



Guideline 2.01 - Directors and Officers Liability

1. Application

Policy 2 – Compliance and this guideline applies to all directors and Officers of NQBP.

2. Application

Potential Sources of Liability

NQBP will seek to avoid (to the extent permitted by law), the arising of any liability in respect of its directors and Officers. This will be achieved by:

- early identification of potential sources of liabilities before they arise;
- thorough investigation of potential liabilities and their consequences for NQBP;
- putting in place of measures designed to address and limit potential sources of liabilities;
- directors and Officers of NQBP being kept thoroughly informed of relevant issues and developments;
- procedures designed to limit potential liability are established and enforced where appropriate;
- regular training of directors and Officers is carried out where required.

Indemnity

NQBP recognises that, even where all the above are followed and directors and Officers are acting within their legal obligations, liability may still arise. For this reason, a Deed of Indemnity has been put in place by each company in the NQBP group in favour of all directors and Officers of those companies who are acting within their legal obligations.

This Deed of Indemnity applies to the extent permitted by the *Government Owned Corporations Act 1993* (Qld) and the *Corporations Act 2001* (Cth). That indemnity expressly includes in the definition of 'officer', persons acting in the position of an officer from time to time, whether or not pursuant to a formal appointment.

Insurance

The Deed of Indemnity also requires NQBP to ensure that (to the extent permitted by law) insurance is effected and maintained by NQBP in relation to the liabilities covered under the indemnity.

The amount to which NQBP is covered in respect of liabilities arising from the indemnity must be approved by the Boards of each of the companies in the NQBP group.

NQBP will pay (to the extent permitted by law) the entire amount of the premium in relation to the insurance of such liability. NQBP will provide insurance cover for directors and Officers to at least the existing level and for at least seven years after they cease to be a director or officer, for any claims arising out of their period of service as a director or officer.

Delegation

NQBP will maintain an Instrument of Delegation that clearly prescribes and defines the delegated duties and responsibilities of Officers within NQBP.

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3. Compliance Policy, Procedure, Standard and Legislative Framework

As NQBP is a Government Owned Corporation, a port authority and is required to comply with its own policies, prescribed applicable legislation and State Government policies and procedures, this guideline should be read in conjunction with:

- a. Guideline 2.01 - Directors and Officers Liability
- b. Policy 2 – Compliance
- c. Procedure 2.01 - Compliance
- d. Standard 2.01 - Code of Conduct
- e. Standard 2.02 - Integrity Framework – Corrupt Conduct and Public Interest Disclosures
- f. *Corporations Act 2001 (Cth)*
- g. *Government Owned Corporations Act 1993 (Qld)*

4. Guideline Review Date

This guideline will be reviewed by 31 October 2019.

5. Definitions

NQBP: means North Queensland Bulk Ports Corporation Limited ACN 136 880 128.

Contractors: means contractors or consultants engaged by NQBP under a personal services consultancy agreement or other similar arrangements.

Deed of Indemnity: means the deed of indemnity put in place from time to time by each company within the NQBP group in favour of the directors and Officers of those companies.

Officers: the meaning given to that term in the Corporations Act 2001 and the deed of indemnity.

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