

# BEST PRACTICES IN CORPORATE HOUSEKEEPING

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## The Experts' Guide for Board Directors & Lawyers On How to be an Effective Corporate Secretary

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Thursday & Friday, June 3 & 4, 2010  
Edsa Shangri-La Hotel, Mandaluyong City, Philippines

### COURSE OUTLINE

#### FIRST LECTURER: ATTY. TRISTAN A. CATINDIG

#### 1. Scope of “corporate housekeeping”

The term “corporate housekeeping” refers to the multitude of services that a corporate secretary has to do and that lawyer, law firm, or law department in a corporation regularly performs for a corporate client or a corporate employer. It is very important that board directors and the owners of corporations know and understand this function.

Generally, these services include the following:

- 1.1 Performance of corporate secretarial services;
- 1.2 Drafting and review of contracts and other documents in the ordinary course of the corporation’s business such as leases, deeds of sale, etc.
- 1.3 Rendering legal advice and opinions on matters related to or connected with the business of the corporation;
- 1.4 Representation of the corporation before the Securities and Exchange Commission and other national and local government offices and agencies; and
- 1.5 Provision of notarial services

It may include, particularly in the case of corporate law departments, special corporate projects, tax, intellectual property, and immigration work.

#### 2. Corporate secretarial services

- 2.1 The position of Corporate Secretary
  - 2.1.1 Requirements
    - (a) Statutory qualifications
    - (b) Personal attributes
  - 2.1.2 Powers, duties, and responsibilities
    - (a) Under the law
    - (b) Under the by-laws
    - (c) Under corporate resolutions
- 2.2 Preparing for corporate meetings
  - 2.2.1 Notices
  - 2.2.2 Proxies
  - 2.2.3 Agenda
  - 2.2.4 When to come
  - 2.2.5 What to bring
  - 2.2.6 What to wear
  - 2.2.7 Where to seat
- 2.3 Recording the minutes of meetings
  - 2.3.1 Actual meetings
  - 2.3.2 Paper meetings
  - 2.3.3 Flying resolutions

- 2.4 Preparing the minutes of meetings
  - 2.4.1 Time, place and date
  - 2.4.2 Attendance
  - 2.4.3 Presiding and recording officers
  - 2.4.4 Certification of quorum
  - 2.4.5 Use of heading
  - 2.4.6 Resolutions
- 2.5 Signing and distributing copies of the minutes
- 2.6 Certifications by the Corporate Secretary
- 2.7 Compliance with government reportorial requirements
- 2.8 Services related to the preparation of the client's annual audited financial statements
- 3. Advice and opinions**
  - 3.1 The query
  - 3.2 The reply
  - 3.3 The form
- 4. Drafting and review of contracts**
  - 4.1 General considerations
  - 4.2 Drafting contracts
  - 4.3 Reviewing contracts
- 5. Representation before government offices**
- 6. Notarial services**
- 7. Special corporate projects**
  - 7.1 Equity financing and the problem of dilution
    - 7.1.1 Stock dividends
    - 7.1.2 Additional issuance of shares out of the authorized but unsubscribed portion of the capital stock
    - 7.1.3 Additional paid-in capital
  - 7.2 Equity restructuring and the elimination of deficits
- 8. Tax**
- 9. Intellectual property**
- 10. Immigration**

**SECOND LECTURER: ATTY. A. BAYANI K. TAN**

**The Corporate Secretary of a Reporting Company**

**I. Preliminary Matter -- Coverage**

- A. Registered Company
- B. Public Company (SEC Cir 5 S.2005)
- C. Listed Company
- D. Exceptions: 17-EX

## II. The Corporate Secretary: Qualifications and Functions

### A. In General

1. Statutory Provisions
2. SEC Issuances

### B. Specific Roles vis-à-vis Reporting Companies

#### 1. Monitoring of corporate actions/Reporting obligations

##### a. The Corporate Secretary as Compliance Officer/CIO

- i. Must be aware of all corporate activities.
- ii. Advise listed company of disclosure/reporting obligations relative to significant corporate activities.
- iii. Ensure compliance with disclosure/reporting obligations.

##### b. Disclosure/Regular Reporting Obligations

###### i. Who are covered?

- aa. Listed company
- bb. Directors and Officers of listed company

###### ii. Events requiring prompt and immediate disclosure by the listed company

- aa. Under the SRC Rules [SEC Form 17-C]
  - (1) changes in control
  - (2) acquisition/disposition of assets
  - (3) change in certifying accountant
  - (4) resignation/removal/election of directors or officers
  - (5) legal proceedings
  - (6) changes in securities
  - (7) defaults upon senior securities
  - (8) change in fiscal year
  - (9) other events

- bb. Under the PSE Revised Disclosure Rules
  - (1) changes in control
  - (2) filing of legal proceedings
  - (3) changes in corporate purpose
  - (4) resignation/removal of directors, officers, or senior management
  - (5) decisions to carry out extra-ordinary investments
  - (6) Material Information
  - (7) Clarification of News Reports
  - (8) Websites, Others

###### iii. Periodic Reports

###### aa. Monthly Reports

- (1) Statement of Changes in beneficial ownership on SEC Form 23-B
- (2) Monthly Report on number of shareholders

- (3) Monthly Report on foreign ownership
    - bb. Quarterly Reports
      - (1) Quarterly Financial Report on SEC Form 17-Q
      - (2) Quarterly Submission of List of Top 100 Shareholders
    - cc. Annual Reports
      - (1) Annual Certification on extent of compliance with Manual on Corporate Governance
      - (2) Annual Certification as to attendance of directors in Board meetings
      - (3) Annual Report on SEC Form 17-A
      - (4) General Information Sheet
      - (5) Audited Financial Statements
  - iv. Other Non-Recurring Reports
    - aa. Initial Beneficial Ownership Report on SEC Form 23-A
    - bb. Report of 5% Beneficial Ownership on SEC Form 18-A or 18-AS
    - cc. Information Statement on SEC Form 20-IS
    - dd. Notice of Inability to file Annual or Quarterly Report
    - ee. Submission of list of stockholders entitled to notice and vote at a stockholders' meeting
    - ff. Tender Offer Notice
    - gg. Notice of Exemption (Exempt Securities/Transactions)
    - hh. Dividend Declarations
2. Monitoring Compliance with other Legal Requirements
- a. Qualifications/Disqualifications of Directors (SRC Rule 38/ Code of Corp Governance)
    - i. Regular Directors
    - ii. Independent Directors
  - b. Attendance in Corporate Governance Seminars

**This is a limited-seats-only program with pre-registration required.**

Seminar Contact Person:

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Program Officer

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