American Board of Certification

Study Guide

Business Bankruptcy and Consumer Bankruptcy Law
Certification Examinations

April 2015

The following was compiled to serve as a guide for preparing for the American Board of Certification (ABC) exams. Certification by definition is meant to test a level of knowledge and expertise. The ABC exams are designed to draw on knowledge gained through experience and therefore a great deal of preparation should not be necessary for an attorney who meets the experience and substantial involvement requirements for certification.

In addition to this guide, we recommend that you review the sample examinations that are available free of charge on the ABC website at www.abcworld.org. A list of bankruptcy continuing legal education opportunities can also be found on the ABC website.

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ABC Faculty Committee

The ABC Examinations are prepared by the ABC Faculty Committee and are reviewed by the ABC Dean of Faculty. The following are the members of the ABC Faculty Committee:

Dean of Faculty
Professor Laura Bartell
Detroit, Michigan
Exam Structure
The six-hour certification examination is divided into the following three sections:

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<th>Section</th>
<th>Taken By</th>
<th>Length</th>
<th>Composition</th>
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<tr>
<td>Part I: Bankruptcy Law Multiple Choice</td>
<td>Business &amp; Consumer Bankruptcy Certification examinees</td>
<td>2 hours (plus additional 10 min. of review time)</td>
<td>50 multiple choice questions</td>
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<tr>
<td>Part II: Bankruptcy Law Ethics Essay</td>
<td>Business &amp; Consumer Bankruptcy Certification examinees</td>
<td>1 hour (plus additional 10 min. of review)</td>
<td>2 essay questions</td>
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<td>One Hour Lunch Break</td>
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<td>Part III: Business Law Sub-Specialty Essay Exam</td>
<td>Business Bankruptcy Certification examinees</td>
<td>3 hours (plus additional 10 min. of review time and 15 min. of reading time)</td>
<td>2 essay questions (choose 2 out of 3)</td>
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<tr>
<td>Part III: Consumer Law Sub-Specialty Essay Exam</td>
<td>Consumer Bankruptcy Certification examinees</td>
<td>3 hours (plus additional 10 min. of review time and 15 min. of reading time)</td>
<td>2 essay questions (choose 2 out of 3)</td>
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Both Consumer Bankruptcy Law and Business Bankruptcy Law applicants will take the first and second sections of the examination. There will be lunch break of up to one hour at about noon. (You are "on your own," lunch is not provided to examinees.) For the third section, the sub-specialty essay questions, different examinations will be administered to Consumer Bankruptcy Law applicants and to Business Bankruptcy Law applicants. Section III will be administered in the afternoon and will be preceded by a 15 minute reading period. The examination will end at approximately 5:00 p.m. On exam day, there may also be individuals taking the Creditors’ Rights Certification Exam.

**Part I, General Bankruptcy Law**, is a two-hour examination composed of fifty multiple-choice questions about general bankruptcy law issues. The questions cover a range of both business and consumer issues, as well as questions relating to procedure and special bankruptcy powers. Since this is a national examination, we have attempted to limit the questions to well-established principles. The questions in this section range from easy to very hard. It is not expected that anyone will correctly answer every question, but we do expect that a reasonably competent bankruptcy practitioner will achieve a passing score without extensive study. If you wish to prepare for this section, we suggest that you focus your efforts on a review of the Bankruptcy Code and Rules, and the Supreme Court's cases in the bankruptcy field.

In taking this section of the examination, you should attempt to choose the best answer from among the four choices. You will not be penalized for wrong answers, so you should answer every question, even if you are not certain of your answer. We have done our best to insure that the multiple-choice questions are unambiguous and that our "correct" answers represent settled law. However, if, after taking the examination, you believe a particular question is ambiguous, or has two or more "best" answers, you may request a "Multiple Choice Objection" form for submission to the ABC Faculty Committee.

**Part II, the Ethics Section**, you are given two short ethics questions. The questions must be answered in one hour. We have attempted to draft questions that reflect the real-life ethical problems a bankruptcy lawyer face. Although it is important that you identify the ethical issues and reach a correct conclusion, your answers will be graded primarily on the quality of your analysis and explanation. Thus, it is critically important that you explain your conclusions thoroughly. An answer reaching the correct result, but failing to explain your reasoning, will be given a failing grade. In order to pass the Ethics section, you must pass both ethics questions. Your answers will be graded on a pass/fail basis. The scores on the two questions will not be averaged.

**Part III, the Sub-Specialty section**, different sets of essay questions will be administered to Consumer Bankruptcy Law applicants and to Business Bankruptcy Law applicants. Three hours are allotted to answer two questions in addition to a fifteen-minute reading period to review the questions before the examination begins. Like the Ethics short-essay section, your answers to the sub-specialty questions will be graded primarily on the quality of your analysis and explanation. Thus, it is critically important that you explain your conclusions thoroughly. An answer reaching the correct result, but failing to explain your reasoning, will be given a failing grade.
In order to pass the sub-specialty section, you must pass both questions. Your answers will be graded on a pass/fail basis. The scores on the two questions will not be averaged. You may wish to bring a quiet calculator, since the questions may require some mathematical calculations. Although minor mathematical errors will not affect your score, your answer should contain such general calculations and estimates as you are able to make in providing the advice called for in the question.

Questions in the sub-specialty tests are designed to present real-life situations that a bankruptcy law specialist might encounter in practice. The questions raise both "run-of-the-mill" issues and some issues on the cutting edge of the law.

**Allowed Materials**
All sections of the examination are OPEN BOOK. Examinees can now bring unannotated copies of three resources into the entire exam, the Bankruptcy Code, the Uniform Commercial Code, and if they bring their own, a copy of their own state’s ethical rules. You may bring a QUIET calculator. We will provide #2 pencils for the multiple-choice section and ink pens for your essay answers.

**Exam Scores**
Exam Scores are issued three-four months following the test date.
**Subject Areas**

Subjects an examinee may expect to be covered on the examination, but are not limited to, the following:

**General Bankruptcy Multiple-Choice Exam**

Chapter 7 (consumer)  
Chapter 13 (consumer)  
Chapter 7 (business)  
Chapter 11 (business)  
UCC Article 9  
Automatic Stay  
Choice of laws  
Conflict of interest  
Contract law  
Cramdown  
Dischargability  
Exemptions  
Fraudulent conveyance  
Lien priorities  
Preferences

**Ethics Essays**  
Responses to the Ethics Essay questions should be based on the examinee’s state rules of professional conduct or the American Bar Association model rules. Possible subjects include:

Attorney Self Interest/disinterestedness  
Conflict of Interest  
Duty to Bankruptcy Estate  
Reaffirmation

**Business Bankruptcy Essays**  
Operational Issues  
Plan Confirmation Issues  
Preferences/Avoiding Powers

**Consumer Bankruptcy Essays**  
Chapter 7 Issues  
Chapter 13 Issues  
Liquidation Analysis