

GOVERNANCE COURSE
 University of St. Thomas Law School
 January-April, 2007
 Adjunct Professor: John H. Stout
 7:00-8:45 p.m.

Topics	Week
Course Discussion: <ul style="list-style-type: none"> • Expectations. • Assignments. Assignment due dates. Governance is Governance. <ul style="list-style-type: none"> • What is governance? • How are various organizations governed? • What is the relationship between the governing authority and the organization's stakeholders? 	1 January 22 Monday
What and Who Defines Good Governance? <ul style="list-style-type: none"> • Best practices – sources. • Best practices – subjects. Basic Governance Documents. <ul style="list-style-type: none"> • Corporate Governance Principles. • Board Charter. • Committee Charters. • Job Descriptions for Chair and CEO. Teams and Subjects for Investigations.	2 and 3 January 29 Monday February 5 Monday
Directors' Duties. <ul style="list-style-type: none"> • What are the duties? • How have the duties evolved? • To whom are the duties owed? <ul style="list-style-type: none"> ➢ Corporation. ➢ Shareholders. ➢ Other stakeholders. ➢ When the organization is in financial difficulty. 	4 February 12 Monday
Board Composition, Selection, Organization and Leadership. Are we Putting the Right People on Boards? <ul style="list-style-type: none"> • The Chair/CEO debate. • The key Board committees: Governance, Compensation, Audit. • Directors' terms and other service conditions. • Director independence. 	
The evolution of Board accountability: the emergence of the proactive Board. <ul style="list-style-type: none"> • Historical perspective on Board responsibility/accountability. • Current view of Board responsibility/accountability. • Creeping federalism: the influence of the federal government on the evolution of director duties. • Board, committee and director evaluation. 	5 February 19 Monday

Topics	Week
The Smartest Guys in the Room	
Why Boards Fail – a Look at Recent Corporate Scandals. <ul style="list-style-type: none"> • J. Stout memo • Board investigations (discussion) <ul style="list-style-type: none"> ➢ Of the Board. ➢ Of corporate issues. When Boards Fail. Director Litigation and Prosecution.	6 February 22 Thursday
Director Protection. <ul style="list-style-type: none"> • Exculpation clauses in governing documents. • Indemnification. <ul style="list-style-type: none"> ➢ Mandatory vs. permissive. • D&O insurance. • Director agreements. • Recognizing the conflicts and striking the balance between the interests of the company and its directors. Presentation by D&O insurance expert.	7 March 5 Monday
Team Reports on Investigations.	8 March 12 Monday
Team Reports on Investigations.	9 March 13 Tuesday
The Relationship Between the Board and Key Executive Officers: CEO and CFO <i>HYPOTHETICAL CASE ANALYSIS DUE.</i>	10 March 26 Monday
International Governance. <ul style="list-style-type: none"> • OECD Corporate Governance Principles. • Caux Principles. • Comparative look at selected jurisdictions. LETTER TO EDITOR DUE	11 April 2 Monday
Ethics and Corporate Social Responsibility.	<i>[No class April 9]</i> 12 April 16 Monday
Dialogue with Serving Directors. Key Directorship Issues: <ul style="list-style-type: none"> • Crises. • Investigations. 	13 April 23 Monday

Topics	Week
<ul style="list-style-type: none">• Executive compensation.• Transfers of control.• Changing management.• Creditors. Compliance.	

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