

**FACULTY OF LAW, UNIVERSITY OF VICTORIA**  
**2023-24 COURSE REGISTRATION - PRELIMINARY COURSE INFORMATION (PCIS)<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>	Chibueze Ngozi
<b>TERM OFFERED</b>	Fall 2023
<b>CLASS TIMES</b>	See Schedule
<b>PREREQUISITES/COREQUISITE</b>	LAW 105/105I Contracts is a required prerequisite for this course

### **COURSE DESCRIPTION**

This course delves into commercial transactions involving secured parties such as lenders and vendors. It focuses predominantly on secured transactions in personal property, providing a detailed examination of the *Personal Property Security Act* (PPSA). The emphasis of the course will be on commercial transactions rather than consumer transactions.

Secured transactions, as a risk reduction mechanism essential to business operations and corporate financing, involve a creditor granting a debtor a loan or some other value. In turn, debtors typically secure their obligation to repay by providing a security interest in personal property or fixtures. These items subsequently become collateral that the secured party utilizes to ensure payment in case of non-fulfillment of obligations by the debtor. The secured party retains specific rights in the collateral, even as title, use, and possession may reside with the debtor.

This area of law has roots in the common law but is largely governed by legislation schemes enacted by Parliament and provincial legislatures. In particular, the British Columbia PPSA covers various aspects including different kinds of security interests, creation and registration of these interests, conflict of laws, priority rules, rights and remedies upon default, and the rights of secured parties and debtors with respect to enforcement.

A substantial portion of the course will be dedicated to understanding the nature and structuring of secured transactions, and the practical application of the PPSA. If time permits, a brief introduction to security interests in personal property and fixtures as regulated by the *Bank Act* will be provided.

### **COURSE OBJECTIVE**

Upon completing this course, students should have acquired a foundational understanding of the theory and practice of securitization in commercial transactions. More specifically, students will become familiar with security devices used in commercial transactions and the theory underlying their creation and use. This includes gaining knowledge about the common vehicles of commercial lending and understanding the processes of creating, registering, and perfecting commercial security interests.

Furthermore, students will grasp the priority structure for competing security interests, along with the basic rules that relate to the realization of these securities. As a practical objective, students should be equipped to apply the provisions of the Personal Property Security Act (PPSA), other relevant legislation, and case law to common fact-situation based problems or hypothetical scenarios.

Although the primary focus of the course will be on commercial lending, there will be elements covering consumer transactions, thereby providing students with a well-rounded understanding of the topic. Through the lens of the PPSA and consumer protection legislation, students will gain insights into consumer transactions, helping them apply their learning in diverse contexts.

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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, [law.studentservices@uvic.ca](mailto:law.studentservices@uvic.ca).

**TEACHING METHODOLOGY**

This is principally a lecture course, although class participation is very much encouraged. There will also be class discussions to give students the opportunity to critically reflect on the issues surveyed and to apply what they have learned to hypothetical problems. It is anticipated that all materials in this course will be provided digitally and free of charge.

**EXPECTED EVALUATION METHODOLOGY**

- 20% mid-term assignment (problem-based, take-home)
- 80% final exam (3-hour in-person Exam)

*July 2023*