



SCHOOL OF ACCOUNTING & COMMERCIAL LAW

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COML 305 LAW OF CONTRACTUAL OBLIGATIONS

Trimester One 2005

COURSE OUTLINE

Contact Details

Lecturers:

Mr Alan Cameron – Academic Co-ordinator
Room RH 604
Phone number: (04) 463 5758
Email: Alan.Cameron@vuw.ac.nz
Consultation Hours: TBA & by appointment – email.

Mr Palitha De Silva
Room RH 611
Phone number: (04) 463 6960
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Tutor:

Catherine Bryant
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Administrative Co-ordinator

Marina Dobrovolskaya
Room RH 708
Phone number: 463 5775
Email: Marina.Dobrovolskaya@vuw.ac.nz
Office hours: Monday-Friday 8.30am-5pm

Class Times and Room Numbers

Monday, Wednesday, Thursday 1540-1630 in RH LT 2

Lectures are structured assuming that students have done preparatory readings from required materials/notes indicated in lecturers' outlines. Copies of Mr Cameron's Powerpoint lecture presentations will be available on Blackboard.

Programme

1. Introduction: The Commercial Institution, and the Law of Contract (21, 23, 24 February)
2. Formation of Contract (28 Feb, 2,3 Mar)
3. Content of the Contract: Terms (7, 9, 10 March)
4. Content of the Contract: Interpretation (14, 16, 17 March)
5. Incapacity & Unenforceable Contracts (21, 23, 24 March)
6. Unfair Contracts (11,13,14 April)
7. Mistake in the Formation of Contracts (18,20,21 April)
8. Contracts against Public Policy (27, 28 April)
9. Misrepresentation in the Formation of Contracts (2, 4, 5 May)
10. Termination of Contracts: Agreement- Frustration (9, 11, 12 May)
11. Remedies: Cancellation & Damages (16, 18, 19 May)
12. Remedies: Equitable & Restitutionary (23, 25, 26 May)

Refer to lecture guides provided by lecturers for details of readings, cases, etc for each of the lecture topics given in the Course Programme contained in this Outline.

Tutorial sign-up will be via **Blackboard** at **Course COML 305** and should be done during the first week of term. The instructions for signing up are attached at the back of this Course Outline and will also be posted on the Announcements section of **Course COML 305** on Blackboard.

The completed tutorial lists will be posted on **Blackboard**.

The tutorial programme covers topics, which are related to, and approximately in sequence with, the lecture programme. Each tutorial involves discussion of set questions, problems, and analysis of cases and other readings. Every student is required to complete a short written assignment for each of the Four tutorials. The SECOND, THIRD and FOURTH tutorials will be assessed. The BEST TWO out of the Three assessed tutorial assignments will count towards the final grade. (see **Assessment** below). Tutors will explain at the first tutorial how the tutorial programme will be run.

Objectives:

1. Deepening and expansion of knowledge of the subject area;
2. Development of analytical and problem-solving skills through case problem exercises;
3. Development of oral skills through class presentations;
4. Development of cooperative group learning.

Course Objectives

Students passing this Course should be able to:

1. Explain the role of the law of contractual obligations operative in commercial transactions;
2. Describe and explain the structure, basic concepts and principles of New Zealand contract law;
3. Complete a research essay analysing a defined area of law within the field of commercial transactions;
4. Identify contractual issues within a commercial fact situation and apply the relevant law towards the resolution of those issues.

Course Content

The subject of this Course is the general law of contract comprising case law and statutes with specific reference to commercial contracts. The Course examines the rules, principles, doctrines and concepts of contract, aspects of agency law, and non-contractual legal obligations within contractual contexts.

Readings

Required Texts:

Course Materials/Readings (2 vols)

Students can purchase the first set of COML 305 Course Materials (cost \$12.60) from the Vic Book Centre in Rutherford House at the Pipitea Campus.

Legislation

CCH *Introduction to New Zealand Commercial Legislation 2005*,. CCH *Contract and Commercial Legislation 2005* which contains in addition legislation relevant to COML 301 (Special Contracts) for those who are taking, or who may wish to take that Course. For those who do not wish to purchase legislation copies may be obtained from the government legislation website: <http://www.legislation.govt.nz/>

Recommended Background Reading:

Burrows, Finn & Todd, *Law of Contract in New Zealand*, LexisNexis- Butterworths 2nd Edition, 2002

Other Reading

Walker, *Student Companion: Contract*, Butterworths, 4th Edition 2004.

Chetwin & Graw, *Introduction to Contract Law in New Zealand*, Brookers, 3rd edition 2001

Each lecturer will advise any additional material for his or her part(s) of the Course.

Handouts Spare copies of lecture handouts will be placed in the COML 305 boxes in Spare Handouts area in RH next to room 624.

Materials and Equipment

Materials permitted in examination:

No restriction. Materials brought in may include, amongst other materials, textbooks, legislation, COML 305 Course Materials, and personal notes taken during the Course.

Assessment Requirements

Assessment 1: A **2000-Word Essay** (the topic for the essay will be given by the course coordinator) (Due 21 April) - 20%

Assessment 2: **Best Two of Three Tutorial** exercises - 20% (10% each)

Assessment 3: A Three-hour **Final Exam** Time & Venue TBA - 60%

The **Tutorial Exercises** aim to assess the students' understanding of the basic concepts, principles and rules of selected examinable topics lectured in class and their application to fact situations.

The **Research Essay** aims to develop students' research skills and deepen knowledge in a selected area of law. It requires the undertaking of personal research and provides scope for demonstrating original analysis as well as technical legal skills.

Students are required to strictly adhere to the **Essay Instructions and Guide** which will be included with the handout containing the Essay topic. Essays are to be placed in boxes labelled "COML 305" on the Mezzanine floor of Rutherford House.

Extensions to the due date for submitting essays will only be granted in exceptional circumstances (e.g. ill health, bereavement or other circumstances beyond your control). "Pressure of work" whether for full- or part-time students will not be accepted as exceptional circumstances. Students seeking an extension should contact the Coordinator of the Course and should produce a doctor's certificate or other documentary evidence to support their application for extension.

The **Final Exam** aims to assess students' overall understanding of the basic concepts, principles and rules of selected examinable topics lectured in class throughout the entire Course and their application to fact situations. It will consist of compulsory questions, which will be predominantly problem-type. However, there may also be essay-type questions.

Mandatory Course Requirements

The minimum course requirements which you must satisfy in order to earn **TERMS** (the right to sit the final examination or to be assessed for a final grade) are:

1. The completion of the essay
2. Attendance and satisfactory completion of the three tutorial assignments

Terms requirements are set out in the 2005 Calendar.

In order to secure a pass in COML 305 students will be required to obtain a mark of 40% or better in the **Final Exam** and an overall mark of at least 50%.

Grades are awarded as follows:

A+	85% and over	
A	80-84%	
A-	75-79%	
B+	70-74%	
B	65-69%	
B-	60-64%	
C+	55-59%	
C	50-54%	
D	40-49% }	Fail
E	Below 40% }	“

To obtain a grade in the “A” or higher “B” range a student will be expected to have read relevant articles and cases beyond the indicated essential reading and to demonstrate an ability to bring an advanced level of analytical and critical skills to bear on the questions raised.

Communication of Additional Information

This Course Outline is available, along with other information and materials relating to the course, on the university-wide online **Blackboard** system. Every student is expected to have access to the on-line information for this course and all announcements and notices will be posted in the Announcements section of Blackboard. Students who have problems accessing the course online should contact Student Computing Services or the Administrative Coordinator, Marina Dobrovolskaya. Lecture guides/outlines and other course handouts, where possible, will be made available on Blackboard.

General University Policies and Statutes

Students should familiarise themselves with the University's policies and statutes, particularly those regarding assessment and course of study requirements, and formal academic grievance procedures.

Student Conduct and Staff Conduct

The Statute on Student Conduct together with the Policy on Staff Conduct ensure that members of the University community are able to work, learn, study and participate in the academic and social aspects of the University's life in an atmosphere of safety and respect. The Statute on Student Conduct contains information on what conduct is prohibited and what steps can be taken if there is a complaint. For queries about complaint procedures under the Statute on Student Conduct, contact the Facilitator and Disputes Advisor. This Statute is available in the Faculty Student Administration Office or on the website at: www.vuw.ac.nz/policy/StudentConduct.

The policy on Staff Conduct can be found on the VUW website at: www.vuw.ac.nz/policy/StaffConduct.

Academic Grievances

If you have any academic problems with your course you should talk to the tutor or lecturer concerned or, if you are not satisfied with the result of that meeting, see the Head of School or the Associate Dean (Students) of your Faculty. Class representatives are available to assist

you with this process. If, after trying the above channels, you are still unsatisfied, formal grievance procedures can be invoked. These are set out in the Academic Grievances Policy which is published on the VUW website:

www.vuw.ac.nz/policy/AcademicGrievances.

Academic Integrity and Plagiarism

Academic integrity is about honesty – put simply it means **no cheating**. All members of the University community are responsible for upholding academic integrity, which means staff and students are expected to behave honestly, fairly and with respect for others at all times.

Plagiarism is a form of cheating which undermines academic integrity. Plagiarism is **prohibited** at Victoria.

The University defines plagiarism as follows:

Plagiarism is presenting someone else's work as if it were your own, whether you mean to or not.

'Someone else's work' means anything that is not your own idea, even if it is presented in your own style. It includes material from books, journals or any other printed source, the work of other students or staff, information from the Internet, software programmes and other electronic material, designs and ideas. It also includes the organization or structuring of any such material.

Plagiarism is not worth the risk.

Any enrolled student found guilty of plagiarism will be subject to disciplinary procedures under the Statute on Student Conduct (www.vuw.ac.nz/policy/studentconduct) and may be penalized severely. Consequences of being found guilty of plagiarism can include:

- an oral or written warning
- suspension from class or university
- cancellation of your mark for an assessment or a fail grade for the course.

Find out more about plagiarism and how to avoid it, on the University's website at:

www.vuw.ac.nz/home/studying/plagiarism.html.

Students with Disabilities

The University has a policy of reasonable accommodation of the needs of students with disabilities. The policy aims to give students with disabilities an equal opportunity with all other students to demonstrate their abilities. If you have a disability, impairment or chronic medical condition (temporary, permanent or recurring) that may impact on your ability to participate, learn and/or achieve in lectures and tutorials or in meeting the course requirements, then please contact the Course Coordinator as early in the course as possible. Alternatively you may wish to approach a Student Adviser from Disability Support Services to confidentially discuss your individual needs and the options and support that are available. Disability Support Services are located on Level 1, Robert Stout Building, or phoning 463-6070, email: disability@vuw.ac.nz. The name of your School's Disability Liaison Person can be obtained from the Administrative Assistant or the School Prospectus.

Student Support

Staff at Victoria want students' learning experiences at the University to be positive. If your academic progress is causing you concern, please contact the relevant Course Co-ordinator, or Associate Dean who will either help you directly or put you in contact with someone who can.

The Student Services Group is also available to provide a variety of support and services. Find out more at www.vuw.ac.nz/st_services/ or email student-services@vuw.ac.nz.

VUWSA employs two Education Coordinators who deal with academic problems and provide support, advice and advocacy services, as well as organising class representatives and faculty delegates. The Education Office is located on the ground floor, Student Union Building, phone 463 6983 or 463 6984, email education@vuwsa.org.nz.

TUTORIAL SIGN-UP

To sign up for your “Course” tutorial you need to follow the instructions below. Please note that the [Blackboard](#) login procedure has changed. To login to [Blackboard](#) you must use your Victoria University student domain (SCS) user name and password.

1. To sign up select the ‘Discussion Board’ button on the left hand side of the screen.
2. Click on ‘Tutorial Sign-up’, which will open a list of tutorial times. Click on the tutorial time of your choice. To register your name for this tutorial you must then click on the ‘Reply’ button at the bottom of the page.
3. Place an ‘x’ in the message box which is below subject and click on ‘submit’ at the bottom of the page. You have now registered for this tutorial. Your name should appear under the tutorial of your choice. Please remember only 16 students per tutorial are accepted. Count the number of names under the tutorial to ensure that there are no more than 16 names.
4. If you need to change your tutorial group, please remove your name from the first tutorial you signed up for .To do this, follow steps 1-3. Select ‘Tutorial Sign-up’ and double click on the tutorial time beside your name. Click the ‘remove’ button, followed by OK. You can now choose a different tutorial time by following steps 3 and 4.
5. Any student who signs up more than once may either be placed into their last requested tutorial or they may have their name deleted from all multiple sign-ups.
6. Any student who has signed up after a tutorial group has been filled will be placed into the next available tutorial group according to availability.

Course Programme Part 1

Lecturer	Week	Lecture	Topic	Due Dates	Tutorial
Alan Cameron	1	21, February 23 February 24 February	<u>Course administration & introduction</u> <u>Introduction</u> : the Commercial Institution of Contract and Contract Law <u>Introduction</u> Contractual Concepts	Essay topic handed out:	
Alan Cameron	2	28 February 2 March 3 March	<u>Formation of the Contract</u> : agreement <u>Formation of the Contract</u> : consideration <u>Formation of the Contract</u> intention to create legal relations;	Tutorial One handed out: Monday 28 February	
Alan Cameron	3	7 March, 9 March 10 March	<u>Content of the Contract</u> : terms - parole evidence rule – types <u>Content of the Contract</u> : terms – implied <u>Content of the Contract</u> : limiting/excluding terms		Tutorial One: Lecture topics Weeks 1&2
Alan Cameron	4	14 March, 16 March 17 March	<u>Content of Contract</u> : limiting/excluding terms <u>Content of Contract</u> : interpretation <u>Content of Contract</u> : interpretation		
Alan Cameron	5	21 March, 23 March 24 March	<u>Incapacity Minors Contract Act</u> <u>Unenforceable Contracts</u> : Contracts Enforcement Act 1956 <u>Unenforceable Contracts</u> : Contracts Enforcement Act 1956	Tutorial Two handed out: Monday 21 March	
		28 March – 8 April	MID-TRIMESTER BREAK		

Course Programme Part 2

Lecturer	Week	Lecture	Topic	Due Dates	Tutorial
Palitha De Silva	6	11 April 13 April 14 April	<u>Factors Vitiating Contract</u> : unfair dealing: duress, <u>Factors Vitiating Contract</u> : unfair dealing:, undue influence <u>Factors Vitiating Contract</u> : unfair dealing: unconscionable bargaining		Tutorial Two: Lecture topics Weeks 3-5
Palitha De Silva	7	18 April, 20 April 21 April	<u>Factors Vitiating Contract</u> : mistake <u>Factors Vitiating Contract</u> : mistake <u>Factors Vitiating Contract</u> : mistake	Essay due Thursday 21 April 5 pm	
Alan Cameron	8	27 April 28 April	<u>Factors Vitiating Contract</u> : contracts against public policy <u>Factors Vitiating Contract</u> : contracts against public policy	Tutorial Three handed out: Monday 27 April	
Palitha De Silva	9	2 May 4 May 5 May	<u>Factors Vitiating Contract</u> misrepresentation <u>Factors Vitiating Contract</u> misrepresentation <u>Factors Vitiating Contract</u> misrepresentation		Tutorial Three: Lecture topics Weeks 6-8
Palitha De Silva	10	9 May 11 May 12 May	<u>Termination of Contract</u> : by agreement; by frustration <u>Termination of Contract</u> : by frustration <u>Termination of Contract</u> : by frustration	Tutorial Four handed out: Monday 9 May	
Palitha De Silva	11	16 May 18 May. 19 May	<u>Termination of Contract</u> : by cancellation <u>Termination of Contract</u> : by cancellation <u>Termination of Contract</u> : by cancellation		Tutorial Four: Lecture topics Weeks 9-10
Palitha De Silva	12	23 May 25 May 26 May,	<u>Contractual Remedies</u> : damages; equitable relief <u>Contractual Remedies</u> : damages; equitable relief <u>Contractual Remedies</u> : damages; equitable relief		