



DIVIDENDS – WHEN AND HOW TO PAY

COURSE INTRODUCTION

The payment of dividend is one of the way in which a company "share the wealth" generated from running the business. Companies may distribute the profits it makes from the capital that the shareholders have invested. The dividends are usually paid in cash to the shareholders of a company but may take other forms of settlement like set-off against amount owed by the shareholder or transfer of assets. Dividends are commonly paid on an annual basis but at times the company may decide to distribute its profit more than once.

The payment of a dividend to shareholders will however leave the company with fewer assets with which to meet its liabilities to its creditors. For that reason, the Companies Act 2016 imposes provision on the directors to ensure that the company is solvent before making such distribution. Even if the solvency is met, there are other legal considerations which the company has to adhere to.

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COURSE OBJECTIVES



The course is to allow the participants to understand the statutory requirements on the distribution of profits and the consequences of declaring an unlawful dividend. It will equip the participants with the necessary steps to take to ensure the solvency of the company. Participants will also have a clearer understanding on the parties who have the right to declare the dividends, the timing of payment and various methods of payment. This course will cover the declaration of dividend of private companies and public (both listed and unlisted) companies.

COURSE CONTENTS

Determining available Profits for distribution

- Difference between retained profits and current year profits.
- When are profits available for distribution?

Power to declare dividends

- Shareholders' power to declare dividend.
- Directors' power to declare dividend.

Timing and method of Payment

- Timing of payment of dividends and compliance with Unclaimed Monies provision.
- Mode of payment of dividend – cash, set-off, transfer of assets.
- Tax voucher contents for single tier dividend and tax exempt dividend.

Types of dividend

- Interim, final or special dividend.
- Drivers for dividend payment.
- Dividend policy.

Solvency Requirement

- How a company can satisfy the solvency test.
- Directors' responsibility on the solvency requirement.

Unlawful distribution

- Recovery of unlawful distribution of profit.

Procedures on dividend payment

- Step by step guide to pay dividend.
- Sample resolutions.



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LEARNING OUTCOMES

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



- Have a better understanding of what constitutes a lawful dividend payment.
- Advise directors on the type of solvency test to take.
- Understand the implication of Unclaimed Monies provisions on Company Secretary.
- Differentiate between single tier dividend and tax exempt dividend.

WHO SHOULD ATTEND

Company Directors, accountants, company secretaries of both private and public companies, including listed companies.

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 HRD Corp and does regular training for the Companies Commission Malaysia Training Academy and other professional bodies. She is also co-author of "Company Meetings, Minutes and Resolutions in Malaysia" published in 2021 by the Malaysian Current Law Journal.

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ADMINISTRATIVE DETAILS

Date	17 February 2025
Platform	Virtual platform
Time	9.00 am – 5.00 pm
Training Methodology	Lecture and case discussion
Fee	RM500.00 Standard RM400.00 Licensed Secretary, Member of MAICSA, MIA, Malaysian Bar, MACS, MICPA, Sabah Law Society & Advocates Assoc. of Sarawak.
SSM CPE Points	8 points

HOW TO REGISTER?

STEP 01

Strictly via online registration at <https://e-comtrac.ssm.com.my>

STEP 02

NEW USER (First Time Login)

- Click on **SIGN UP**
- Key in **REGISTRATION INFORMATION**
- Click on **REGISTER**
- Key in **USERNAME** and **PASSWORD**

EXISTING USER

- Key in **USERNAME** and **PASSWORD**
- Click on **SIGN IN**

STEP 03

- Select training
- Check on Available Seat
- Click on Add Participant
- Key in participant's information

- Click on Submit
- Check participant's details
- Click on Submit Payment

Note: Please submit your application within 15 minutes. Otherwise the system will automatically cancel your transaction and you will lose your seat(s). Please re-apply if you wish to proceed. Full payment shall be made at the point of registration.

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TERMS & CONDITIONS FOR REGISTRATION OF TRAINING PROGRAMMES UNDER COMTRAC

PROGRAMME FEE

- Fee is payable to SURUHANJAYA SYARIKAT MALAYSIA.
- Admittance to training programme shall be granted only upon registration and full payment is received.

PAYMENT MODE

- Registrations and payment for training programmes MUST be made through online at e-COMTRAC (<https://e-comtrac.ssm.com.my>). Upon submitting the registration application, participants are deemed to have read and accepted the terms and conditions herein.
- Payment by cash and cheque is not acceptable effective from January 2021.

CLASSROOM TRAINING

- For classroom-based training, a confirmation e-mail will be sent to participants at least 1 working day prior to the programme.
- Participants are required to present Malaysia's identification card (MyKAD/NRIC) and foreign participants are required to present passport at the registration counter for verification and admission to training programme.
- Admittance may be denied upon failure to present identification card / passport.

WEBINAR ACCESS LINK

- A notification e-mail with the webinar access link will be sent to participants at least 1 working day prior to the webinar.
- The access link is unique for registered participants and should not be forwarded or shared with others.

CERTIFICATE OF ATTENDANCE

- Upon full attendance of the programme and payment is received, participants will be issued an e-Certificate of Attendance. For this purpose, it is imperative to fill in the email address correctly.
- Participants can download the e-Certificate of Attendance from e-COMTRAC platform in three (3) working days after the programme. Please take note that the certificate is available for download up to 30 days from the conclusion of the programme. An administrative fee of RM30.00 per copy is chargeable for downloading the certificate after the 30th day and for any replacement of certificate due to errors in name or identification card number wrongly filled by participant / representative during registration or loss of certificate, etc.

CANCELLATION / ABSENT

- No refund will be given to participants who failed to attend the programme.
- Replacing registered participant is not allowed.

TRANSFER

Transfer of registration fee to another training programme is not allowed.

PERSONAL DATA PROTECTION NOTICE

Your personal data and other information provided in this application and including any additional information you may subsequently provide, may be used and processed by COMTRAC/SSM as a reference in future to communicate with you on our training programmes/events. In line with the Personal Data Protection Act 2010, we wish to obtain your agreement and consent for using your personal data. If you do not consent to the processing and disclosure of your personal data, you should send an e-mail to us at comtrac@ssm.com.my.

HUMAN RESOURCES DEVELOPMENT CORPORATION

SSM is registered as a training provider with HRD Corp under GOV1000117857. All trainings are claimable under SBL Scheme subject to HRD Corp approval. Participant's employer needs to apply for grant at least one day before the commencement of training.

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EXCLUSION OF LIABILITY

The speaker(s) or trainer(s) is independent and shall not represent SSM, act as its agent or otherwise represent that their personal views are endorsed by SSM. The assessments and views expressed during the programme are entirely the speakers'/trainers' own. SSM shall not be liable for whatever circumstances arising from any engagement between the speaker(s) or trainer(s) and the participant(s).

DISCLAIMER

SSM reserves the right to cancel the programme, change date(s), venue(s), speaker(s) or any other changes due to any unforeseen circumstances that may arise without prior notice to participants. SSM also reserves the right to make alternative arrangements without prior notice. SSM accepts no responsibility for death, illness, injury, loss or damage of any property belonging to, or financial loss by any persons attending the programme, whatever the cause. SSM shall not be responsible for any costs, damages or losses incurred by participants due to the changes and / or cancellation. SSM is not responsible for the integrity of participants' computer or device, your internet signal bandwidth, or any other consideration outside of the control of SSM.

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All information contained in the brochure is correct and accurate at the time of publication.




COMPANIES COMMISSION OF MALAYSIA TRAINING ACADEMY & KNOWLEDGE MANAGEMENT DIVISION

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