

## **Corporate Governance Structuring**

Modern corporations are moving towards a progressive era of shareholder franchise which was a myth till yester years. The biggest questions that come to the fore when discussing corporations' role is that of corporate governance: how companies are run internally and what rules they will play by in the external world. In a narrow sense, good corporate governance means shareholders realize value and boards of directors have an easier time fulfilling their fiduciary duties. More broadly, corporate governance is about the principles that underlie democracy: transparency, checks and balances, and accountability. Good corporate governance means that businesses recognize the duties that correspond to the privileges that society has granted them: favorable tax treatment, limited liability, and so forth.

I, as an attorney contribute by being part of a corporation's professional legal team by advising on what measures you need to take to comply with the modern day corporate governance practices; to legally protect the corporation, directors and officers from shareholder derivative litigation and take care of all legal compliances which the stock exchanges have made mandatory compliance for all public companies listed and trading. Smooth flow of capital, investor faith and reliance on the corporate machinery also directly depends upon good corporate governance structure where the present course of action would be governance restructuring to provide transparency, checks and balances in the functioning of any modern day corporation and create a competitive, fair and ethical corporate climate.

Here forth is set a list of best governance practices which should be incorporated in the articles of incorporation and to be used as a governance constitution which cannot be modified without shareholders consent and leverage given to the Board of Directors for business oversight:

- Checks and Balances - Transparencies in conduct of corporate affairs.
- Active, Informed and Independent Board.
- Role and duties of Board of Directors in compliance with governance standards.
- Nomination of Directorial candidates and Election Process –CEO selection and succession planning as well as electronic “town hall” system to facilitate proposed shareholder resolutions.
- Specific and Active Board Committees – Audit Comm., Governance Comm., Compensation Comm., Risk Management Comm. with independent directors heading them.
- Term limits and Auditor rotation.
- Compensation limits.
- Equity Compensation Programs.
- Legal Compliance - Enhanced Legal Department and Ethics Program.
- Performance Monitoring.
- Non Executive Chairman of the Board of Directors who will be coordinating Board's work, chairing meetings, organizing CEO and Board Performance audits.