

**MAICSA Annual Conference
2024 – Session 1 (Regulatory
Updates by CCM)**

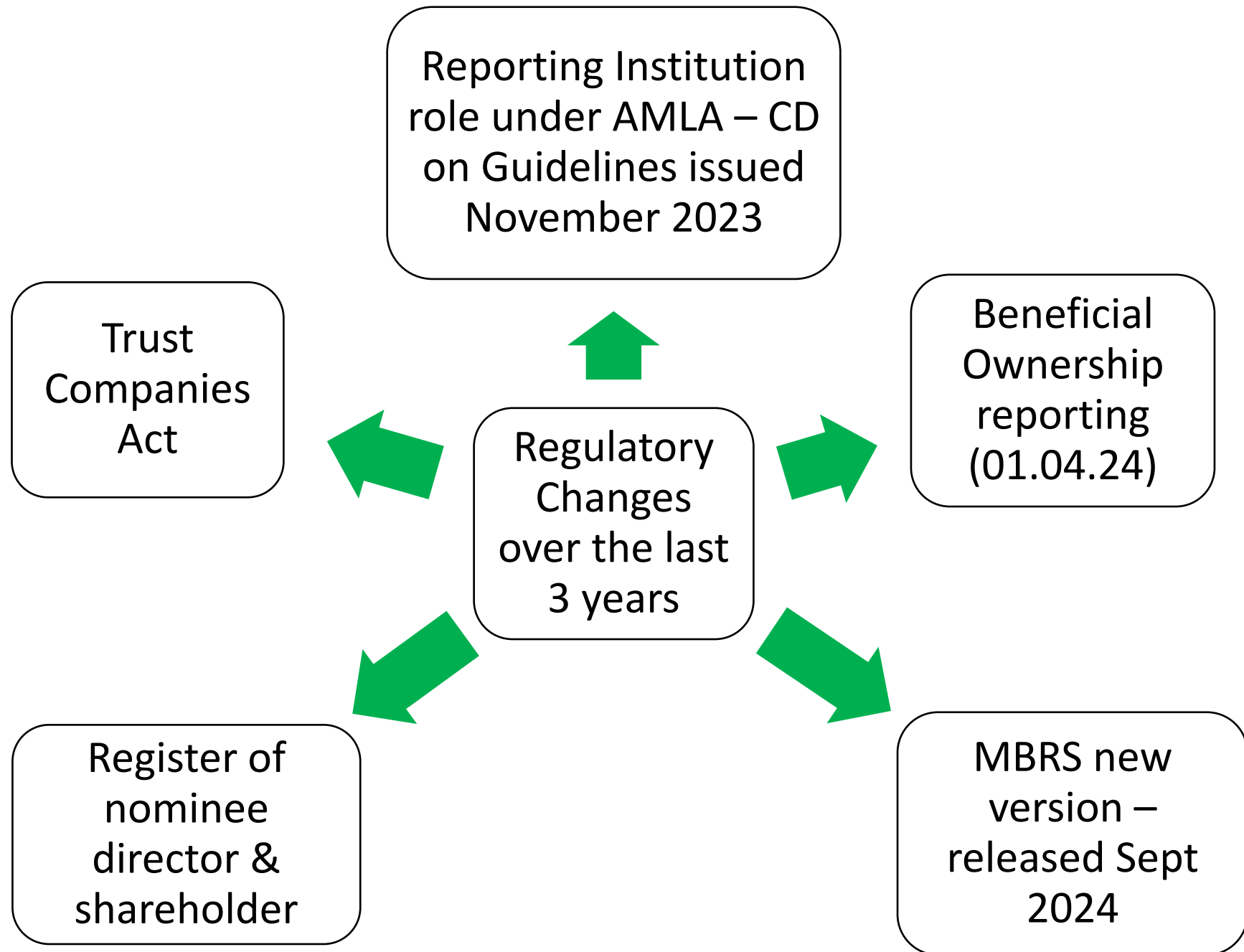
A Commentary by

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Company Secretary – Goodbye or Waving His Hand?



***Any change, even a
change for the better, is
always accompanied by
discomforts.***

***Progress is impossible
without change***

Discomforts

- Insufficient preparation time – prefer a gradual roll out
- Manuals or FAQ are not released simultaneously with a new reporting format or system
- FAQ does not seem to be comprehensive enough
- The manual does not assist in solving some technical issues
- Different branches of SSM have different responses / replies to company secretaries
- Solution???

Nominee Directors & Shareholders

- Definitions - A Nominee Director (also known as “resident director”) is an individual or legal entity that routinely exercises the functions of the director in the company on behalf of and subject to the direct or indirect instructions of the nominator. A Nominee Director is never the beneficial owner of a legal person.
- A Nominee Shareholder exercises the associated voting rights according to the instructions of the nominator and/or receives dividends on behalf of the nominator. A nominee shareholder is never the beneficial owner of a legal person based on the shares it holds as a nominee.
- Nominator is an individual (or group of individuals) or legal person that issues instructions (directly or indirectly) to a nominee to act on their behalf in the capacity of a director or a shareholder, also sometimes referred to as a “shadow director” or “silent partner”.

Nominee Directors & Shareholders

- SSM recommends that the CA 2016 is to be amended by introducing a new Division AA which deals with new registers of nominee shareholders and nominee directors of a company. The new reporting framework will serve as a control mechanism over companies, its directors and shareholders towards promoting transparency of corporate structures.
- Under this new framework, nominee directors / shareholders are required to disclose their information including information relating to their nominator to the company and the company will have the obligation to keep and maintain the information of its nominee director / shareholder and nominators in the register of nominee director / shareholder.
- Companies are also required to lodge the information relating to the nominee director / shareholder and his/her nominator with the Registrar within 14 days after the information has been entered into the register. This information is not publicly available except for the status of a director / shareholder as a nominee.

