

# BORROWING POWERS OF COMPANIES

## COURSE INTRODUCTION

A company, in carrying on its business, would inadvertently require further working capital and could either issue more shares or borrow from shareholders, related corporations or financial institutions. Before raising money on loan, a company should ascertain that it has powers to borrow and if the power is restricted, the contemplated borrowing and outstanding loans will not exceed the limit imposed. Whilst powers are usually set out in the Constitution, with the Companies Act 2016 dispensation with the requirement for a company to have a constitution, the Company would have to refer to the provisions of the law.

## COURSE OBJECTIVES

This course is to provide participants with an understanding of the powers given to a company to borrow in the Companies Act 2016 and the obligations when exercising such powers in the mortgage or charge of the company's undertaking, property or issue of debentures and other securities for any debt, liability, or obligation of the company or of any third party.

## COURSE CONTENTS

- Company's powers to borrow – implied or expressed.
- Directors' exercise of borrowing powers.
- Security for loans.
- Difference between debenture and charges.
- Different types of charges and rights of the company in dealing with assets charged for facilities.
- Registration of charges and satisfaction of charge.
- Remedies for lenders.

## LEARNING OUTCOME

By attending this course, the participants will be able to:

- Distinguish between debentures, fixed and floating charge.
- Have a better understanding of the obligations of the company and its officers in the registration of charges and the subsequent discharge.
- Update the Register of Charges and the section on charges in the Annual Return

## WHO SHOULD ATTEND

Company secretaries, company secretarial assistants, company directors, lawyers, accountants, and corporate consultants.

## ABOUT THE TRAINER

**Leong Oi Wah** is a Fellow Member of the Malaysian Institute of Chartered Secretaries and Administrators (MAICSA) and has more than 30 years of experience in handling corporate secretarial matters in the profession and the corporate sector.

Oi Wah is also involved in advisory on corporate secretarial requirements including corporate restructuring and compliance with various regulatory bodies such as the Registrar of Companies, Bursa Malaysia Securities Berhad, Securities Commission and other authorities. She is an approved trainer with Pembangunan Sumber Manusia Berhad and does regular training for the Companies Commission Malaysia Training Academy and other professional bodies.

ADMINISTRATIVE DETAILS		
DATE	PLATFORM	EVENT CODE
30 June 2021	Webinar @ Microsoft Teams	080/21/CEP/WEB
Time	9.00 a.m. - 5.00 p.m.	
Training Methodology	Lecture and Case Discussion	
Fee	<b>RM500.00</b> Standard <b>RM400.00</b> Licensed Secretary. Member of MAICSA, MIA, Malaysian Bar, MACS, MICPA, Sabah Law Assoc. & Advocates Assoc. of Sarawak.	
CPE points	8	