

SHARES AND CAPITAL MAINTENANCE

COURSE INTRODUCTION

What is doctrine of capital maintenance? A company must receive proper consideration for shares that it issues and that having received such capital it must not repay it to members except in certain circumstances – this is a fundamental principle of the Malaysian company law. Whilst in the past, there were very strict prohibitions on how capital is to be used or returned to shareholders. The Companies Act 2016 (“the Act”) has relaxed some of these rules and simplified procedures. The Act also facilitates the management and restructuring of the company’s share composition by introducing alternative procedures for the reduction of capital and remove restrictions in relation to financial assistance.

COURSE OBJECTIVES

This course will highlight the requirements of the Companies Act 2016 on the issuance of shares and the capital maintenance rule. Practical issues in relation to the issuance of shares will be discussed to give participants more insight on the usage of the different type of shares, the effect of the alteration of the share capital and differentiate the treatment of capital under the accounting standards.

COURSE CONTENTS

- Types of shares.
- Issuance of share capital – approving authority, pre-emptive rights, consideration – cash or otherwise.
- Alteration of share capital – consolidation, subdivision, conversion to stock and reduction of capital.
- Best practices for calls on shares, forfeiture, transfer of shares and transmission.
- Solvency test and solvency statement.
- Financial assistance to purchase shares of the company or holding company.
- Distribution out of profits and only if the company is solvent – what test to take?
- Share Certificates – issuance, cancellation, lost certificate

LEARNING OUTCOME

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

- Understand the provisions of the Companies Act 2016 related to shares and capital maintenance.
- Distinguish the new legal requirements and practical procedures.
- Learn practical steps when dealing with the pre-emptive rights in the new issue of shares.
- Advise on the different solvency tests to take for the various type of corporate exercises.

WHO SHOULD ATTEND

Company secretaries, company secretarial assistants, company directors, lawyers, accountants, corporate consultants and all who are involved in issuance of shares and securities.

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
27 July 2021	Webinar @ Microsoft Teams	090/21/CEP/WEB
12 October 2021	Webinar @ Microsoft Teams	136/21/CEP/WEB
Time	9.00 a.m. - 5.00 p.m.	
Training Methodology	Lecture and Case Discussion	
Fee	RM500.00 RM400.00	Standard Licensed Secretary. Member of MAICSA, MIA, Malaysian Bar, MACS, MICPA, Sabah Law Assoc. & Advocates Assoc. of Sarawak.
CPE points	8	