SUMMARY OF CONTENTS

Contents Preface		xi xxvii
,	ighth Edition: A Note to Teachers	xxxi
Acknowledgme	e	xxxiii
Special Notice		xxxvii
_		
PART I		
INTRODUCTION	TO DEBTOR-CREDITOR LAW	1
Assignment 1.	Fighting over Money	3
Assignment 2.	T., T.	21
PART II		
CONSUMER BAN		47
Section 1: The Beg		49
Assignment 3.	The Bankruptcy Estate and the	
	Automatic Stay	51
Section 2: Chapter	7 Liquidation	71
Assignment 4.	Property Exempt from Seizure	73
Assignment 5.	Property Exemptions II	97
Assignment 6.	Claims and Distributions	121
Assignment 7.	Priority Among Unsecured Creditors	143
Assignment 8.	Discharge	145
Assignment 9.	The Debtor's Position After Bankruptcy	171
Section 3: Chapter		195
Assignment 10.	Secured Creditors in Chapter 13	197
Assignment 11.		219
Section 4: The Cor	nsumer Bankruptcy System	241
Assignment 12.	- 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	243
Assignment 13.	Chapter Choice	267
Assignment 14.	Policy and Practice	293

PART III				
BUSINESS BANKR	UPTCY: FOUNDATIONS	313		
Section 1: Introduction 31				
Assignment 15.	Recovering from Business Debtors	317		
Assignment 16.	Reorganizing Businesses	341		
Section 2: Operatin	g in Chapter 11	363		
Assignment 17.	Getting Started	365		
Assignment 18.	Running the Business	391		
Assignment 19.	Financing the Reorganization	415		
Section 3: Reshapin	ng the Estate	435		
Assignment 20.	Avoiding Liens	437		
Assignment 21.	Preferences I	453		
Assignment 22.	Preferences II	475		
Assignment 23.	Fraudulent Conveyances I	497		
Assignment 24.	Fraudulent Conveyances II	519		
Assignment 25.	Executory Contracts I	543		
Assignment 26.	Executory Contracts II	559		
PART IV				
BUSINESS BANKR	UPTCY: PLANS AND BEYOND	577		
Section 1: Tradition		579		
	Negotiating the Plan	581		
	Confirming the Plan	605		
9	Cramming Down Unsecured Creditors	625		
Assignment 30.	9	651		
Section 2: New Cha		679		
	Sales and Beyond I	681		
Assignment 32.		707		
O	nce and Practice in Chapter 11	733		
	Governance in Chapter 11	735		
9	Practicing in Chapter 11	759		
Section 4: The Fina		785		
	The Discharge of Future Claims	787		
PART V				
FUNCTIONS AND	BOUNDARIES	813		
	Beyond Chapter 11	815		
Assignment 37.	,	841		
Assignment 38.	Transnational Bankruptcies	869		
Assignment 39.	Business Bankruptcy Theory	895		
Appendix A Sele	cted Federal Consumer Protection Statutes	919		
Appendix B Secu	red Credit Basics	931		
Table of Cases		935		
,	s and Regulations	945		
Index		961		

CONTENTS

Pre Aci	Preface Preface to the Eighth Edition: A Note to Teachers Acknowledgments Special Notice	
	RT I	
IIN	TRODUCTION TO DEBTOR-CREDITOR LAW	1
	ASSIGNMENT 1	
	FIGHTING OVER MONEY	3
A. B. C. D. E. F. G.	The Structure of Debtor-Creditor Law A Brief Introduction to Bankruptcy Theory (and Data) A Very Brief History of U.S. Bankruptcy Law Bankruptcy Court Organization A Specific Introduction to the Code Beyond Law: Why Bankruptcy? Conclusion Problem Set 1	4 5 9 12 14 15 18 19
	ASSIGNMENT 2	
	COLLECTING FROM CONSUMER DEBTORS	21
A. B.	Leverage 1. Competing Concerns 2. The Role of Law Informal Remedies for Nonpayment of Debt 1. The Rules of the Game: Fair Debt Collection Practices Henson v. Santander Consumer USA, Inc. McCollough v. Johnson, Rodenburg & Lauinger 2. Playing the Game: The Credit Reporting System	21 21 23 24 25 27 30 34
	3. All Part of the Game: Other Laws Affecting Leverage	36

xii		Contents
C.	Formal Remedies for Nonpayment of Debt	37
	1. Collection Without Suit: Repossession (*Secured	2.7
	Creditors Only)	37
	 Suing the Debtor: Judgment and Execution Suing Third Parties: Garnishment 	38 40
	United States v. Ashcraft	40
	Problem Set 2	44
PA]	RT II	
CC	ONSUMER BANKRUPTCY	47
SE	CTION 1: THE BEGINNING	49
	ASSIGNMENT 3	
	THE BANKRUPTCY ESTATE AND	
	THE AUTOMATIC STAY	51
A.	Introduction	51
В.	The Estate	54
	Prochnow v. Apex Properties, Inc. (d/b/a ReMax)	54
	In re Chambers	58
C.	The Automatic Stay	61
	In re Green	62
	Nissan Motor Acceptance Corp. v. Baker Problem Set 3	64 67
SE	CTION 2: CHAPTER 7 LIQUIDATION	71
	ASSIGNMENT 4	
	PROPERTY EXEMPT FROM SEIZURE	73
A.	Introduction	73
B.	Federalism in Exemption Laws	74
	1. State Exemptions	74
	Texas Exemption Statutes	74
	Texas Insurance Exemption Statutes	77
	Wyoming Exemption Statutes	78 92
C.	2. Federal Exemptions Classification of Property	83 84
C .	In re Wilkinson, [M.D.]	84
D.	Partially Exempt Property	88
E.	Proceeds and Tracing	89
-	In re King	89
F.	Security Interests in Exempt Property	93
G.	Avoiding Judicial Liens and Non-PMSI Liens	93
	Problem Set 4	95

Coı	ntents	xiii
	ASSIGNMENT 5	
	PROPERTY EXEMPTIONS II	97
A.	Homesteads	98
	1. Homestead History: Why Homesteads?	98
	2. Homestead Planning: Reallocating Assets into the	
	Homestead	100
	In re Reed (12 B.R. 41 (1981))	100
	In re Reed (700 F.2d 986 (1983))	102
D	3. Homestead Hunting: Moving to Better Homesteads	108
В.	Beyond Homesteads	109
	 Personal Property Exemptions Asset Exclusions 	109 112
\subset	Who Cares About Exemptions?	112
C.	Problem Set 5	117
	Troblem set s	11/
	ASSIGNMENT 6	
	CLAIMS AND DISTRIBUTIONS	121
A.	Filing Claims	121
	In re Lanza	122
В.	Calculating Claims	124
	1. Unsecured Claims	124
	a. The Claim	124
	b. Interest on the Claim	124
	c. Complications with the Claim: Acceleration	125
	d. Postpetition Claims	126
	2. Secured Claims	126
	a. The Claimb. Interest on the Claim	126 127
	c. Complications with the Claim: Attorneys' Fees	128
	Jones v. Wells Fargo Bank, N.A. (In re Jones)	128
	d. Postpetition Claims	130
C.	Disputing Claims	130
٠.	In re Jones (cont'd)	133
D.	The Institutional Function of the Claims Process	136
	In re Stewart	136
	Jones v. Wells Fargo Home Mtg. Inc. (In re Jones)	138
	Problem Set 6	141
	ASSIGNMENT 7	
	PRIORITY AMONG UNSECURED CREDITORS	143
	Problem Set 7	143

xiv	Contents

	ASSIGNMENT 8	
	DISCHARGE	145
A.	The Post-Discharge Injunction	145
	In re Henry	145
В.	Exceptions to Discharge	148
	In re McNamara	148
	In re Sharpe	152 156
	In re Hill Thomas v. Department of Education	160
C.	Tax Priorities and Discharge	164
D.	Worse than No Discharge—Bankruptcy Crimes	165
٠.	United States v. Cluck	165
	Problem Set 8	168
	ASSIGNMENT 9	
	THE DEBTOR'S POSITION AFTER BANKRUPTCY	171
A.		171
	1. Redemption	173
	2. Reaffirmation	174
	In re Husain	175
	3. Ride-through In re Schwass	181 182
	In re Wilson	184
В.	Unsecured Debts: Future Obligations	186
ъ.	In re Duke	187
C.	Nondiscrimination and Credit Scoring	191
	Problem Set 9	191
SE	CTION 3: CHAPTER 13 REPAYMENT	195
	ASSIGNMENT 10	
	SECURED CREDITORS IN CHAPTER 13	197
A.		197
	1. Overview of Chapter 13	197
	2. Payments to Secured Creditors	199
	a. Adequate Protection	200
	In re Radden	201
	b. Adequate Payment	204
	i. Value of the Claimii. Interest on the Claim	204
	3. Treatment of Liens Generally	206 207
	4. Special Rules for Purchase Money Liens and Mortgages	207
	of the first training from the first gages	200

Coı	Contents	
	a. Purchase Money Liens	208
	Ford Motor Credit Co. v. Dale	209
	b. Home Mortgages	213
	Anderson v. Hancock	213
	Problem Set 10	216
	ASSIGNMENT 11	
	UNSECURED CREDITORS IN CHAPTER 13	219
A.	Unsecured Creditors' Protections Generally	219
В.	Priority Creditors and the "Full Payment" Requirement	220
	1. Administrative Expenses	221
	2. Domestic Support Obligations	221
	3. Tax Claims	222
C.	Unsecured Creditors and the "Disposable Income"	
	Requirement	223
	1. Permissible Expenses	224
	In the Matter of Wyant	224
	In re Cleary	225
	2. Available Income	228
	In re Waechter	228
	3. Special Rules for Above-Median-Income Debtors	231
D.	Modification of Chapter 13 Plans	232
	In re Drew	233
E.	Statutory Bars on Chapter 13 Eligibility	236
	Problem Set 11	238
SE	CTION 4: THE CONSUMER BANKRUPTCY SYSTEM	241
	ASSIGNMENT 12	
	THE MEANS TEST	243
A.	The Historical Bar to Chapter 7: Discretionary Dismissal for	
	Substantial Abuse	243
	In re Shaw	245
В.	The Current Bar to Chapter 7: Mandatory Dismissal	
	Under the Means Test	247
	1. The Overview	247
	2. The Gross Income Bypass	248
	Johnson v. Zimmer	250
	3. The Net Income Determination	255
	In re Scott	257
	4. The Actual Test: "Presumption" of Abuse	260
C.		263
	Problem Set 12	264

	ASSIGNMENT 13	
	CHAPTER CHOICE	267
A.	Statutory Considerations 1. Discretionary Dismissal from Chapter 7: Bad Faith and	267
	Totality of the Circumstances	267
	In re Deutscher	268
	In re Durczynski	271
	2. Discretionary Dismissal in Chapter 13: Good Faith	272
	In re Crager	273
	Veighlan v. Essex (In re Essex)	275
	3. Refiling Restrictions	279
	4. Scope of Discharge5. Coda: Chapter 11 for Individuals	280 280
В.	Extra-Statutory Considerations	281
ъ.	1. Attorneys' Fees	282
	In re Puffer	282
	2. Outcomes in Consumer Bankruptcy	284
	a. Chapter 7 Outcomes	284
	b. Chapter 13 Outcomes	285
	c. Outcomes from the Creditor's Perspective	286
	3. The Lawyer's Role	287
	Problem Set 13	289
_	ASSIGNMENT 14	
	POLICY AND PRACTICE	293
A.	The Theories Supporting "Forgiving Our Debtors"	294
	1. Forgiveness	295
	2. Rehabilitation	296
	3. Insurance	296
	4. Creditor Conduct	300
D	5. Social Peace	300
B.	Countervailing Values Comparative Lessons	301 304
	Ethical Issues in Consumer Practice	304
D .	In re Spickelmier	306
	Problem Set 14	311
PA	RT III	
BU	ISINESS BANKRUPTCY: FOUNDATIONS	313
SE	CTION 1: INTRODUCTION	315

Coı	ntents	xvii
	ASSIGNMENT 15	
	RECOVERING FROM BUSINESS DEBTORS	317
A.	Business Collection Tools	317
	Office Depot, Inc. v. Zuccarini	320
В.	Competition Among Creditors: Priorities	323
	Beef & Bison Breeders, Inc. v. Capitol Refrigeration	
	Co., Inc.	323
	Collective Remedies	325
D.	Liquidating Businesses in Chapter 7 Bankruptcy	328
	1. Voluntary Chapter 7: Why Do Failed Businesses	
	Even Bother?	329
	2. Involuntary Chapter 7: What Happens When Someone	221
	Else Bothers?	331
	In re John Richards Homes Building Co.	333
	Problem Set 15	337
_	ASSIGNMENT 16	
		241
	REORGANIZING BUSINESSES	341
A.	Overview	341
	1. What Is Reorganization?	341
	2. The Human Element	343
	3. Mechanics of Chapter 11	347
B.	Control: The Debtor in Possession	348
C.	The Scope of the DIP's Control	350
	In re Cook and Sons Mining, Inc.	350
D.	Losing Control: When the DIP Model Fails	354
	In re Biolitec, Inc.	355
E.	Conclusion	360
	Problem Set 16	361
SE	CTION 2: OPERATING IN CHAPTER 11	363
=	ASSIGNMENT 17	
	GETTING STARTED	365
A.	Scope of the Bankruptcy Estate	365
	In re Burgess	366
	In re The Majestic Star Casino, LLC	369
В.	Exceptions to the Stay	372
-	1	

xvi	xviii	
	1. Exception for Police and Regulatory Power	372
	In re Fulton	373
	2. Exception for Financial Contracts	375
C.	Lifting the Stay	377
	1. Cause, Including Lack of Adequate Protection	377
	In re Panther Mountain Land Dev., LLC	377
	2. No Equity and Not Necessary for Reorganization	382
	Chrysler LLC v. Plastech Engineered Prods. 3. Single Asset Real Estate Cases	383 387
	Problem Set 17	387
	ASSIGNMENT 18	
	RUNNING THE BUSINESS	391
A.	First Day Orders	391
11.	In re Colad Group, Inc.	392
В.	Cash Collateral	396
	In re Carbone Companies, Inc.	397
C.	Setoff	400
	In re Orexigen Therapeutics, Inc.	400
D.	Trade Suppliers and Vendors	406
	In re Kmart Corp.	407
	Problem Set 18	412
	ASSIGNMENT 19	
	FINANCING THE REORGANIZATION	415
A.	Super-Priority and Priming Liens	415
	In re Devlin	416
В.	Cross-Collateralization and Rollups	419
	In re Colad Group, Inc.	419
\sim	In re Michael Day Enterprises, Inc.	424
C.	The Secured Party in Possession Problem Set 19	428 430
SE	CTION 3: RESHAPING THE ESTATE	435
	ASSIGNMENT 20	
	AVOIDING LIENS	437
A.	The Strong Arm Clause	437
	In re Diabetes America, Inc.	438
	In re Bowling	442
B.	Federal Tax Liens	444
C.	Statutory Liens	445
	In re TWA Inc. Post Confirmation Estate	446
	Problem Set 20	450

Cor	ntents	xix
	ASSIGNMENT 21	
	PREFERENCES I	453
A.	General Rules	453
	In re Pysz	453
	Chase Manhattan Mortgage Corp. v. Shapiro	457
В.	The Exceptions	459
	1. Contemporaneous Exchange	459
	In re Stewart	459
	2. Ordinary Course of Business	462
	In re Stewart (cont'd)	463
	3. The Purchase Money Exception	465
	4. The New Value Exception	465
	5. The "Floating Lien"	466
	In re QMECT, Inc.	468
	6. And the Rest	471
	Problem Set 21	472
	ASSIGNMENT 22	
	PREFERENCES II	475
	PREFERENCES II	475
A.	State Law	475
В.	Indirect Preferences	476
	In re Denochick	477
C.	Extra-Statutory Defenses to Preferences	478
	Chase Manhattan Mortgage Corp. v.	
	Shapiro (Cont'd)	478
D.	Setoff Preferences	483
	In re Hurt	483
E.	Equitable Subordination (and Its Kin)	486
	In re SI Restructuring, Inc.	487
	Problem Set 22	493
	ASSIGNMENT 23	
	FRAUDULENT CONVEYANCES I	497
A.	History of Fraudulent Conveyance Law	497
	Twyne's Case	497
В.	Actual Intent Fraud	499
	ACLI Government Securities, Inc. v. Rhoades	499
C.	Constructive Fraud	502
	Fed. Nat'l Mortgage Ass'n v. Olympia Mortgage	
	Corp.	503
D.	Fraudulent Conveyance Law in Bankruptcy	509
E.	Remedies for Fraudulent Conveyances	509
	In re Video Depot, Ltd.	510
	Problem Set 23	515

XX	Contents
XX	Conten

	ASSIGNMENT 24	
	FRAUDULENT CONVEYANCES II	519
A.	Corporate Transfers	519
11.	1. Single Corporate Transfers	519
	In re The Personal and Business Insurance Agency	520
	2. Intercorporate Transfers	523
	In re Image Worldwide, Ltd.	524
	Paloian v. LaSalle Bank	529
В.	Leveraged Buyouts	532
	Boyer v. Crown Stock Distribution, Inc.	533
C.	Safe Harbors for Settlement Payments	539
	Problem Set 24	540
	ASSIGNMENT 25	
	EXECUTORY CONTRACTS I	543
Α.	The Economic Decision	543
В.	The Statute	544
	In re Jamesway Corp.	545
C.	Consequences of Assumption and Rejection	548
	In re TSB, Inc.	548
D.	Restrictions on Assumption and Rejection	552
	In re Taylor Investment Partners II, LLC	553
	Problem Set 25	555
	ASSIGNMENT 26	
	EXECUTORY CONTRACTS II	559
A.	Executoriness	559
	In re Riodizio, Inc.	560
В.	The Role of State Contract and Property Law	566
	1. Vested Rights in Property Law	568
	Sunbeam Products, Inc. v. Chicago American	
	Mfg., LLC	568
	2. Remedial Rights in Contract Law	572
	In re Ortiz	572
	Problem Set 26	574
	RT IV	
	USINESS BANKRUPTCY: PLANS AND BEYOND	577
SE(CTION 1: TRADITIONAL CHAPTER 11	<i>579</i>

Coı	Contents	
	ASSIGNMENT 27	
	NEGOTIATING THE PLAN	581
A.	Campaigning for the Vote: Disclosure and Solicitation	582
	1. Disclosure	583
	In re Puff	583
_	2. Solicitation and the "Safe Harbor"	588
В.	Eligibility to Vote: Impairment	589
	In re Ultra Petroleum Corporation	589
_	In re Mangia Pizza Investments	593
C.	Gerrymandering the Vote: Classification	595
	In re Bernhard Steiner Pianos USA, Inc.	596
	Problem Set 27	600
	ASSIGNMENT 28	
	CONFIRMING THE PLAN	605
A.	Best Interests	605
	In re Abengoa Bioenergy Biomass of Kansas, LLC	606
B.	Feasibility	610
	In re Cheerview Enterprises, Inc.	610
	In re Aurora Memory Care, LLC	615
C.	Special Rules for Small Businesses	617
	Problem Set 28	619
_	ASSIGNMENT 29	
	CRAMMING DOWN UNSECURED CREDITORS	625
A.	The Concept of Cramdown: Confirmation Without Consent	625
В.	The "Unfair Discrimination" Bar	626
	In re Deming Hospitality, LLC	626
C.	The "Fair and Equitable" Requirement	629
	1. The Absolute Priority Rule	630
	2. Equity's Reprieve: The New Value "Corollary"	631
	Bank of America Nat'l Trust & Sav. Ass'n v. 203	
	North LaSalle Street Partnership	632

641

641

647

647

648

3. "Valuing" the New Value

Problem Set 29

D. Cramdown Under the SBRA

In re Red Mountain Machinery Co.
4. Coda: Single Asset Real Estate Cases and Cramdown Jurisprudence

• •	
XX11	Contents

	ASSIGNMENT 30	
	CRAMMING DOWN SECURED CREDITORS	651
A.	Valuation of Claims and Companies	651
	In re Buena Vista Oceanside, LLC	652
	In re Exide Technologies	657
B.	Interest Rate	664
	In the Matter of Texas Grand Prairie Hotel	
	Realty, L.L.C.	664
C.	Indubitable Equivalence	670
	The § 1111(b) Election	670
E.	Home Mortgage Cramdown Redux: Special Rules for Small	
	Business Owners	672
	Problem Set 30	673
SE	CTION 2: NEW CHAPTER 11	679
	ASSIGNMENT 31	
	SALES AND BEYOND I	681
A.	Prepackaged Reorganizations	681
В.	Going-Concern Sales	684
	1. Judicial Constraints	685
	In re Chrysler LLC	685
	Czyzewski v. Jevic Holding Corp.	693
	2. Statutory Constraints	700
	In re Bridge Associates of Soho, Inc.	701
	In re Chrysler (cont'd)	703
	Problem Set 31	704
	ASSIGNMENT 32	
	SALES AND BEYOND II	707
٨	Austions	707
A.	Auctions In re Texas Rangers Baseball Partners	707 709
В.	Claims Trading	714
ъ.	1. Buying Claims to Buy Companies	716
	In re Fisker Automotive Holdings, Inc.	716
	2. Buying Claims to Sell (or Shut Down) Companies	721
	In re DBSD North America, Inc.	721
	3. Regulating Claims Trading	728
	Problem Set 32	729

Contents		xxiii
SE	CTION 3: GOVERNANCE AND PRACTICE IN CHAPTER 11	733
	ASSIGNMENT 33	
	GOVERNANCE IN CHAPTER 11	735
A.	Governance Rules: Fiduciary Duties in Chapter 11	735
	1. Corporate Law Fiduciary Duties	736
	2. Bankruptcy Law Fiduciary Duties	738
	In re Marvel Entertainment Group, Inc.	739
	3. Public Oversight of Fiduciary Duties	743
	In re Blue Stone Real Estate, Constr. & Dev. Corp.	743
В.		751
	In re Hawker Beechcraft, Inc.	752
	Problem Set 33	757
	4.00VONWENT 0.4	
	ASSIGNMENT 34	
	PRACTICING IN CHAPTER 11	759
A.		759
	1. Duties of DIP Counsel	759
	2. Employment	763
	In re Lee	763
	In re SONICblue Inc.	766
	3. Conflicts Counsel	770
В.	Compensation	771
	1. Permissible Structures	771
	In re Hungry Horse	772
	2. Judicial Oversight	776
	In re Energy Partners, Ltd.	777
	Problem Set 34	782
SE	CTION 4: THE FINALITY OF CHAPTER 11	785
	ASSIGNMENT 35	
	THE DISCHARGE OF FUTURE CLAIMS	787
A.	The Effect of Discharge on Future Claims by Creditors	787
	1. The Problem of the Future Claim	788
	Kane v. Johns-Manville Corp.	789
	2. The Solution of Limiting Claims	792
	Signature Combs, Inc. v. United States	792
	3. The Solution of Ensuring Due Process	795
	In re Motors Liquidation Co.	796

xxi	v Con	itents
В.	The Effect of Discharge on Future Claims of Non-Creditors 1. The Effect of Discharge on Future Claims by the Debtor 2. The Effects of Discharge on Future Claims Against	805 805
	Non-Debtors: "Third-Party Releases"	806
	In re Bernhard Steiner Pianos USA, Inc.	808
	Problem Set 35	809
PA]	RT V	
FU	NCTIONS AND BOUNDARIES	813
	ASSIGNMENT 36	
	BEYOND CHAPTER 11	815
A.	Reorganizing Private Debt Outside Chapter 11	815
	1. Traditional Banks	816
	C⊕C Investment Properties, L.L.C. v. Trustmark	
	National Bank	817
	2. Nonbanks	820
D	3. Systematically Important Financial Institutions (SIFIs)	821
В.	Reorganizing Public Debt Outside Chapter 11	822 822
	1. Public Debt Within the United States: Chapter 9 In re City of Detroit, Michigan	822 824
	2. Public Debt Beyond the United States: The Debt of Nations	827
	NML Capital, Ltd. v. Republic of Argentina	827
C.	Reconciling Other Federal Regimes Within Chapter 11	832
<u> </u>	In re Alpha Natural Resources, Inc.	833
	Problem Set 36	838
	ASSIGNMENT 37	
	DOMESTIC JURISDICTION	841
A.	1 / /	841
	In re Dow Corning Corp.	842
В.	Allocation of Bankruptcy Proceedings Among Federal Judges	847
	1. Constitutional Considerations	847
	a. The 1978 Code	847
	b. The 1984 Amendments	849
	Stern v. Marshall	851
	2. Statutory Considerations	859
\subset	In re United States Lines, Inc.	860
C. D.	Venue Alternative Dispute Pecalution	863 865
IJ.	Alternative Dispute Resolution Problem Set 37	866
	Tropiciti oct 3/	000

Coı	Contents	
=	ASSIGNMENT 38	
	TRANSNATIONAL BANKRUPTCIES	869
A.	The Challenges of Cooperation in Cross-Border Insolvency	870
	In re McLean Industries, Inc.	870
В.	The UNCITRAL Model Law on Cross-Border Insolvency	874
	1. Designating a Primary Forun: COMI and Recognition of a	
	Foreign Main Proceeding	875
	In re Ascot Fund Ltd.	876
	2. Guiding the Ancillary Jurisdiction: Obligation and	
	Discretion to Order Relief	883
	In re Vitro S.A.B. de C.V.	883
	3. Universalism's Challenge: Accepting Different	
	Outcomes for Local Creditors	888
	McGrath v. Riddell	888
C.	Choice of Law in Cross-Border Insolvency	892
	Problem Set 38	894
	ASSIGNMENT 39	
	BUSINESS BANKRUPTCY THEORY	895
A.	Systemic Theories	895
B.	The Rise and Fall of Contractualism	899
C.	Beyond Contracts: Selling Out	905
D.	Whither Bankruptcy Theory?	912
E.	The Closing Word	913
	Problem Set 39	914
	pendix A Selected Federal Consumer Protection Statutes	919
	pendix B Secured Credit Basics	931
	ble of Cases	935
	ble of Statutes and Regulations	945
Inc	lex	961