



SSM SPEAKS

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**24 JULY 2019
SESSION 10**

INTRODUCTION OF SECTION 241

SSM NATIONAL CONFERENCE 2019

The Companies Act 2016 (“**CA2016**”) has been implemented in stages:



2017: FIRST PHASE

First phase of the CA2016 came into force on **31 January 2017** except section 241 and Division 8 of Part III



2019: FINAL PHASE

Section 241 relating to the register of secretaries and practicing certificate of a secretary has come into operation on **15 Mac 2019**



2018: SECOND PHASE

Division 8 of Part III (Corporate Rescue Mechanism) has come into operation on **1 Mac 2018**

OBJECTIVES OF SECTION 241

SSM NATIONAL
CONFERENCE 2019

- > Introduce a practicing certificate for secretary

01

- > Establish a comprehensive registry for company secretaries in Malaysia

02

- > Ensure that the standards, competency level and professionalism of those acting as secretaries can be effectively monitored by SSM through a central database mechanism

03

REQUIREMENT TO ACT AS A SECRETARY

CA 1965

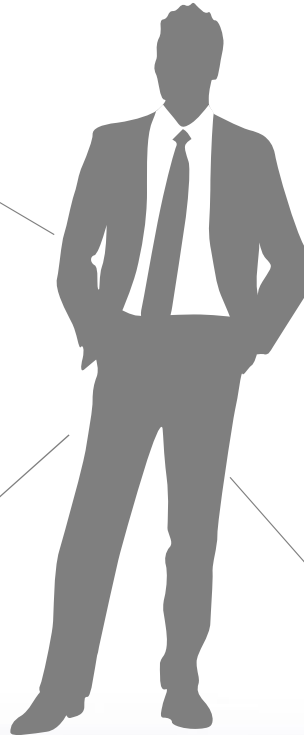
SECTION 139A

A person as a secretary of a company if:

- He is a **member of a professional body**; or
- He is **licensed by the Registrar**

SECTION 139(1)

- A natural person of full age; and
- Principal or only place of residence in Malaysia



CA 2016

SECTION 235(2)

A secretary shall be :

- A **member** of an **approved body** in 4th Schedule; and
- A person **licensed** by the **Commission** under s.20G of the SSM Act 2001

SECTION 241

Any person who is qualified to act as a secretary and who wish to act as a secretary shall be registered **before he can act as a company secretary**

SECTION 235(1)

- A natural person
- 18 years of age and above
- **A citizen or permanent resident of Malaysia**
- Ordinarily reside in Malaysia by having a principal place of residence in Malaysia

EXEMPTION FOR SECTION 235(1)(C)

A person **who is not a citizen or permanent resident of Malaysia** but has been appointed as a secretary prior to **31 January 2017** may apply for PC subject to the following conditions:

- He shall only act as a secretary to the company of which he was appointed before 31 January 2017;
- He shall not accept any new appointment as a secretary; and
- He has complied with the requirements stated under section 235(1)(a), (b) and 235(2) CA2016.

WHO SHALL APPLY TO ACT AS A COMPANY SECRETARY

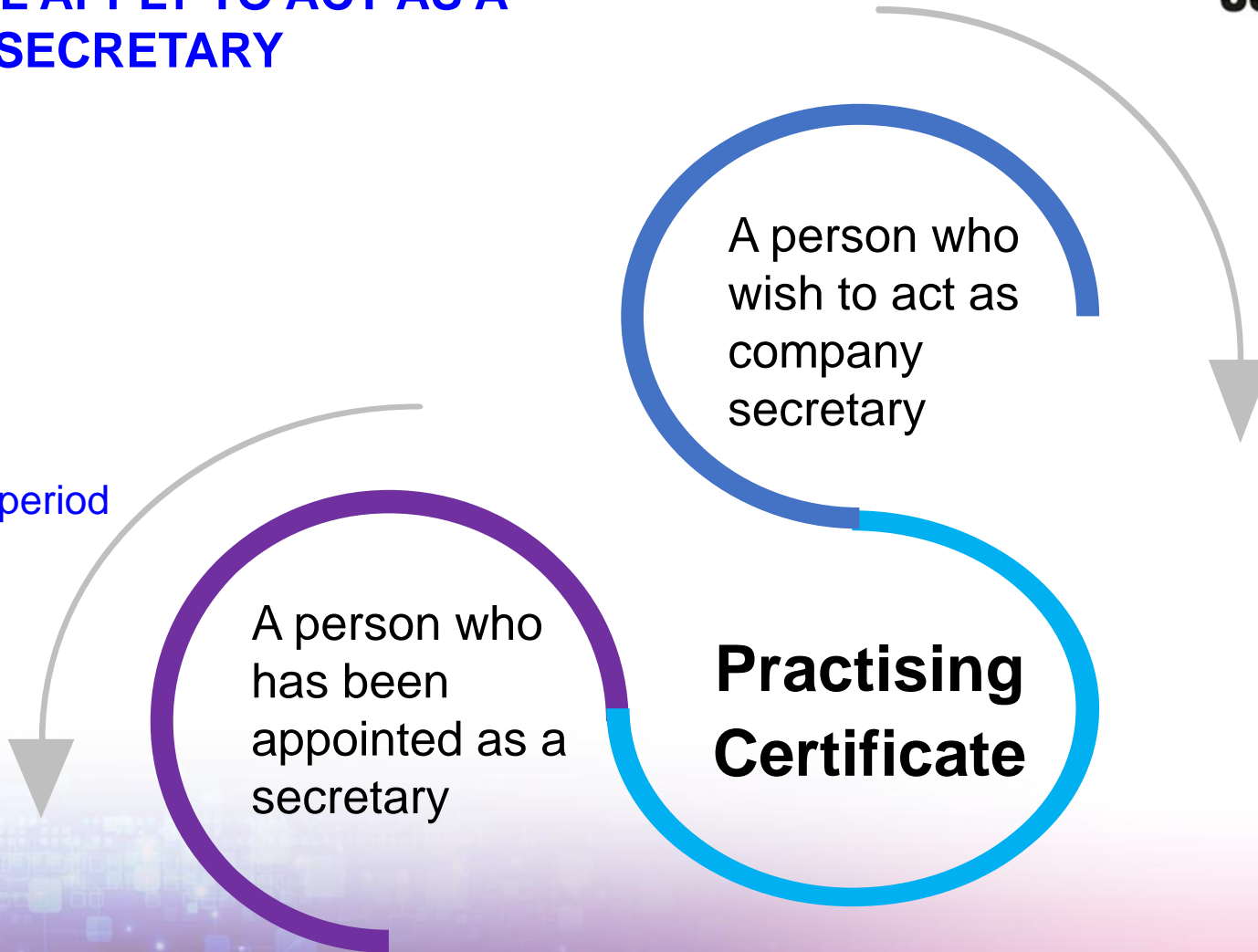
SSM NATIONAL CONFERENCE 2019

A transitional period of 12 months

A person who has been appointed as a secretary

Practising Certificate

A person who wish to act as company secretary



IMPLEMENTATION OF SECTION 241

SSM NATIONAL CONFERENCE 2019

SSM has issued regulation and guideline as follows:

01 Companies (Practising Certificate For Secretaries) Regulations 2019.



02 Guidelines Relating To Practising Certificate For Secretaries Under Section 241 Of The Companies Act 2016.

APPLICATION TO ACT AS A COMPANY SECRETARY

- Online application via **e-Secretary** system.
- Fee of RM100.00.
- URL : <https://esecretary.ssm.com.my> or at SSM Web Portal at www.ssm.com.my under Quick Links
- No. of application received and approved as at 21 July 2019 are as follows:

Item	Total
No. of application received	2,233
No. of application processed and approved	2,165

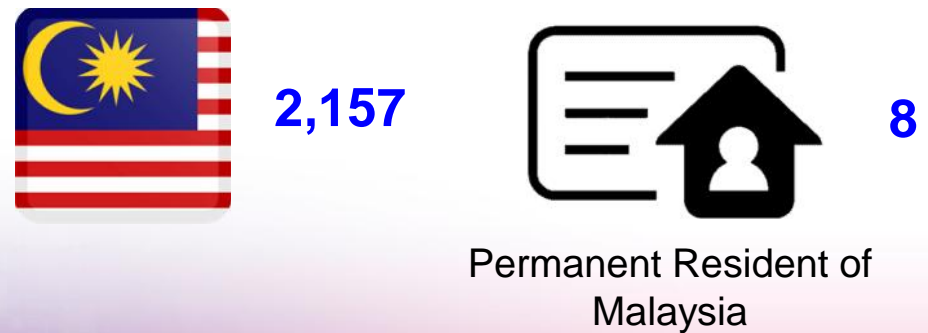
STATISTIC ON SECRETARIES REGISTERED UNDER SECTION 241

 LS/AP	 TOTAL
MIA	752
LS	721
MAICSA	379
MACS	213
BC	81
MICPA	8
SAA	9
SLA	2
TOTAL	2,165

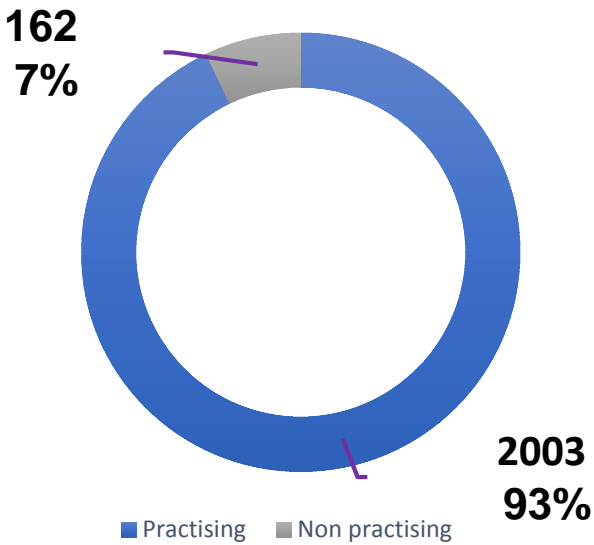
BY GENDER



BY NATIONALITY



STATISTIC ON SECRETARIES REGISTERED UNDER SECTION 241



Currently employed / practise in secretarial service?

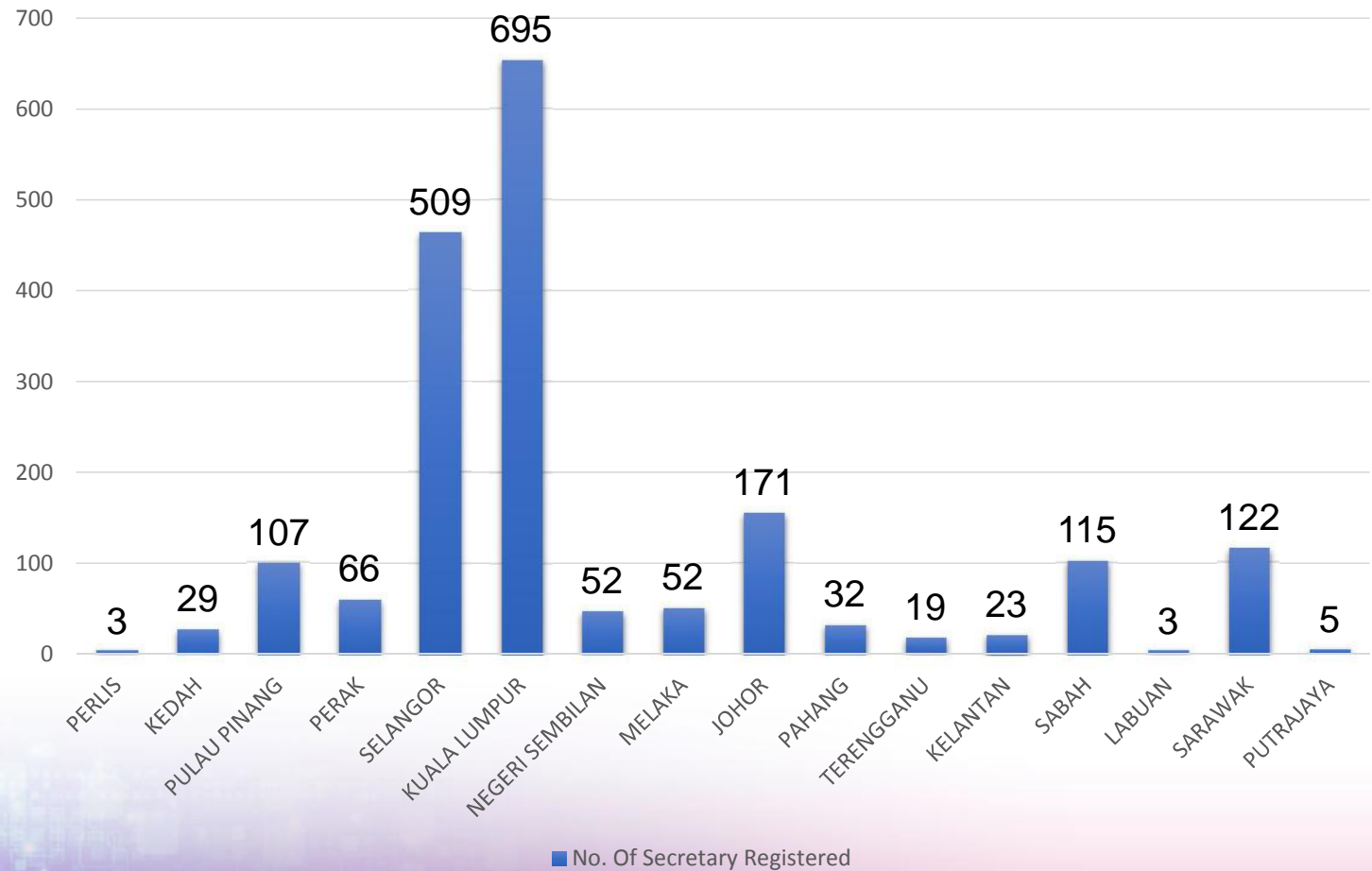
BY TYPE OF SECRETARIES

	IN HOUSE	SERVICE PROVIDER
	461 (23%)	1,542 (77%)
Company		1,367
Business		536
LLP		47
Legal Firm		21
Non-Audit Firm		24
Business License (Sabah & Sarawak)		8

STATISTIC ON SECRETARIES REGISTERED UNDER SECTION 241

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BY STATE



IMPORTANT NOTES

Company secretary is required to:



Apply to be register under section 241 **before 15 Mac 2020.**



Apply for renewal of practising certificate **30 days before expiry date** and comply with the requirements to collect 20 CPE points for 1st renewal.



Designate **only one approved body** for the purpose of practicing certificate.

233 days to go

IMPORTANT NOTES

Company secretary is required to:



Notify the Registrar and the companies in writing **within 14 days** if he ceased to be a holder of practicing certificate.



Notify the Registrar in writing if there are any changes in the membership of the designated approved body or any changes of particulars of the secretary within **14 from the date the changes** occurred.



Ensure practising certificate is still valid at all time in order to be able to act as a secretary.



Fails to comply with the above requirement is an offence under Companies Act 2016, regulation and SSM Act 2001

THANK YOU