

BANKRUPTCY

FOURTH EDITION

ROBERT L. JORDAN
WILLIAM D. WARREN

University Casebook Series

BANKRUPTCY

By

ROBERT L. JORDAN

Professor of Law
University of California, Los Angeles

and

WILLIAM D. WARREN

Professor of Law
University of California, Los Angeles

FOURTH EDITION

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PREFACE TO FOURTH EDITION

The fact that four editions of this book have been published since the Bankruptcy Code became law in 1978 shows the velocity of developments in case and statutory law in the field of bankruptcy. The major reason for a Fourth Edition only two years after the Third is the need to deal comprehensively with the provisions of the 1994 Bankruptcy Reform Act. Any attempt to introduce this important revision of the Code to students by some form of supplement to the Third Edition seemed futile. The period since the previous edition went to press in Fall 1992 has been a particularly fertile one for the production of important bankruptcy decisions. This is demonstrated by the addition of 18 cases to this Fourth Edition that were not in the prior edition. Bankruptcy case law seems to be reaching a level of maturity, with a canon of leading cases with which every student of the subject should be familiar. Several of the new cases in this edition will likely become a part of that canon.

The goal of this book continues to be to offer the student who desires to practice some aspect of business law an analysis of the basic principles of bankruptcy through cases, notes and problems. No lawyer can responsibly practice business law today without being conversant with these principles. Different kinds of bankruptcy courses may be taught from this book. Some teachers may wish to use it to focus exclusively on business bankruptcies. Others may give primary attention to consumer problems, e.g., exemptions, discharge, and Chapters 12 and 13 rehabilitation plans. Still others may wish to use it in the way the authors have done in the past in presenting a survey course, devoting roughly the first third of the course to property of the estate, claims and discharge, stays and injunctions, and executory contracts and leases; the second third to the avoiding powers and equitable subordination; and the final third to rehabilitation and reorganization under Chapters 11, 12 and 13.

A note of explanation: the House Judiciary Committee Report on H.R. 5116, 103-835, October 4, 1994, is not based on the law that was finally enacted. The most accurate legislative explanation of the Bankruptcy Reform Act is found in the Section-by-Section Description that appeared in the Congressional Record, 140 Cong. Rec. H10752 et seq. Hence, throughout the book the Section-by-Section Description is cited rather than the Committee Report.

I regret that my friend, colleague and collaborator of over 30 years, Robert L. Jordan, did not participate in this edition. I am deeply grateful to my colleague, Daniel J. Bussel, for giving so generously of his time in reviewing and suggesting revisions in portions of the manuscript. I am particularly indebted to James Jay Rubinfi-

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WILLIAM D. WARREN

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