



SCHOOL OF ACCOUNTING & COMMERCIAL LAW
COML 305 LAW OF CONTRACTUAL OBLIGATIONS

Trimester One 2007

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: Wednesday 2-4pm & by email appointment.

Mr Palitha De Silva

Room RH 611

Phone number: (04) 463 6960

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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

Tuesday, Thursday 11.30 am-12.20 pm, Wednesday 12.40-13.30 pm in RH LT2

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.

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

Programme:

1. Introduction: The Institutions of Contract and Contract Law (27, 28 Feb, 1 March)
2. Formation of Contract (6,7,8 March)
3. Content of the Contract: Terms (13,14,15, March)
4. Content of the Contract: Interpretation (20,21,22 March)
5. Incapacity & Unenforceable Contracts (27,28,29 March)
6. Contracts against Public Policy (3,4 April)
7. Unfair Contracts (24,26 April)
8. Mistake in the Formation of Contracts (1,2,3 May)
9. Misrepresentation in the Formation of Contracts (8,9,10 May)
10. Termination of Contracts: Agreement- Frustration (15,16,17 May)
11. Remedies: Cancellation & Damages (22,23,24 May)
12. Remedies: Equitable & Restitutionary (29,30, 31 May)

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**.

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 an assignment 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

Course Materials/Readings (2 vols)

Students can purchase the first set of COML 305 Course Materials from the Victoria Book Centre in Rutherford House at the Pipitea Campus. The second volume will become available during the course prior to the re-commencement of lectures after the mid-trimester break.

Legislation

The Course Materials contain copies of statutes required for the Course. However those who wish to have a bound set can purchase CCH *Introduction to New Zealand Commercial Legislation* 2007. CCH *Contract and Commercial Legislation* 2007 contains in addition legislation relevant to COML 301 (Special Contracts) for those who are taking, or who may wish to take that Course. Legislation can also be accessed on line from the government legislation website: <http://www.legislation.govt.nz/>

Required Text:

Chetwin, Graw, Tiong, *An Introduction to the Law of Contract in New Zealand*, Thomson/Brookers 2006

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.

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 next to the lifts on Floor 7.

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. Bi-lingual dictionaries may be used, but not English dictionaries. Electronic dictionaries are not permitted.

Assessment Requirements

Assessment 1: Terms Test 5 April, Venue: TBA 20%

Assessment 2: A 1500-Word Assignment (assignment requirements including topic will be handed out in second week of course) (Due 4.30pm 10 May) - 20%

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

The **Terms Test** aims to assess the students' understanding of the basic concepts, principles and rules of selected topics lectured in class and covered in tutorials.

The **Assignment** 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 **Assignment Instructions and Guide** which will be included with the handout containing the Assignment 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 the assignment 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 and covered in tutorials throughout the entire Course and their application to fact situations. It will consist of compulsory questions, which will be both short essay and problem-type.

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. Completion of the assignment
- 2. Attendance at, and participation in, six out of eight tutorial sessions
- 3. Sitting the Terms test

Terms requirements are set out in the 2007 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.

Tutorial Programme

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.

An eight-week tutorial programme commences in the third week of the course (12 March – see “**Course Programme**” below for schedule of lectures and tutorials). 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. The emphasis of the tutorials is on depth rather than breadth of knowledge. All members of a tutorial group are expected to adequately prepare for each tutorial session so that they are able to: 1. lead tutorial discussion on topics assigned if called upon to do so in full class or break-out groups; 2. adequately participate in break-out groups within a tutorial; 3. provide answers to questions from the tutor that demonstrate adequate preparation of the tutorial questions and exercises. Tutorials are important for assessments because the questions and exercises in the tutorial programme are used as the basis of questions in both the terms test and final exam.

Tutors will explain at the first tutorial how the tutorial programme will be run. See below “**TUTORIAL SIGN-UP**” for sign-up instructions.

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.

Faculty of Commerce and Administration Offices

Railway West Wing (RWW) - FCA Student and Academic Services Office

The Faculty’s Student and Academic Services Office is located on the ground and first floors of the Railway West Wing. The ground floor counter is the first point of contact for general enquiries and FCA forms. Student Administration Advisers are available to discuss course status and give further advice about FCA qualifications. To check for opening hours call the Student and Academic Services Office on (04) 463 5376.

Easterfield (EA) - FCA/Education/Law Kelburn Office

The Kelburn Campus Office for the Faculties of Commerce and Administration, Education and Law is situated in the Easterfield Building - it includes the ground floor reception desk (EA005) and offices 125a to 131 (Level 1). The office is available for the following:

- Duty tutors for student contact and advice.
- Information concerning administrative and academic matters.
- Forms for FCA Student and Academic Services (e.g. application for academic transcripts, requests for degree audit, COP requests).
- Examinations-related information during the examination period.

To check for opening hours call the Student and Academic Services Office on (04) 463 5376.

General University Policies and Statutes

Students should familiarise themselves with the University's policies and statutes, particularly the Assessment Statute, the Personal Courses of Study Statute, the Statute on Student Conduct and any statutes relating to the particular qualifications being studied; see the Victoria University Calendar or go to www.vuw.ac.nz/policy.

For information on the following topics, go to the Faculty's website www.vuw.ac.nz/fca under Important Information for Students:

- Academic Grievances
- Academic Integrity and Plagiarism
- Student and Staff Conduct
- Meeting the Needs of Students with Impairments
- Student Support

Manaaki Pihipihinga Programme

Manaaki Pihipihinga is an academic mentoring programme for undergraduate Māori and Pacific students in the Faculties of Commerce and Administration, and Humanities and Social Sciences. Sessions are held at the Kelburn and Pipitea Campuses in the Mentoring Rooms, 14 Kelburn Parade (back courtyard), Room 109D, and Room 210, Level 2, Railway West Wing. There is also a Pacific Support Coordinator who assists Pacific students by linking them to the services and support they need while studying at Victoria. Another feature of the programme is a support network for Postgraduate students with links to Postgraduate workshops and activities around Campus.

For further information, or to register with the programme, email manaaki-pihipihinga-programme@vuw.ac.nz or phone (04) 463 5233 ext. 8977. To contact the Pacific Support Coordinator, email pacific-support-coord@vuw.ac.nz or phone (04) 463 5842.

TUTORIAL SIGN-UP

Detailed Tutorial Signup Instructions

1. Go to the signup website at: <https://signups.vuw.ac.nz>
2. Enter your SCS username and password to login the system.
3. The “Signup Home” page opens. It displays all courses you are enrolled for and that use the S-Cubed Tutorial & Workshop Signup system. Click on the course you wish to sign up for.
4. The selected course page opens. It will show the course contact and brief details of the signup instructions. A “key” is provided at the bottom that explains all buttons and what they do.
5. The schedule of tutorials includes the day/time, location, maximum group size, and spaces left in the tutorial sessions.
6. If there are spaces left in a particular session, you will see the “ENROL” button next to it. You can click this button to enrol yourself into that tutorial session.
7. If there are NO more spaces left in a particular session, you will see the “JOIN WAITLIST” button, if available. You can click this button to join the waitlist for that tutorial session. Please note that you will be removed from any other waitlist you may have joined earlier. If somebody withdraws from this session, you will automatically be moved up the waitlist or enrolled into the session. In this case you are enrolled in the session; an email will be sent to you if you are enrolled into the session from a waitlist.
8. You can only “JOIN WAITLIST” if you have already enrolled in one of the other available sessions. In other words, “ENROL” in one session and then you can choose to join the waitlist for another preferred session.
9. You can choose to “WITHDRAW” from a session you have already enrolled for. You can also choose to “CANCEL WAITLIST” to remove yourself from a particular waitlist.
10. A “FULL” button indicates all seats and waitlist are full for that tutorial session. You must choose another session.
11. More details on the various buttons are available in the “Key” section at the bottom of the signup page.
12. You should “ENROL” in only ONE tutorial session and may “JOIN WAITLIST” for only ONE other tutorial session.
13. You can login and signup (or change your signup) anytime before the **closing date of the tutorial signup. You will NOT be able to sign up or change your choice after the tutorial signups have closed.**
14. You can view/confirm details of the sessions you are enrolled and waitlisted for, such as day/time and location by clicking on “My Signups” on the left hand menu.
15. Click on “Support” on the left hand menu if you are having problems.

This online signup system is available around the clock over the internet. Any requests after this date will need to be manually handled by the course administrator. You will need to submit a written application stating the reason why you were not able to sign up on time using the online system, along with other relevant documentation such as medical certificate etc.

Finally, **you must always attend the tutorial sessions that you have signed up for.** If you attend a different session, your attendance may not be recorded.

Course Programme Part 1

Lecturer	Week	Lecture	Topic	Due Dates	Tutorial
Alan Cameron	1	27 February 28 February 1 March	<u>Course administration & introduction</u> <u>Introduction</u> : The Institutions of Contract and Contract Law <u>Introduction</u> Contractual Concepts and Theory		
Alan Cameron	2	6 March 7 March 8 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 1 Handout Assignment Topic:	
Alan Cameron	3	13 March, 14 March 15 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 2 Handout	Tutorial One: Formation
Alan Cameron	4	20 March, 21 March 22 March	<u>Content of Contract</u> : limiting/excluding terms <u>Content of Contract</u> : interpretation <u>Content of Contract</u> : interpretation	Tutorial 3 Handout	Tutorial Two: Implied terms
Alan Cameron	5	27 March, 28 March 29 March	<u>Incapacity Minors Contract Act</u> <u>Unenforceable Contracts</u> : Contracts Enforcement Act 1956 <u>Unenforceable Contracts</u> : Contracts Enforcement Act 1956	Tutorial 4 Handout	Tutorial Three: Interpretation
Alan Cameron	6	3 April 4 April 5 April	<u>Factors Vitiating Contract</u> : contracts against public policy <u>Factors Vitiating Contract</u> : contracts against public policy <u>Terms Test</u>	5 April Terms Test	NO Tutorial – Test Revision
		6 – 22 April	MID-TRIMESTER BREAK		

Course Programme Part 2

Lecturer	Week	Lecture	Topic	Due Dates	Tutorial
Palitha De Silva	7	24 April, 26 April	<u>Factors Vitiating Contract</u> : unfair dealing: duress, <u>Factors Vitiating Contract</u> : unfair dealing:, undue influence		
Palitha De Silva	8	1 May 2 May 3 May	<u>Factors Vitiating Contract</u> : mistake <u>Factors Vitiating Contract</u> : mistake <u>Factors Vitiating Contract</u> : mistake		Tutorial Four: Contracts Enforcement Act
Palitha De Silva	9	8 May 9 May 10 May	<u>Factors Vitiating Contract</u> misrepresentation <u>Factors Vitiating Contract</u> misrepresentation <u>Factors Vitiating Contract</u> misrepresentation	Thurs 10 May Assignment Due	Tutorial Five
Palitha De Silva	10	15 May 16 May 17 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 Six
Palitha De Silva	11	22 May 23 May. 24 May	<u>Termination of Contract</u> : by cancellation <u>Termination of Contract</u> : by cancellation <u>Termination of Contract</u> : by cancellation		Tutorial Seven
Palitha De Silva	12	29 May 30 May 31 May	<u>Contractual Remedies</u> : damages; equitable relief <u>Contractual Remedies</u> : damages; equitable relief <u>Contractual Remedies</u> : damages; equitable relief		Tutorial Eight Revision