



The University of Southern Queensland

Course specification

Description: Corporate Governance Law						
Subject	Cat-nbr	Class	Term	Mode	Units	Campus
LAW	8105	55090	2, 2006	EXT	1.00	Toowoomba

Academic group:	FOBUS
Academic org:	FOB010
Student contribution band:	3
ASCED code:	090901

STAFFING

Examiner: Mark Byrne
Moderator: James Mayanja

RATIONALE

High profile corporate collapses, poor returns for investors in public companies and public debates over the remuneration of corporate officers have all served to highlight again the issues surrounding the performance of company managers. Either through superannuation or personally, more and more Australians have a vested interest in the success of corporate Australia. It seems, however, that there is disillusionment in the way in which the companies are managed. Government, corporate authorities and professional bodies around the world have been dealing with the question of what is good corporate governance. There is now a plethora of research and publications on this topic which is fuelling the debate. The purpose of this course is, firstly, to provide a sound foundation to the relevant legal principles and then to review the current debate with a critical eye.

SYNOPSIS

The major purpose of this course is to provide specialist instruction on the legal processes, responsibilities and potential liabilities affecting corporate officers. The material will refer in detail to the legal framework and describe the current law on these topics. Particular attention will be given to the decisions that are resulting from the recent corporate collapses. It will, however, seek to go beyond the black and white descriptions of the law to examine the decision making process within a corporate entity and the underlying principles that promote good corporate governance. Part of the course, for example, will consider the role of ethics in corporate practices. Given the recent legislative and professional/commercial focus on this area the course will also address the question of what is "best practice" for corporate officers. In this regard reference will be made not only to the current ASX listing rules but also a myriad of publications from professional bodies and others on this topic.

OBJECTIVES

The course objectives define the student learning outcomes for a course. The assessment item(s) that may be used to assess student achievement of an objective are shown in parentheses after each objective. On successful completion of this course, students should be able to:

1. identify all the parties who may be considered to be officers for the purposes of the Corporations Act and how those parties may be appointed, removed, and operate within the corporation (Assignment, Examination)
2. locate where the power and authority of corporate officers is sourced, either in the Corporations Act or in the company's constitution, and how this may be altered (Assignment, Examination)
3. apply all legal principles affecting the potential liability of corporate officers to any potential plaintiff, including the company, shareholders, creditors, government authorities and others (Assignment, Examination)
4. examine the possibilities that an officer has in terms of being insured, indemnified or obtaining relief from liability and whether or not those options will apply to particular circumstances (Examination)
5. compare the extent to which ethical theories and conduct are consistent with legal expectations of corporate governance (Examination)
6. explain what is necessary to ensure compliance with the ASX listing rules on corporate governance (Examination)
7. critique the current research and publications proposing best practice principles for corporate officers (Examination).

TOPICS

Description	Weighting (%)
1. Definitions and procedural issues affecting corporate officers	10.00
2. The division of power	10.00
2.1. The power base of the board	
2.2. The authority of individual officers	
3. Duties and liabilities to the company	30.00
3.1. Good faith and integrity	
3.2. Care and competency	
4. Potential liabilities to external parties	20.00
5. Insurance, exoneration, indemnification and relief from liability	5.00
6. Corporate governance and ethics	10.00
7. Best practice	15.00
7.1. ASX listing rules	
7.2. Professional contributions	

TEXT and MATERIALS required to be PURCHASED or ACCESSED

ALL textbooks and materials are available for purchase from USQ BOOKSHOP (unless otherwise stated). Orders may be placed via secure internet, free fax 1800642453, phone 07 46312742 (within Australia), or mail. Overseas students should fax +61 7 46311743, or phone +61 7 46312742. For costs, further details, and internet ordering, use the 'Textbook Search' facility at <http://bookshop.usq.edu.au> click 'Semester', then enter your 'Course Code' (no spaces).

2005, *Australian corporations legislation*, LexisNexis Butterworths, Chatswood, New South Wales.

Ford, HAJ, Austin, RP & Ramsay, IM *Ford's principles of corporations law*, Butterworths, (latest edition of the text is required)

REFERENCE MATERIALS

Reference materials are materials that, if accessed by students, may improve their knowledge and understanding of the material in the course and enrich their learning experience.

STUDENT WORKLOAD REQUIREMENTS

ACTIVITY	HOURS
Assessment	30.00
Directed Study	52.00
Private Study	83.00

ASSESSMENT DETAILS

Description	Marks out of	Wtg(%)	Due date
ASSIGNMENT	30.00	30.00	06 Oct 2006 (see note 1)
2 HOUR EXAMINATION	70.00	70.00	END S2

NOTES

1. The examination is scheduled to be held in the end-of-semester examination period. Students will be advised of the official examination date after the timetable has been finalised.

IMPORTANT ASSESSMENT INFORMATION

- 1 Attendance requirements:
If you are an international student in Australia, you are advised to attend all classes at your campus. For all other students, there are no attendance requirements for this course. However, it is the students' responsibility to study all material provided to them or required to be accessed by them to maximise their chance of meeting the objectives of the course and to be informed of course-related activities and administration.
- 2 Requirements for students to complete each assessment item satisfactorily:
To satisfactorily complete an individual assessment item a student must achieve at least 50% of the marks. (Depending upon the requirements in Statement 4 below, students

may not have to satisfactorily complete each assessment item to receive a passing grade in this course.)

- 3 Penalties for late submission of required work:
If students submit assignments after the due date without prior approval then a penalty of 20% of the total marks available for the assignment will apply for each working day late.
- 4 Requirements for student to be awarded a passing grade in the course:
To be assured of receiving a passing grade a student must make a reasonable attempt in all of the weighted assessment items, achieve at least 50% in the examination, and at least 50% of the total weighted marks available for the course.
- 5 Method used to combine assessment results to attain final grade:
The final grades for students will be assigned on the basis of the aggregate of the weighted marks obtained for each of the summative assessment items in the course.
- 6 Examination information:
This will be an open examination. Candidates may have access to any material during the examination except the following: electronic communication devices (eg mobile phones, pagers), bulky materials, devices requiring mains power and material likely to disturb other students.
- 7 Examination period when Deferred/Supplementary examinations will be held:
Any Deferred or Supplementary examinations for this course will be held during the next examination period.
- 8 University Regulations:
Students should read USQ Regulations 5.1 Definitions, 5.6. Assessment, and 5.10 Academic Misconduct for further information and to avoid actions which might contravene University Regulations. These regulations can be found at the URL <http://www.usq.edu.au/corporateservices/calendar/part5.htm>. Students should also read the Faculty of Business Guide to Policies and Procedures of the Faculty which can be found at the URL <http://www.usq.edu.au/handbook/current/buspolproc.html>.

ASSESSMENT NOTES

- 1 Assignments: (i) The due date for an assignment is the date by which a student must despatch the assignment to the USQ. The onus is on the student to provide proof of the despatch date, if requested by the Examiner. (ii) Students must retain a copy of each assignment submitted for assessment. This must be produced within 24 hours if required by the Examiner. (iii) The Examiner may grant an extension of the due date of an assignment in extenuating circumstances. If students submit assignments after the due date and wish to claim extenuating circumstances then they shall provide validated documentary evidence with the assignment, explaining the circumstances. The Examiner shall consider the statement accompanying a late assignment and decide on the outcome. (iv) Assignments are to be submitted in the appropriate assignment folders. (v) The Examiner will normally only accept assessments that have been written, typed or printed on paper-based media. (vi) The Examiner will not accept submission of assignments by facsimile. (vii) Students who do not have regular access to postal services or who are otherwise disadvantaged by these regulations may be given special consideration. They should contact the Examiner to negotiate such special arrangements. (viii) In the event that a due date for an assignment falls on a local public holiday in their area, such as a Show holiday, the due date for the assignment will be the next day. Students are to note on the assignment cover the date of the public holiday for the Examiner's convenience.

- 2 Course weightings: Course weightings of topics should not be interpreted as applying to the number of marks allocated to questions testing those topics in an examination paper. The examination may test material already tested in assignments.
- 3 Dishonest actions: (i) Any student who is alleged to have performed a dishonest action relating to any assessment in the course will have a course of action taken against him/her as outlined in the Academic Regulations. (ii) Pieces of assessment should be the work of individual students. Joint pieces of assessment are not permitted unless written approval has been obtained from the Examiner. (iii) Dishonest action in relation to assessment includes: copying or attempting to copy the work of others; use of or attempting to use information prohibited from use in that form of assessment; submitting the work of another as your own; consciously committing acts of plagiarism, that is, taking and using another's thoughts or writings as one's own with intent to deceive, which occurs when paragraphs, sentences, a single sentence or significant parts of a sentence which are copied directly, are not enclosed in quotation marks and appropriately footnoted or referenced in the text; direct quotations are not used, but text is paraphrased or summarised, and the source of the material is not acknowledged by footnoting or other reference in the text.
- 4 Deferred work: Students who, for medical, family/personal, or employment-related reasons, are unable to complete an assignment or to sit for an examination at the scheduled time may apply to defer an assessment in a course. Such a request must be accompanied by appropriate supporting documentation. One of the following temporary grades may be awarded: IDS (Incomplete - Deferred Examination); IDM (Incomplete Deferred Make-up); IDB (Incomplete - Both Deferred Examination and Deferred Make-up).

OTHER REQUIREMENTS

- 1 Learning resources: Prescribed texts and materials (see above); recommended reference materials (see above); printed Introductory Book, Study Book/s, and Book/s of Selected Readings; and course Website accessible via USQConnect.
 - 2 E-mail and Internet Access: Students will require access to e-mail and the Internet for this course.
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