

Basic  
Knowledge  
for Company  
Secretaries



COMPANY SECRETARY



## Key Knowledge and skills of Company Secretaries

- 1 Understand the roles and responsibilities of company secretaries, both from legal stipulation and expectations from this profession
- 2 Legal knowledge related to the roles and responsibilities
- 3 Skills related to documentation, meetings and people coordinations



## Responsibilities of Company Secretaries under the SEC Act

Boards of directors of the listed companies shall appoint a company secretary to be responsible for the following:

- ❖ Providing advice to the board of directors in relation to the regulations of SET/SEC
- ❖ Preparing and maintaining certain filings and documents, such as, Director Registration, Notice of Meetings, Minutes of Meetings, Annual Reports, Annual Registration Statements the Conflict of Interest Report of Directors and Executives)
- ❖ Others as defined by the Capital Market Committee



## **Basic Legal Knowledge for Company Secretaries**

Prudent company secretaries should be equipped with the following:

- ❖ Public Companies Act and Civil and Commercial Code of Thailand
- ❖ Announcements or Guidelines of the Ministry of Commerce
- ❖ Securities and Exchange Act
- ❖ SEC/SET regulations
- ❖ Specific Laws for Regulated Businesses, such as, banking, insurance, securities
- ❖ Specific Laws related to the company's business



## Recommended Websites for Company Secretaries

- ❖ <http://market.sec.or.th/public/idisc/th/CompanyProfile/Listed>
- ❖ <http://www.sec.or.th/TH/MarketProfessionals/Intermediaries/Pages/laws-regulations.aspx>
- ❖ [https://www.set.or.th/th/regulations/simplified\\_regulations/simplified\\_regulations\\_p1.html](https://www.set.or.th/th/regulations/simplified_regulations/simplified_regulations_p1.html)
- ❖ [https://www.set.or.th/th/regulations/supervision/listed\\_p1.html](https://www.set.or.th/th/regulations/supervision/listed_p1.html)
- ❖ <http://www.cgthailand.org/microsite/index.html>

**Company Secretaries should monitor the legal update**



## Considerations for Document Preparation

- What:** What documents are required, such as, disclosure, information memorandum or forms?
- Who:** Who must sign the document, such as, by the company secretary or the authorized directors?
- When:** When is the due date, such as, within the same say, 3 days, 14 days or 1 months?
- Where:** Where to deliver the documents, such as, to disclose on SET website or to submit to SET portal system or to submit to governmental office with cover letter?
- Why:** Why do we have to prepare the document (what is the legal requirement), and what is the penalty for failure to do so?



## Examples of Legal Documents

- ❖ Meeting agenda as required by the Laws and the Articles of Association. (Should prepare meeting agenda for the whole years in advance)
- ❖ Meeting agenda as internally required by the company. (Such as, agenda that shall be reviewed by board committees prior to submission to the board of directors, agenda that shall be reviewed by the board on an annual basis or bi-annual basis, etc.)
- ❖ Specific requirements for certain agenda, such as, related party transaction, acquisition and disposal of important assets, appointment of additional director, etc.

**Company secretaries can study historical data and practice of the company, such as, minutes of previous years or SET disclosure.**



## Examples of Documents under Responsibilities of Company Secretaries

- ❖ Disclosure of Information (in accordance with the disclosure guideline)
- ❖ Notice of Annual General Meeting of Shareholders (in accordance with Manual of AGM Checklist, TIA)
- ❖ Annual Report
- ❖ Annual Registration Statements
- ❖ Director Registration
- ❖ Minutes of Meetings of the Board and Shareholders
- ❖ Meeting Documentation as required by Laws



## Examples of Report Filing

- ❖ Form 35E Declaration of Qualifications of Executives and Directors
- ❖ F24 Certification of Qualification of Directors and Audit Committee
- ❖ Form 59 Change of Holding in Company's Securities
- ❖ Form 89/15 Details of Company Secretary or the change thereof
- ❖ Conflict of Interest or Related Party

**Advice to the Board and Executives about their duties**



## **Knowledge about Rules of the Registrar and Thailand Securities Depository**

- ❖ How to set the required dates, such as, record date, XM/XD?
- ❖ What is the lead time for each working step, such as, distributing notice of shareholders meeting or dividend?
- ❖ What is the specific agenda that requires additional time for advance notice?
- ❖ What is the meaning of the sign and its implication, such as, Notice Pending (NP), Suspension (SP), Noncompliance (NC)?

**Plan in advance, as you have to coordinate with many external teams**



## Listing Qualifications

- ❖ Minority shareholders at least 150 shareholders, with total shareholding more than 15%
- ❖ Minimum 3 members of the Audit Committee
- ❖ Executives and Directors maintain the qualifications
- ❖ Having internal control
- ❖ No issue on conflict of interest

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## **Legal knowledge related to the Meeting**

- ❖ Meeting procedure, quorum, venue, voting, required votes
- ❖ Resolution to meet legal requirement, such as, contracts (difference among approval in principle, approval the principle, and ratification), leasing and purchase of land (which case requires land appraisal or book value), agent/principal (matters requiring appointment of attorney-in-fact).
- ❖ Legal requirements and procedures for certain agenda, such as, related party transactions, acquisition and disposal of assets, debentures, capital increase/decrease, splitting par, change of objectives or articles of association, etc.

**Continual learning is necessary**



## Safe Harbor for Directors

Directors shall perform their duties with care and based upon adequate information as prudent persons. Therefore, company secretaries should ask the management to provide the following information for important agenda:

- ❖ Opinion from independent advisers (tax, accounting, law) on relevant issues
- ❖ Appraisal report or report from project manager for the reasonableness of the transaction value.
- ❖ Market benchmark or comparison on the same type of transaction

**Providing adequate information to the Board of Directors**



**Thank you**

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