

LAW 316
SECURED TRANSACTIONS
Spring 2010

SYLLABUS

Required Materials and Abbreviations

ACT (A): Personal Property Security Act. Note, A-12 refers to section 12.

REGULATION (R): Personal Property Security Regulation. Note, R-9 refers to section 9.

MATERIALS (M): Teaching Materials for Secured Transactions by Bruce MacDougall.

WEBSITE (W): Documents posted on course website:

<http://www.law.uvic.ca/hraven/316/index.html>

PROBLEM SET (PS): Problem Sets 1-6 (posted on the course website) are available for you to self-test your understanding of the course content. The solutions will not be taken up in class.

INTRODUCTION AND HISTORY

M - pages 1-2

THE PPSA

PART I: SCOPE OF THE ACT

A - 1(1) Defs. of Collateral, Security Interest and Commercial Consignment
- 2/3/1(3)/4

M - pages 3, 35

- Skybridge Holdings v. British Columbia
- Newcourt Financial Ltd. v. Frizzell
- Re Toyerama
- Furmanek v. Community Development

W - What's In the PPSA and What's Not Chart

- Classification of Collateral Chart

PS#1 - All questions

PART II: ATTACHMENT AND PERFECTION

A. CREATION OF THE SECURITY INTEREST

1. The Security Agreement
 - A – 1(1) Def. of Security Agreement
 - 9/10
 - M - pages 36-38
2. Collateral
 - A – 1(1) Defs. of Consumer Goods, Equipment, Goods, and Inventory
 - W - Classification of Collateral Chart
3. Attachment
 - a. The Concept
 - A – 1(1) Def. of Value
 - (4)/12(1-3)
 - M – page 39
 - Re Huxley Catering Limited
 - Toronto Dominion Bank v. Nova Entertainment Inc.
 - b. Rights in Collateral
 - M - page 50
 - Kinetics Technology v. Fourth National Bank of Tulsa
 - Haibeck v. No. 40 Taurus Ventures Ltd.

PS #2 - questions 1 & 2

PS #3 - questions 1 & 3

B. PERFECTION

1. The Concept of Perfection
 - M - page 57
2. Perfection by Registration
 - A - 1(1) - Def. of Financing Statement
 - 19/25
 - R- 1(1) - Def. of Serial Numbered Goods
 - 4/7/8/9/11
 - M - page 58

PS#2 - questions 3 & 4

PS#3 - questions 4 & 6

3. Registration Errors
 - A - 43
 - M - page 62
 - Re Munro
 - Coates v. General Motors Acceptance Corp. of Canada
 - Gold Key Pontiac Buick (1984) Ltd. v. 464750 B.C. Ltd.
 - Re UF Media Inc.

4. Perfection by Possession
 - A - 1(1) - Defs of Chattel Paper Instrument and Security
 - 24/17/56(3)
 - M - page 100
 - Re Bank of Nova Scotia and Royal Bank of Canada
 - Royal Trust Corp. of Canada v. Number 7 Honda Sales Ltd.

PS#4 - questions 1 & 2

5. Temporary Perfection
 - A - 26
 - M - page 109

C. MULTIPLE JURISDICTION TRANSACTIONS

- A - 1(2)/5/6/7
- M - page 110
 - Juckes v. Holiday Chev Olds
 - Re Searcy
 - Advance Diamond Drilling v. National Bank Leasing

PS#4 - question 3

PART III: PRIORITIES

A. BASIC RULES

1. General Rules
 - a. Residual Priority Rules
 - A - 35(1)-(4)
 - M - pages 118-119
 - Robert Simpson Co. v. Shadlock
 - Ontario Dairy Cow Leasing v. Ontario Milk Marketing Board

- b. Tacking
 - A - 1(1) – Defs. of Advance and Future Advance
 - 14/20(a)/35(5)-(6)
 - M - page 123
 - Royal Bank v. Agricultural Credit Corp.

 - c. Lapses, Discharges of Registration and Two Debtors Situation
 - A - 35(7)-(9)
 - W – Two Debtors – 35(8)

 - d. Unsecured Creditors and the Trustee in Bankruptcy
 - A - 20(b)
 - M - page 133
 - Re Giffen

PS#4 - question 5
2. Proceeds
- a. General
 - A - 1(1) - Def. of Proceeds
 - 28/35(3)
 - R – 9(2)
 - W – Proceeds - Flexi-Coil Chart
 - M - page 141
 - Re CIBC and Marathon Realty
 - Flexi-Coil v. Kindersley District Credit Union

 - b. Tracing
 - A - 1(5)/28(1)(b)
 - W - Tracing Rules Summary
 - Tracing Rules with Arrows Chart
 - M - Re River Industries Ltd.
 - Royal Bank of Canada v. United Used Auto and Truck Parts

PS#5 - questions 1 & 2

B. SPECIAL SITUATIONS

1. Purchase Money Priority
 - A – 1(1) - Def. of Purchase Money Security Interest (PMSI)
 - 34(1)-(2), (4)-(6)/22
 - 22/35(4)/43(5)
 - M - pages 180-181
 - Agricultural Credit Corp. v. Pettyjohn
 - Unisource Canada Inc. v. Laurentian Bank
 - McLeod & Co. v. Price Waterhouse Ltd.

2. Negotiable and Quasi-Negotiable Collateral
 - A - 1(1) - Defs. of Document of Title, Instrument, Money, New Value, Purchase, and Value
 - 31/1(2)
 - 28(2)(c)
 - M - page 194
 - Indian Head Credit Union v. Andrew

3. Accounts
 - A – 1(1) - Defs. of Account and Intangible
 - 41
 - 3(a)/22(1)(b)/34(1)(b),(2),(5),(6)(a)
 - M - page 198
 - Canadian Western Bank v. Gescan

4. Chattel Paper
 - A – 1(1) Def. of Chattel Paper and Specific Goods
 - 41/20(c)
 - 2(b)/3(a)/31(6)
 - M - page 202
 - Commercial Credit Corp. v. National Credit Corp.

5. Returned or Repossessed Goods
 - A – 29
 - 31(6)

6. Fixtures
 - A - 1(1) - Defs. of Fixture and Building Materials
 - 36(1)-(8), (12)
 - W – Fixtures and Accessions Examples
 - M - page 209
 - Gencare Services Ltd. v. Tolpuddle Housing Co-operative
 - GMS Securities and Appraisals Ltd. v. Rich-Wood Kitchens Ltd.

7. Accessions and Processed or Commingled Goods
 - A - 1(1) - Def. of Accessions
 - 38(1)-(5)/39(1)
 - 1(2)/20
 - W – Fixtures and Accessions Examples
 - M - page 226
 - Pratt & Whitney Canada Leasing Inc. v. Ellis Air Inc.

C. TAKING FREE

1. Taking Free by Permission of the Secured Party
 - M - pages 235-236
2. Buyers and Lessees
 - A – 20(c)/30(1)-(8)
 - 20(a)-(b)/28(1)
 - M – page 237
 - Royal Bank v. Wheaton Pontiac
 - Royal Bank v. 216200 Alberta Ltd.

PART IV: DEFAULT AND REMEDIES

A. DEFAULT

1. General
 - M - 1(1) - Def. of Default
 - M - pages 318-320, 337, 340, 359, 361, 369-370, 372
 - Copp v. Medi-Dent Service
 - Donnelly v. International Harvester Credit

END OF PPSA SYLLABUS