

LAW00004 — Company Law

Assessment Details: Research Assignment

Session 2 2015

Due:	18th August 2015
Length:	2,400 words
Weighting:	50%
Submission method:	turnitin

Topic*

The assignment statement is as follows:

“Directors in whom are vested the right and the duty of deciding where the company’s interests lie and how they are to be served may be concerned with a wide range of practical considerations, and their judgment, if exercised in good faith and not for irrelevant purposes, is not open to review in the courts.”¹

Required

With reference to the above statement, case law and the Corporations legislation discuss the following:

- (a) What does the term ‘good faith for a proper purpose’ mean as it is used in the *Corporations Act 2001 (Cth)*?
- (b) In your answer give three examples from the provisions of the *Corporations Act 2001 (Cth)* and discuss how these provisions demonstrate the role of the term ‘good faith for a proper purpose’ as a corporate governance mechanism.

Total (50 marks)

* Please ensure you read and understand the material on pages 7 – 10 of the Unit Information Guide regarding the Assessment.

¹ *Harlowe’s Nominees Pty Ltd v Woodside (Lakes Entrance) Oil Co NL* [1968] HCA 37 [6] (Barwick CJ, McTiernan and Kitto JJ) (The Court)

Marking criteria

Important information:

You are advised to consider the following information carefully before starting your assignment.

The assignment will be marked according to the following criteria.

Research (40%)

You are expected to demonstrate a comprehensive review of the primary law sources (legislation, case law) as well as an adequate review of secondary sources (for example textbooks, journal articles, case commentary, explanatory memoranda, Law Reform Commission reports). Your research should be used to identify and clearly state the relevant issues and legal principles and support your analysis.

Analysis (50%)

You are expected to analyse the information gathered and evaluate the relevant legal principles. You are expected to develop your argument logically through clear analysis and apply relevant legal principles to the resolution of issue(s). Your analysis should also:

- integrate and evaluate relevant knowledge from the material covered in this unit
- develop and sustain a concise and convincing legal argument through to a logical conclusion, and
- importantly, answer the specific question asked.

Technical aspects (10%)

You are expected to:

- correctly reference and acknowledge sources. Please note the reference system adopted in this assignment can be either the AGLC 3 (*Australian Guide to Legal Citation 3rd ed*) or the Harvard referencing system. The referencing system adopted must be used correctly and consistently;
- use fluent, clear, concise writing that contains clear expression, correct grammar, syntax, sentence structure and spelling; and
- use headings and subheadings (where appropriate), an introduction, conclusion and bibliography or reference section.