This chapter studies the codification of the director's duties, how breach of duty can be avoided, and the duties in ss 171–74 of the Companies Act 2006 (CA 2006). Section 171–74 of the CA 2006 provides that a director is under a duty to act in accordance with the company's constitution; a duty to act in a way that would promote the success of the company; a duty to exercise independent judgement; and a duty to exercise reasonable skill, care, and diligence. Ultimately, the standard expected under s 174 is that of a reasonably diligent person with the general knowledge, skill, and experience that the director has. Meanwhile, a breach of duty may be avoided if the breach is approved or authorized, ratified under s 239, or if the court relieves the director of liability under s 1157.
10. Directors’ duties I: duties of performance

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