456
<i>Good v. Wells Fargo Bank, N.A.</i>	457
B. "Signed"	464
C. "Unconditional Promise or Order"	464
1. Implied Conditions	465
<i>Triffin v. Dillabough</i>	465
2. Consideration Stated	473
D. "Fixed Amount of Money"	474
<i>Heritage Bank v. Bruha</i>	475
E. "Courier Without Luggage" Requirement	479
<i>DZ Bank AG Deutsche Zentral-Genossenschaftsbank v.</i>	
<i>McCranie</i>	480
<i>Woodworth v. The Richmond Indiana Venture</i>	483

F. “Payable on Demand or at a Definite Time”	486
G. “Payable to Bearer or to Order”	487
H. Consumer Notes	488
<b>CHAPTER 9 NEGOTIATION</b>	<b>495</b>
I. Some Technical Terms	495
A. Parties	495
B. Negotiability vs. Negotiation	496
II. Transfer and Negotiation	496
III. Special and Blank Indorsement	497
IV. Forgery of the Payee’s Name	502
<b>CHAPTER 10 HOLDERS IN DUE COURSE</b>	<b>507</b>
I. Acquiring Holder in Due Course Status	507
A. Some History of the Doctrine	507
B. The Payee as Holder in Due Course	508
<i>Heritage Bank v. Bruha</i>	509
C. “Holder”	513
D. “Value”	514
<i>Falls Church Bank v. Wesley Heights Realty, Inc.</i>	515
E. “Good Faith” and “Notice”	517
<i>In re Dixon-Ford</i>	517
<i>Any Kind Checks Cashed, Inc. v. Talcott</i>	524
<i>Winter &amp; Hirsch, Inc. v. Passarelli</i>	533
<i>Dawda, Mann, Mulcahy &amp; Sadler, P.L.C. v. Bank of</i>	
<i>America, N.A.</i>	538
<i>Jones v. Approved Bancredit Corp.</i>	546
<i>Sullivan v. United Dealers Corp.</i>	553
F. The Shelter Rule	555
<i>Triffin v. Somerset Valley Bank</i>	557
II. Real and Personal Defenses/Claims	563
A. Defenses Against a Holder in Due Course	563
<i>Federal Deposit Insurance Corp. v. Culver</i>	564
<i>Sea Air Support, Inc. v. Herrmann</i>	571
<i>Kedzie &amp; 103rd Currency Exchange, Inc. v. Hodge</i>	573

<b>Contents</b>	<b>xvii</b>
B. A Special Note on Forgery	581
C. Procedural Issues	582
<i>Virginia National Bank v. Holt</i>	582
D. Defenses Against a Non-Holder in Due Course	585
<i>Herzog Contracting Corp. v. McGowen Corp.</i>	585
E. Jus Tertii	591
F. Conclusion	592
<b>CHAPTER 11. THE NATURE OF LIABILITY</b>	<b>597</b>
I. The Underlying Obligation	598
<i>Gray1 CPB, LLC v. SCC Acquisitions, Inc.</i>	599
<i>Ward v. Federal Kemper Insurance Co.</i>	604
II. Liability on the Instrument	609
A. The Maker's Obligation	610
B. The Indorser's Obligation	612
C. The Surety's Obligation	614
1. Exoneration	616
2. Subrogation	616
3. Contribution	616
4. <i>Strictissimi Juris</i>	617
5. The Accommodation Party	619
<i>Floor v. Melvin</i>	620
6. Tender of Payment	624
7. Section 3-605— <i>Strictissimi Juris</i> Again	625
<i>Chemical Bank v. Pic Motors Corp.</i>	626
<i>London Leasing Corp. v. Interfina, Inc.</i>	633
8. New Notes for Old	635
D. The Drawer's Obligation	636
1. Presentment and Dishonor	636
<i>Messing v. Bank of America, N.A.</i>	637
2. Notice of Dishonor	643
3. Protest	643
4. Excuse	643
<i>Makel Textiles, Inc. v. Dolly Originals, Inc.</i>	645
E. The Drawee's Obligation	646
1. The Non-Bank Acceptor	647
<i>Norton v. Knapp</i>	648

xviii	Contents
2. Checks	650
<i>Galyen Petroleum Co. v. Hixson</i>	650
3. Certification	652
F. Signature by an Agent	653
<i>Mundaca Investment Corp. v. Febba</i>	654
<i>Nichols v. Seale</i>	658
III. Other Theories of Liability	661
<b>CHAPTER 12 MORTGAGES AND PROMISSORY NOTES</b>	<b>665</b>
I. Introduction	665
II. The Person Entitled to Enforce the Instrument	668
<i>Bank of America v. Kabba</i>	670
<i>Hogan v. Washington Mutual Bank, N.A.</i>	675
III. The Merger Rule	679
IV. Lost Notes	681
<i>State Street Bank and Trust Company v. Lord</i>	681
V. Conclusion	683
<b>CHAPTER 13. BANKS AND THEIR CUSTOMERS</b>	<b>689</b>
I. The Checking Account	690
A. “Properly Payable” Rule	690
<i>Majestic Building Maintenance, Inc. v. Huntington</i>	
<i>Bancshares Incorporated</i>	691
B. Wrongful Dishonor	700
<i>Twin City Bank v. Isaacs</i>	700
C. Death or Incompetence of Customer	705
D. Bank’s Right of Setoff	706
<i>Walter v. National City Bank of Cleveland</i>	707
E. Customer’s Right to Stop Payment	712
1. Ordinary Checks	712
<i>Parr v. Security National Bank</i>	712
<i>Canty v. Vermont National Bank</i>	716
2. Cashier’s, Teller’s, and Certified Checks	721
<i>Patriot Bank v. Navy Federal Credit Union</i>	722
F. Bank Statements	728



<b>Contents</b>	<b>xix</b>
II. Bank Collection	729
A. Funds Availability	730
1. Cash	730
2. Checks	731
B. Check Truncation	738
1. Introduction	738
2. Creating the Image and the Substitute Check	739
3. Legal Equivalence	742
4. Warranty Liability	743
5. Indemnity Liability	744
<i>First Financial Bank, N.A. v. Citibank, N.A.</i>	745
6. Expedited Recredit for Consumer	751
7. Expedited Recredit for Banks	753
8. Lawsuits and Miscellaneous Provisions	753
C. Final Payment	754
<i>Rock Island Auction Sales, Inc. v. Empire Packing Co.</i>	757
<i>First National Bank of Chicago v. Standard Bank &amp; Trust</i>	760
D. Check Return	766
E. Charge Back	767
<i>Valley Bank of Ronan v. Hughes</i>	770
F. Undoing Final Payment	778
G. Delays	780
H. Restrictive Indorsements and Banks	781
I. Priorities in the Bank Account: The Four Legals	782
<b>CHAPTER 14 WRONGDOING AND ERROR</b>	<b>789</b>
I. Forgery of the Payee's Name	790
A. Some Basic Ideas	790
B. Warranty Liability	792
<i>Wesseling &amp; Brackmann, PC v. Huntington Bancshares</i>	
<i>Financial Corporation</i>	794
C. Conversion Liability	798
<i>Leeds v. Chase Manhattan Bank, N.A.</i>	801
II. Forgery of the Drawer's Signature	805
<i>Price v. Neal</i>	806
<i>Decibel Credit Union v. Pueblo Bank &amp; Trust Co.</i>	810
<i>Wachovia Bank, N.A. v. Foster Bancshares, Inc.</i>	813

III. Validation of the Forgery	819
A. Common Law Validation	820
<i>Hutzler v. Hertz Corp.</i>	820
B. The Impostor Rule	826
<i>State Sec. Check Cashing, Inc. v. American         General Financial</i>	827
C. The Employee Forgery Rule	836
<i>Auto Sision, Inc. v. Wells Fargo</i>	837
D. The Negligence Rule	843
<i>The Bank/First Citizens Bank v. Citizens and Associates</i>	844
E. The Bank Statement Rule	852
<i>Peters v. Riggs Natl. Bank, N.A.</i>	853
<i>Clemente Bros. Contracting Corp. v. Hafner-Milazzo</i>	863
IV. Alterations	875
<b>CHAPTER 15 ELECTRONIC BANKING</b>	<b>881</b>
I. Consumers and Electronic Fund Transfers	882
A. Credit Cards	882
1. Basic Liability	882
<i>Azur v. Chase Bank, USA</i>	883
2. Asserting Defenses Against the Credit Card Issuer	891
3. Billing Errors	893
B. Debit Cards and Other Consumer Electronic Funds Transfers	893
C. Foreign Remittances	899
D. Other Payment Systems	900
II. Wire Transfers	900
A. Scope of Article 4A	902
B. Acceptance of Payment Orders	904
<i>Shapiro, P.A. v. Wells Fargo Bank, N.A.</i>	906
C. Transmission Errors	913
<i>Grain Traders, Inc. v. Citibank, N.A.</i>	914
<i>Corfan Banco Asuncion Paraguay v. Ocean Bank</i>	924
<i>Bank of America N.T.S.A. v. Sanati</i>	930
D. Unauthorized Funds Transfers	936
<i>Choice Escrow and Land Title, LLC v. BancorpSouth Bank</i>	937
E. Conclusion	954

<b>Contents</b>	<b>xxi</b>
<b>CHAPTER 16 INVESTMENT SECURITIES</b>	<b>959</b>
I. Terminology	960
II. Overissue	963
III. The Issuer and the Holder	963
<i>First American National Bank v. Christian Foundation Life</i> <i>Insurance Co.</i>	964
IV. Transfers Between Purchasers	967
<i>Knop v. Knop</i>	967
V. Registration	975
<i>Jennie Clarkson Home for Children v. Missouri, Kansas &amp;</i> <i>Texas Railway</i>	976
VI. Security Entitlements	982
In re Estate of Rider	982
<i>Powers v. American Express Financial Advisors, Inc.</i>	991
<b>PART 3 PAYMENT IN DOCUMENTED SALES</b>	<b>997</b>
<b>CHAPTER 17 DOCUMENTS OF TITLE</b>	<b>999</b>
I. Warehouse Receipts	1001
A. Form	1001
B. Basic Bailment Law	1002
<i>Procter &amp; Gamble Distributing Co. v. Lawrence American</i> <i>Field Warehouse Corp.</i>	1002
<i>Admiralty Island Fisheries, Inc. v. Millard Refrigerated</i> <i>Services, Inc.</i>	1006
<i>XL Specialty Insurance Co., as Subrogee of Chowaiki &amp; Co.,</i> <i>Fine Art Ltd. v. Christie's Fine Art Storage Services, Inc.</i>	1013
C. Bailee's Lien	1016
D. Delivery Orders	1016
E. Terminology: The Issuer	1017
II. Bills of Lading	1018
A. Federal Law	1018
B. The Basic Idea	1019
C. Form	1019

xxii	Contents
1. Negotiable	1019
2. Nonnegotiable	1020
D. Misdescription	1022
<i>GAC Commercial Corp. v. Wilson</i>	1023
III. Due Negotiation	1027
A. The Basic Concept	1027
<i>Cleveland v. McNabb</i>	1028
B. The §7-503(a) Owner	1032
<i>Agricredit Acceptance, LLC v. Hendrix</i>	1033
C. Other Transfers	1040
IV. Collection Through Banks	1041
A. “Payment Against Documents”	1041
B. Liability of the Collecting Bank	1044
<i>Rheinberg Kellerei GmbH v. Brooksfield National Bank of         Commerce</i>	1044
 <b>CHAPTER 18 LETTERS OF CREDIT</b>	 <b>1053</b>
I. The Basic Problem	1054
II. Definitions and Scope of Article 5	1059
III. The Issuer—Duties and Rights	1059
<i>Voest-Alpine Trading Co. v. Bank of China</i>	1061
IV. Fraud	1073
<i>Sztejn v. J. Henry Schroder Bank Corp.</i>	1073
<i>Hook Point, LLC v. Branch Banking and Trust Company</i>	1077
V. Assignment	1084
VI. Subrogation	1084
 <b>PART 4 SECURED TRANSACTIONS</b>	 <b>1089</b>
 <b>CHAPTER 19 INTRODUCTION TO SECURED TRANSACTIONS</b>	 <b>1091</b>
I. Bankruptcy	1094
II. Pre-Code Security Devices	1096
<i>Benedict v. Ratner</i>	1096
A. Pledge	1100
B. Chattel Mortgage	1101

<b>Contents</b>	<b>xxiii</b>
C. Conditional Sale	1101
D. Trust Receipt	1102
E. Factor's Lien	1103
F. Field Warehousing	1103
G. Conclusion	1104
<b>CHAPTER 20 THE SCOPE OF ARTICLE 9</b>	<b>1105</b>
I. Security Interest Defined	1105
II. Consignments	1107
<i>In re Fabers, Inc.</i>	1109
III. Leases	1111
<i>Gibraltar Financial Corp. v. Prestige Equipment Corp.</i>	1114
IV. Other Transactions	1125
V. Exclusions From Article 9	1126
A. Federal Statutes	1126
<i>Philko Aviation, Inc. v. Shackel</i>	1128
B. Landlord's Lien and Other Statutory Liens	1131
C. Wage Assignments	1132
D. Non-Financing Assignments	1132
E. Real Estate	1133
F. Other Exclusions	1134
<b>CHAPTER 21 THE CREATION OF A SECURITY INTEREST</b>	<b>1139</b>
I. Classifying the Collateral	1139
<i>In re Troupe</i>	1142
<i>Morgan County Feeders, Inc. v. McCormick</i>	1149
II. Technical Validity of the Forms	1152
A. The Security Agreement	1152
B. The Financing Statement	1153
C. The Debtor's Identity	1154
<i>In re John's Bean Farm of Homestead, Inc.</i>	1155
<i>In re PTM Technologies, Inc.</i>	1165
D. Description of the Collateral	1171
<i>In re Grabowski</i>	1171
<i>In re I80 Equipment, LLC</i>	1176

xxiv	Contents
III. Attachment of the Security Interest	1186
<i>Border State Bank of Greenbush v. Bagley Livestock Exchange, Inc.</i>	1187
<i>In re Howell Enterprises, Inc.</i>	1194
<i>Clark v. Missouri Lottery Commission</i>	1198
<b>CHAPTER 22 PERFECTION OF THE SECURITY INTEREST</b>	<b>1207</b>
I. Perfection by Possession (Pledge)	1208
II. Automatic Perfection	1211
A. Purchase Money Security Interest in Consumer Goods	1211
<i>In re Short</i>	1212
<i>General Electric Capital Commercial Automotive Finance, Inc. v. Spartan Motors, Ltd.</i>	1221
B. Certain Accounts and Other Intangibles	1229
<i>In re Wood</i>	1230
III. Perfection by Filing	1234
A. The Mechanics of Filing	1235
B. Other Filings	1236
<i>In re Motors Liquidation Company</i>	1238
IV. Perfection by Notation on Certificate of Title	1246
V. Perfection by Control	1247
<b>CHAPTER 23 MULTISTATE TRANSACTIONS</b>	<b>1251</b>
I. General Choice of Law Rules	1251
II. Certificates of Title	1255
<i>Metzger v. Americredit Financial Services, Inc.</i>	1256
<i>BMW Financial Services, N.A., LLC v. Felice</i>	1262
<b>CHAPTER 24 PRIORITY</b>	<b>1271</b>
I. Simple Disputes	1271
<i>In re Zaachney</i>	1275
II. Purchase Money Security Interests	1280

Contents	xxv
A. The Basic Rule	1280
<i>In re Wild West World, L.L.C., Debtor</i>	1281
<i>In the Matter of Faith Ann Peaslee and Others</i>	1287
B. Inventory and Livestock	1291
<i>Kunkel v. Sprague National Bank</i>	1292
III. Control and Priority	1302
A. Control over Investment Property	1302
B. Control over Deposit Accounts	1303
C. Control over Letters of Credit Rights	1304
IV. Buyers	1305
<i>International Harvester Co. v. Glendenning</i>	1306
<i>In re Western Iowa Limestone, Inc.</i>	1311
<i>Clovis National Bank v. Thomas</i>	1323
<i>Farm Credit Bank of St. Paul v. F&amp;A Dairy</i>	1331
V. Leases	1336
VI. Article 2 Claimants	1338
<i>In re Arlco, Inc.</i>	1339
VII. Statutory Lien Holders	1348
VIII. Fixtures	1349
<i>In re Motors Liquidation Company</i>	1350
<i>Lewiston Bottled Gas Co. v. Key Bank of Maine</i>	1361
<i>Maplewood Bank &amp; Trust v. Sears, Roebuck &amp; Co.</i>	1366
IX. Accessions and Commingling	1371
X. Federal Priorities for Debts and Taxes	1372
A. The Federal Priority Statute	1372
B. Tax Liens—Basic Priority	1373
C. Tax Liens and After-Acquired Property	1374
<i>Plymouth Savings Bank v. U.S. I.R.S.</i>	1375
D. Tax Liens and Future Advances	1382
<b>CHAPTER 25 BANKRUPTCY AND ARTICLE 9</b>	<b>1389</b>
I. The Trustee's Status	1389
<i>In re Duckworth</i>	1391
II. Preferences	1401
III. The Floating Lien in Bankruptcy	1406
<i>In re Smith's Home Furnishings, Inc.</i>	1407

xxvi	Contents
IV. Fraudulent Transfers	1415
<i>James H. Rice Co. v. McJohn</i>	1415
<i>Aptix Corp. v. Quickturn Design Systems, Inc.</i>	1416
V. Non-Consensual Liens and the Trustee	1421
<b>CHAPTER 26 PROCEEDS</b>	<b>1427</b>
I. The Meaning of Proceeds	1427
<i>Farmers Cooperative Elevator Co. v. Union State Bank</i>	1428
<i>Helms v. Certified Packaging Corp.</i>	1432
II. Priorities in Proceeds	1434
<i>Yaddehige v. Xpert Technologies, Inc.</i>	1436
<b>CHAPTER 27 DEFAULT</b>	<b>1445</b>
I. Pre-Default Duties of the Secured Party	1445
II. Default	1447
<i>State Bank of Piper City v. A-Way, Inc.</i>	1447
<i>Klingbiel v. Commercial Credit Corp.</i>	1452
III. Repossession and Resale	1457
<i>Smith v. AFS Acceptance, LLC</i>	1458
<i>Hilliman v. Cobado</i>	1464
<i>R &amp; J of Tennessee, Inc. v. Blankenship-Melton Real Estate, Inc.</i>	1472
<i>Coxall v. Clover Commercial Corp.</i>	1491
IV. Redemption and Strict Foreclosure	1497
<i>Hutzenbiler v. RJC Investment, Inc.</i>	1497
<i>Reeves v. Foutz &amp; Tanner, Inc.</i>	1508
<b>Appendix: 1990 Version of §3-605</b>	<b>1515</b>
<b>Table of Cases</b>	<b>1527</b>
<b>Table of Statutes</b>	<b>1539</b>
<b>Index</b>	<b>1553</b>