

Course Outline 2017

COMLAW 201: COMMERCIAL CONTRACTS (15 POINTS)

Semester 2 (1175)

Course Prescription

Every business transaction involves a contract. Commercial Contracts examines the general principles of the law of contract regarding negotiation and formation of contracts; interpretation of contractual terms; various events or factors, such as misrepresentation and misleading conduct, undue influence and duress, which may affect the validity or enforceability of a contract; and remedies for breach of contract. It also features certain specific areas of contract law, such as sale of goods contracts, and consumer protection.

Programme and Course Advice

Pre-requisite: COMLAW 101 or 191.

Goals of the Course

Students will have a good understanding of the principles of the law of contracts and be able to apply them to the conclusion, performance and administration of contracts in commercial situations. No less importantly, students can acquire or hone their reasoning, analytical, and problem-solving skills through studying the principles and applying them to practical problems.

Learning Outcomes

By the end of this course it is expected that the student will be able to:

1. Demonstrate an understanding of the legal features of the negotiation and formation of contracts, including offers, invitations to treat, acceptance, auctions, and tenders.
2. Distinguish situations which give rise to legal obligations from those of a social, family or gratuitous nature.
3. Explain the legal nature of consideration and the role that consideration plays in distinguishing contractual promises from moral obligations and gratuitous promises, with particular reference to specific areas of commercial activity such as renegotiated contracts, disputed debts and part payment of debts.
4. Determine and interpret the terms of a contract, including recognising terms implied by the court, terms implied by custom, terms excluding or limiting liability, and the scope of obligations either provided for by the parties or imposed by legislation such as the Consumer Guarantees Act 1993 or implied by the Contract and Commercial Law Act 2017 for sale of goods.
5. Explain and apply the law on unfair contract terms.
6. Recognise the liabilities arising from pre-contractual misrepresentations and misleading conduct.

7. Analyse and explain the role that consent plays in assuming contractual obligations with particular reference to undue influence on a contracting party and duress particularly economic duress.
8. Assess the remedies available to the innocent party on breach of contract including cancellation, damages, and liquidated damages.

Content Outline

Week 1	Introduction to Contract Law
Week 2	Agreement: Offer and Acceptance
Week 3	Agreement: Auctions, Tenders and Unilateral Contracts
Week 4	Contractual Intention and Consideration
Week 5	Consideration
Week 6	Certainty and Completeness of Terms
Week 7	Implied Terms and the Sale of Goods
Week 8	The Consumer Guarantees Act 1993 and Unfair Contract Terms
Week 9	Misrepresentation and the Fair Trading Act 1986
Week 10	Duress and Undue Influence
Week 11	Remedies for breach of contract and damages
Week 12	Cancellation for breach of contract and misrepresentations

Learning and Teaching

There are three one-hour **lectures** per week, taught on the City Campus. The class size is over 300 students. The lectures are formally presented by staff active in research. There are also workshops to help students revise and consolidate concepts, and provide problem-solving techniques. There are 6 one-hour long **tutorials** (up to 16 people per group) worth 6% in the final grade. Tutorials are held in an informal setting to give students the opportunity to discuss pre-advised questions with their peers and tutor. Students must come fully prepared for these tutorials and are expected to participate in class discussions. Marks will be awarded, at the tutor's discretion, based on the quality of the individual student's contribution and level of preparation for all six tutorials. Additionally students must participate fully in preparing and marking three assignments which are peer assessed under the online **AROPA** system. These assignments will be worth 9% of the final grade.

Teaching Staff

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Learning Resources

Set Textbook:

J W Carter and John Ren, *Carter's Guide to New Zealand Contract Law* (2016, LexisNexis)

Recommended text:

Burrows, Finn & Todd, Law of Contract in New Zealand (5th edition, 2015 LexisNexis Butterworths)

These textbooks are available at the Davis Law Library and the Kate Edgar Information Commons (Level 1)

Assessment

Test: Assessment of learning outcomes 1, 2 and 3 25%

Tutorials and online assessment (AROPA) 15%

Final Exam (2 hours) 60%

Total 100%

Further details on these assessments will be provided in the course book and at our first lecture. The broad relationship between these assessments and the course learning outcomes is as follows:

Learning Outcome	Test (25%)	Tutorial and AROPA participation (15%)	Final Exam (60%)
1	X	X	
2	X	X	
3	X	X	X
4		X	X
5		X	X
6		X	X
7		X	X
8		X	X

There is no plussage for this course. The test and exam are closed-book. **You must score a minimum of 50% overall AND a minimum of 40% in the exam in order to pass the course.**

Inclusive Learning

Students are urged to discuss privately any impairment-related requirements face- to-face and/or in written form with the course director/course co-ordinator/lecturer and/or tutor.

Student Feedback

This semester you will be invited to evaluate some of the staff teaching on the course. Your feedback helps us to fine-tune the course and improve teaching methodology.