

**FACULTY OF LAW, UNIVERSITY OF VICTORIA  
2011-12 COURSE REGISTRATION – PRELIMINARY COURSE INFORMATION<sup>1</sup>**

<b>COURSE</b>	Law 316 Secured Transactions and Negotiable Instruments
<b>UNIT VALUE</b>	2.0 Units (4 hours of instruction per week)
<b>INSTRUCTOR</b>	Mary Anne Waldron
<b>TERM OFFERED</b>	Fall 2011
<b>CLASS TIMES</b>	See schedule
<b>PREREQUISITES/CO-REQUISITES</b>	None

## **COURSE DESCRIPTION**

This introductory course is about consensual transactions between a debtor and secured party (creditor). Non-consensual transactions are generally, but not always excluded by the applicable Acts.

The transaction involves a creditor granting a debtor a loan, other monetary transaction or some other value. Creditors usually require the debtor to give them a security interest in some form of personal property or fixtures held by the debtor. After the debtor grants a security interest in her personal property or fixtures, those items become collateral that the secured party uses to secure payment. Subject to the Acts and the contract between the secured party and the debtor, the secured party obtains certain rights in the collateral even though title and possession may remain with the debtor.

Although this area of the law arises from the common law, Parliament and all Legislatures have enacted legislative schemes that govern these commercial and consumer transactions. In British Columbia, the British Columbia Personal Property Security Act (PPSA) governs items such as the different kinds of security interests, creation, registration, priorities, and rights and remedies on default. Most of the class time will be spent on the PPSA. At the end of the course, there will be a brief introduction to a federal statute that regulates security interests in personal property and fixtures; the Bank Act (S.C. 1991, c. 46).

The focus of the course will be on commercial rather than on consumer transactions.

## **COURSE OBJECTIVES**

At the end of the course, students should have a basic understanding of security devices provided for in the PPSA and the Bank Act and should be able to apply the provisions of these Acts to common fact-situation based problems. More particularly, students should understand the common vehicles of commercial lending, the creation of commercial security interests, the priority structure for competing security interests, the basic rules relating to the realization of these securities and some of the theory underlying their creation and use. Although the focus of this course is on commercial lending, students will gain some understanding of consumer transactions as set out in the PPSA.

## **EXPECTED EVALUATION METHODOLOGY**

1. Write an open book examination worth 100% of the final grade; or
2. Completion of one or two optional assignments for 20% of the final grade each and an examination for 80% or 60% of the final grade (depending upon whether one or both assignments is completed).

*March 18, 2011*

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<sup>1</sup> The information in this document is provided for course registration purposes only and is **subject to change**. More detailed course information about course content and evaluation will be provided upon the commencement of the course. Students seeking additional information about the course prior to its commencement may contact the instructor or, if no instructor is listed, the Manager of Academic Administration and Student Services ([lasmaass@uvic.ca](mailto:lasmaass@uvic.ca))

