

# Duties of Officers and Directors

Course outline

## Acknowledgements

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# Course Outline

The adequacy of corporate governance regulation and practices continues to be the subject of much public comment and debate by politicians, corporate regulators, business leaders, institutional investors, governance professionals, industry associations and the media.

Typically, the board of directors of a company has the ultimate responsibility for establishing and maintaining sound and effective corporate governance practices within the company. Directors and other company officers must have a clear understanding of their roles and responsibilities and the steps that they should take to comply with their duties.

Corporate governance decisions must be made within the context of:

- greater regulatory and public scrutiny of companies' corporate governance systems and practices, through enhanced disclosure requirements
- more frequent and visible enforcement of the legal duties of directors and other officers, including senior management.

Important issues to consider include:

- personal liability of directors for corporate fault
- the protection afforded to directors and officers under directors and officers (D&O) insurance cover.

The Australian Securities and Investments Commission (ASIC), the Australian Securities Exchange (ASX), the Australian Prudential Regulation Authority (APRA), the Australian Charities and Not-for-profits Commission (ACNC) and various educational and industry associations provide guidelines for corporate governance good practice.

The aim of this course is to provide a practical guide to the steps that directors and officers should take to assist them to comply with their legal duties.

The key objectives are to:

- examine the duties and responsibilities of directors and officers
- explore case studies and examples of breaches of directors' and officers' duties
- highlight 'danger' areas and common pitfalls
- outline the potential consequences of breaching directors' and officers' duties and ways to be indemnified or insured against the risk of personal liability.

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