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USA	LexisNexis Group, New York, NEW YORK LexisNexis, Miamisburg, OHIO

National Library of Australia Cataloguing-in-Publication entry

Austin, R P.

Ford's principles of corporations law.

14th ed.

Includes index.

ISBN 978 0409 326444.

1. Corporation law — Australia — Textbooks.

I. Ramsay, Ian M. II. Ford, H A J. (Harold Arthur John), 1920-. III. Title.

346.94066.

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Reprinted 2012.

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Inquiries should be addressed to the publishers.

Printed in Australia by Ligare Pty Ltd (NSW).

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Preface

The 14th edition of this work reflects a combination of legislative change and a great deal of development in Australian case law.

The main legislative developments affecting company law since the last edition have been:

- the Corporations Legislation Amendment (Simpler Regulatory System) Act 2007, which (inter alia) permits rights issues without a prospectus;
- the Corporations Amendment (Takeovers) Act 2007, which revises the powers of the Takeovers Panel;
- the Corporations Amendment (Insolvency) Act 2007, which makes many changes to external administration, including changes about disclosure and remuneration; and
- the Cross-Border Insolvency Act 2008, which provides for the recognition of foreign insolvency proceedings by an Australian court.

Significant case law developments in company law since the last edition include cases concerning:

- the rights of shareholders against a company in external administration (*Sons of Gwalia Ltd v Margaretic* (2007) 231 CLR 160);
- the liability of directors, underwriters, auditors and advisers to pay damages to investors for misleading conduct in connection with a capital issue (*Ingot Capital Investments Pty Ltd v Macquarie Equity Capital Markets Ltd* (2008) 68 ACSR 595);
- the duty to act with reasonable care and diligence (*ASIC v Macdonald* (No 11) (2009) 71 ACSR 368);
- removal of a director of a public company by members (*Scottish & Colonial Ltd v Australian Power and Gas Co Ltd* (2007) 65 ACSR 313);
- whether there is a principle of caretaker directors in Australia (*Chimaera Capital Ltd v Pharmaust Ltd* (2008) 64 ACSR 332);
- the duty imposed on directors to have regard to the interests of creditors when the company is insolvent or nearing insolvency (*The Bell Group Ltd (in liq) v Westpac Banking Corporation* (No 9) (2008) 70 ACSR 1);
- insolvent trading liability and the availability to liquidators of litigation funding to pursue such a case (*Hall v Poolman* (2007) 65 ACSR 123, and on appeal, (2009) 71 ACSR 139);
- reflections on the concept of solvency in the *Bell Group* case and in *Hall v Poolman* at first instance;
- the court's power to exonerate directors for breach of duty (*Hall v Poolman* (2007) 65 ACSR 123 and *Deputy Commissioner of Taxation v Dick* (2007) 64 ACSR 61);
- the derivative action and liquidation (*Chahwan v Euphoric Pty Ltd* (2008) 65 ACSR 661);
- the oppression remedy (*Campbell v Backoffice Investments Pty Ltd* (2009) 73 ACSR 1);
- vicarious liability of a company as an employer (*Nationwide News Pty Ltd v Naidu* (2007) Aust Torts Reports 81-928);