

Subject Outline Company Secretarial Practice

NQF8

Prescribed textbook: Company Secretarial Practice

Author: Karen Baldwin

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Compulsory supplementary readings: see end of syllabus

Disclaimer: Please note the following:

- A prescribed textbook may not necessarily cover every aspect of a syllabus. The Institute examines the syllabus and any omissions should be researched personally or be provided by your tuition provider.
- ISBN numbers may have changed since the publication of this list. Our policy is that you should always use the latest edition of the textbook.
- Many publishers are no longer publishing hard copies and have switched to e-books.
- Some modules require prescribed readings which can be downloaded for personal use from the internet or the CSSA student portal.

The aim of this module is to prepare a candidate for practice as a company secretary: ensuring that the company operates according to good governance principles and in accordance with the regulations of the jurisdiction in which it operates

Syllabus topics	Syllabus detailed content	Text: Company Secretarial Practice (CSSA)
Learning Outcome 1: Have a thorough understanding of the role of the company secretary and the differing responsibilities of shareholders, the company secretary, the board of directors or governing body, the executives, management and stakeholders		
The secretary, the Board or governing body and shareholders	<ul style="list-style-type: none"> • Role, functions and duties of the secretary • Appointment and vacation of the office of secretary • Relationship with chair and directors • Secretary as advisor to the chair and the directors • Dissemination of information and decisions • Communication with shareholders and other stakeholders, including electronic communication 	Chapter 1
Directors	<ul style="list-style-type: none"> • Types of directors • Roles, duties, responsibilities and mandates • Recruitment, appointment, re-appointment and rotation • Removal, retirement and disqualification • Succession planning • Directors' and Officers' indemnification and liability insurance • Co-option • Board or governing body evaluation • Director education / guidebook 	Chapter 2

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	<ul style="list-style-type: none"> • Best practices policies and procedures (i.e. code of conduct, tenure policy, expense policy, independence standards) 	
Shareholders	<ul style="list-style-type: none"> • Types of shareholders – common, preferred, registered, beneficial • Shareholder and member rights • Shareholder activism 	Chapter 3
Learning Outcome 2: Conceptualise the nature and principles of regulatory requirements on a company and interpret and practice in the sector to ensure compliance		
Corporate compliance	<ul style="list-style-type: none"> • Company formation, memorandum of incorporation, characteristics of different types of companies, constating documents (i.e. articles of amendment, by-laws and amendments thereto) • Filing of company returns • Offences under the relevant corporate or association legislation • Corporate governance overview 	Chapter 4
	<ul style="list-style-type: none"> • Mergers, acquisitions and amalgamations • Culture and corporate behaviours • Insider trading • Company insolvency, winding up, striking off and dissolution 	Chapter 7
Annual Report	<ul style="list-style-type: none"> • Integrated reporting 	Readings
Stock exchange listing regime	<ul style="list-style-type: none"> • Role and duties of the secretary • Statutory, regulatory and listing requirements • Narrative reporting • Filing of financial statements • Legislative and other developments • Listing requirements • On-going reporting / filings / compliance 	Chapter 6, 7
Maintenance of records	<ul style="list-style-type: none"> • Minute books • Meeting materials / papers • Corporate records • Statutory registers • Financial records 	Chapter 8
Minutes and minute books	<ul style="list-style-type: none"> • Required information • The Six C's – correctness, conciseness, clarity, consistency, coherence and completeness • Proof of existence of an entity or organisation and its historical development 	Chapter 8 Reading

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	<ul style="list-style-type: none"> • Record of decisions made and actions taken • Demonstration of due diligence on part of decision-makers • Legal evidence in support of actions taken • Records retention • Risk management – protecting your organisation 	
Oversight by regulators	<ul style="list-style-type: none"> • Governance practices – processes and procedures • Assessment of performance in carrying out governance responsibilities • Protection of stakeholders 	Chapter 9
Regulation and disclosure	<ul style="list-style-type: none"> • Disclosure requirements for applicable securities' regulators for listed companies • Data protection • Link between disclosure, accountability, transparency and trust • Public access to corporate information 	Chapter 7
Learning Outcome 3: Exercise appropriate judgement to advise the board of directors or governing body and shareholders on the expectations of and compliance with regulatory requirements		
Meetings of shareholders and members	<ul style="list-style-type: none"> • General meetings, special / extraordinary meetings, class meetings • Regulations governing general meetings • Role of the secretary before, during and after the annual meeting • Role of the chair • Notice periods, quorum, agenda, meeting materials / papers • Resolutions and written / circular resolutions • Rules of order, standing orders, motions and amendments • Proxies, proxy voting agencies and proxy solicitation • Attendance • Voting • Meeting technology • Stock transfer agent and role of scrutineer 	Chapter 9
Law and the practice of meetings	<ul style="list-style-type: none"> • Board or governing body meetings – composition, quorum, roles, procedures (i.e. frequency, notice, voting, agenda preparation and meeting materials / papers, meeting technology, motions and resolutions) • Role of the secretary before, during and after board or governing body meetings • Role, functions and duties of the chair • Delegation of authority and responsibility • Reliance on management and advisors • Committees – types and purpose, composition 	Chapter 9

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	<ul style="list-style-type: none"> • Matters reserved for the board or governing body • Executive discretion • Written / circular resolutions • Conflicts of interest 	
Shares, share capital and share register	<ul style="list-style-type: none"> • Regulation of the securities industry • Types of share and loan capital • Share capital – allotment of shares, purchase of own shares, treasury shares, alteration of share capital • Company registrar function – principles and procedures in share and membership registration • Register of members • Technology-based applications • Share transfers – forms and registration procedures • Transmission of shares and registration of documents affecting title • Issue of share certificates, lost certificates • Indemnity, dividends and interest • Scrip and DRIP dividends • Duties and taxes, if applicable • New issues and takeovers • Rights and warrants • Capital events and the Registrar’s role in them • Employee stock schemes – key features, establishment and on-going administration • Role of the stock transfer agent / transfer secretary 	Chapter 10, 11, 12, 13
<p>Learning Outcome 4: Conceptualise the importance for a company secretary of operating effectively with other people, building understanding and gaining the cooperation of those involved to ensure that the company operates according to good practice and meets the regulatory requirements.</p>		
External auditors	<ul style="list-style-type: none"> • Appointment, rotation and removal • Auditor independence • Role of external auditors with Board or governing body and Audit Committee 	Readings
<p>Practical work</p>		
<ul style="list-style-type: none"> • Complete the necessary procedures for the appointment of directors and the company secretary • Complete the necessary procedures for changes to directors and the company secretary <p>Note: Download the forms from the CIPC website</p>		

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- Given a range of scenarios, carry out the registration procedures for all types of companies: private with standardised MOI or customised MOI, public, NPC with and without members; personal liability companies; state-owned companies; external foreign countries.
Note: download the relevant forms from the CIPC website
- Carry out a name search
- Evaluate a company MOI for compliance with the Companies Act, 2008.
- Convene/arrange the meetings of shareholders
- Issue notices and agendas of board or meetings to every director of the company.
- Issue notices and agendas of the general governing body meetings to the shareholders.
- Carry out all duties and responsibilities with the appropriate level of confidentiality
- Maintain statutory registers as required by legislation.
 - the register of transfer of shares.
 - the register of buy-backed shares by a company.
 - the register of members and index thereof.
 - the register of debenture-holders.
 - the register of directors and other officers.
 - the register of contracts.
 - the register of directors' shareholdings and debentures.
 - minute books.
 - proxy register.
 - register of beneficial ownership.
 - register of deposits.
 - register of director's shareholdings.
 - register of contracts, arrangements and appointments in which directors etc. have an interest.
- File various documents/returns with CIPC as required under the provisions of the Act.
- Manage intellectual property assets (for example patents, trademarks, business & domain names) and trade practices legislation
- Apply privacy legislation e.g. Protection of Personal Information Act.
- Attend company meetings where legitimately permitted to do so.
- Prepare documentation for meetings (before and after – notices, agendas and minutes).
- Attend AGMs and EGMs in order to ensure compliance with the legal requirements and to make a correct record thereof.
- Issue share certificates
- Manage and control share transfers
- Ensure that legal requirements of the allotment, issuance and transfer of share certificates, mortgages and charges, have been complied with.
- Make arrangements for the payment of dividends within prescribed periods as provided under the provisions of the Companies Act
- Draft the necessary resolutions to appoint or remove auditors
- Use corporate secretarial software
 - Evaluation, implementation, security, uses
 - On-going maintenance and updates

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Readings:

- Minuting Meetings: <http://www.chartsec.co.za/documents/members/CSSA-Best-Practice%20Guide.pdf>
- Integrated Reporting: <http://integratedreportingsa.org/ircsa/wp-content/uploads/2017/05/13-12-08-THE-INTERNATIONAL-IR-FRAMEWORK-2-1.pdf>
- Audit Committee Resource Guide: https://www2.deloitte.com/content/dam/Deloitte/za/Documents/audit/za_ACRG_Revised.pdf