



Institut Luxembourgeois
des Administrateurs

« Luxembourg Company Secretarial & Governance Practice »

A new ILA Certificate Program dedicated to Company Secretaries, Corporate Officers and Law Professionals





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ROLE & IMPORTANCE OF THE COMPANY SECRETARY



Growing Role of the Company Secretary

- The Company Secretary is a key person within an organization whose main responsibility is to ensure that a Company establishes and maintains a viable corporate governance model, in accordance with relevant legislations and regulations.
 - The Company Secretary is also a privileged interlocutor of some first-tier stakeholders of a Company, i.e., the Board, the Shareholders and Senior Management.
 - The Company Secretary supports all members of the Board, in particular the Chairman, and provides professional advice and guidance to a company's Directors and Shareholders on corporate governance and corresponding corporate law matters. He/She contributes to companies' corporate compliance with applicable legislation and other obligations. In this regard, the Company Secretary monitors changes in relevant legislation, and makes sure that appropriate actions are taken.
 - The Company Secretary also ensures timely and effective information flows within the Board and its Committees, and between Senior Management and its relevant supporting teams.
- => **He/She is a key player within a company's corporate governance scheme**, being aware that one of the main purpose of corporate governance is to facilitate a prudent and trustworthy management of a company in order to contribute to its long-term success by taking into account the interests of all stakeholders, such as companies, shareholders, employees and customers.

Increasing Importance of the Company Secretary

- The role of the Company Secretary in Luxembourg has significantly evolved in recent years. Indeed, the Company Secretary has emerged as the Chief Governance Officer of a Company, becoming a major role in its own right.
 - The Company Secretary is **a key contributor to a company's corporate compliance**, goals, objectives and driven principles. He/She also makes sure that legal and corporate governance matters are properly addressed.
 - The Company Secretary assists Board members in performing and discharging their duties and governance responsibilities.
 - In addition, the Company Secretary is **a facilitator for corporate governance work**, by assisting in the communication between the Board and the Management.
- => By duly performing his/her duties, the Company Secretary serves as **the guardian of corporate governance**.

High level skills are more and more required from a Company Secretary

As the Company Secretary is the guardian of corporate governance, he/she is expected to have a broad and up-to-date corporate governance skill set, including legal and regulatory knowledge.

The Company Secretary is also expected to have a sound understanding of the way companies operate to be able to contribute to discussions or answer questions during Board meetings, or advise the Board and Senior Management on corporate governance matters.

In addition, the Company Secretary helps to create awareness within an organization as well as a corporate governance culture among all the stakeholders.

⇒ **A more and more demanding role in terms of skill and expertise.**

The status of the Company Secretary in the UK

- **Key role of the Company Secretary in the UK Code of Corporate Governance**

Specific responsibilities, notably, in :

- Board composition and procedures;
- Board Information, development and relationships;
- Accountability including financial and business reporting, risk management and internal control, audit committee and auditors, remuneration and relationship with shareholders.

- **Statutory and regulatory compliance role of the Company Secretary in the UK**

Specific responsibilities related to:

- Directors' duties (*e.g., help directors discharge their statutory duties*);
- Protection of inside information;
- Verification of published information;
- Compliance with continuing obligations under the LPDT (*i.e., Listing, Prospectus, Disclosure and Transparency*) rules; etc ...

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**DEDICATED TRAINING & CERTIFICATE
FOR COMPANY SECRETARIES
IN LUXEMBOURG**

A new ILA Company Secretaries Certificate

- ILA is focused on corporate governance related matters and issues, and is willing to **give full recognition to all corporate governance key roles**. For instance, a few years ago, in 2012, a Directors' Certificate has been set up by ILA with a growing success, year after year.
- It must be noted that, despite the increasing role and importance of the Company Secretary here in the corporate governance field, no dedicated Training and Certificate are existing yet.
- In the Common Law world, roughly speaking, specific recognition is already given to Company Secretaries, such role being defined, for instance, by the UK Companies' Secretaries chartered body as ***“a strategic position of considerable influence at the heart of [corporate] governance operations”***, and as *playing a major role in the long-term success of a company*.
=> Obvious relevancy to build up such a program in our continental law country.

A Tailor-Made Certification Program

- A vocational and skill oriented training: this program will not be “academic focused”, but rather, basically, a vocational and skill oriented training (*e.g., practical approach, case studies, etc ...*).
- Benefits of the program: this program will notably enable participants to:
 - ❖ Understand the key components of company secretarial practice in Luxembourg;
 - ❖ Learn about the respective roles and responsibilities of the key stakeholders;
 - ❖ Explore the best corporate governance practices in the field of company secretarial in order to ensure optimal Board and Management support;
 - ❖ Assess Board and key corporate bodies’ dynamics, and maximise personal effectiveness;
 - ❖ Consider current developments, trends and topical issues.

Program Entry & Target Audience

- **Program entry**

Open-entry: no previous specific qualification or experience is required to enter the program.

- **Target audience**

Board support personnel, such as current and aspiring Company Secretaries, Corporate Officers, including Law Professionals, who support and advise the Board of Directors and Managers, and willing to increase their understanding of corporate governance concept.

Program Outline & Certification Requirements

- 2 Pillars of four mandatory modules each: Pillar 1 must precede Pillar 2.
- To qualify for the Certificate, all 8 modules must be attended within a limited timeframe of 3 years, and the exams must be successfully passed.
- Limited to 15 participants per module, for enhanced interaction
- Modules and exams are conducted in English

- Exams:
 - ❖ each Pillar will be assessed by a 2-hour multiple choice exam
 - ❖ exam sessions will be held twice a year (*January & July*)
 - ❖ exams are limited to 2 attempts

- Mandatory CPD credits to be accumulated after certification: 6 hours training per year.

Corporate Lead Trainers

- Our Corporate Lead Trainers are:

ALLEN & OVERY
LUXEMBOURG

arendt
arendt services

ELVINGER
HOSS
LUXEMBOURG LAW

NautaDutilh | International Law Firm


pwc

wildgen
PARTNERS IN LAW
Avocats à la Cour

ILA

Overview & Timetable of the Certificate Training Program

| Pillars | Modules | Scheduled in |
|----------|---|------------------------|
| Pillar 1 | Module 1: Fundamentals of the Luxembourg Law for Company Secretaries (16h) | 21 & 22 September 2017 |
| | Module 2: Boards & Board meetings (8h) | 24 October 2017 |
| | Module 3: Shareholders & Shareholders' Meetings (8h) | 21 November 2017 |
| | Module 4: Managing & Communicating Company Data (4h) | 12 December 2017 |
| | Exams | 15 January 2018 |
| Pillar 2 | Module 5: Accounting & Tax for Company Secretaries (8h) | 30 January 2018 |
| | Module 6: Luxembourg Corporate Governance & Company Administration in practice (16h) | 22 & 23 March 2018 |
| | Module 7: Contract law fundamentals for Company Secretaries (8h) | 17 April 2018 |
| | Module 8: Company Secretaries Leading through integrity (4h) | 15 May 2018 |
| | Exams | 16 July 2018 |

Certification Program: Pillar 1, Module 1

MODULE 1: FUNDAMENTALS OF THE LUXEMBOURG LAW FOR COMPANY SECRETARIES (16h)

The module will cover the key points of Luxembourg law, plus related practice, that every Company Secretary should know. The module will include various case studies, which bring the content to life in a practical context.

Main learning objectives

- Identify the key stakeholders, and understand the role and potential liability of a Company Secretary;
- Understand some key concepts, notably related to the different types of Luxembourg companies, and the main events, which occur during the life of a Luxembourg company;
- Incorporate a Luxembourg company; and,
- Liquidate a Luxembourg company.

Certification Program: Pillar 1, Module 2

MODULE 2: BOARDS & BOARD MEETINGS (8h)

As a key element contributing to the Board effectiveness, the Company Secretary plays a major role in anticipating efficient functioning of Board meetings by preparing meetings, advising the Board, ensuring timely and effective information flows within the Board and between the Board, and its Committees or Senior Management.

Main learning objectives

- Identify a Board structure and its functioning;
- Prepare, convene, run and minute a Board meeting;
- Get acquainted with Board procedures and policies; and,
- Understand the role and responsibilities of the Board.

Certification Program: Pillar 1, Module 3

MODULE 3: SHAREHOLDERS & SHAREHOLDERS' MEETINGS (8h)

It often falls to the Company Secretary to deal with practical and company law issues in relation to Shareholders, to act as an intermediary between the Board and the Shareholders, and to coordinate the Shareholders' decision making process. The Shareholders' meeting is a key corporate body in every company. The Shareholders are notably responsible for deciding on general strategy, amendments of articles of association, appointment and removal of Board members, approval of annual accounts, or dissolution of a company. Therefore, ensuring that all Shareholders' decisions are taken in compliance with the applicable legislation is one of the Company Secretary's major roles.

Main learning objectives

- Identify different shareholders' rights;
- Prepare and hold a shareholders' meeting;
- Create and update a share register; and,
- Document a distribution and a transfer of shares.

Certification Program: Pillar 1, Module 4

MODULE 4: MANAGING & COMMUNICATING COMPANY DATA (4h)

Companies are overwhelmed by an increasing amount of documents and data of all kinds. The Company Secretary does not avoid this trend in performing his duties. On the contrary, the Company Secretary is even in charge of keeping and storing corporate documents, needless to underscore their importance for the company.

Main learning objectives

- Get acquainted with the basic legal rules underpinning the keeping and storing of documents, and assuring a maximum level of probative value; and,
- Get an introduction to other specific rules, such as the rules on data protection, professional secrecy and trade secrets, which are often less known but still may have an important impact on the keeping and storing of company documents.

Certification Program: Pillar 2, Module 5

MODULE 5: ACCOUNTING & TAX FOR COMPANY SECRETARIES (8h)

The purpose of this specific training is to offer a hands-on experience rather than a theoretical class, and provide Company Secretaries with practical knowledge on accounting and tax reporting, including (i) by monitoring compliance within the scope and extent of accounting and tax reporting obligations; and (ii) by making sense of reports, taking into account the nature and limitations of accounting and financial reporting.

Main learning objectives

- Review the key foundations of financial reporting: accounting conventions and principles;
- Understand the key components of financial statements and be aware of their information usefulness; and,
- Implement filing obligations as they relate to accounting & tax reporting so as to monitor compliance.

Certification Program: Pillar 2, Module 6

MODULE 6: LUXEMBOURG CORPORATE GOVERNANCE & COMPANY ADMINISTRATION IN PRACTICE (16h)

This module examines the role of the Company Secretary in promoting and reinforcing good corporate governance across an organization by ensuring compliance with statutory and regulatory obligations as well as good practice. In particular, it explains the role of the Company Secretary in devising and overseeing appropriate compliance systems and processes so that the company and its directors are compliant with the Luxembourg corporate laws, regulations and the company's statutes. The module also examines corporate secretaryship practices.

Main learning objectives

- Understand key concepts and practical approach of corporate governance;
- Identify the role of a Company Secretary in the financial sector, notably through good disclosure and observance of statutory requirements, regulations and best practice;
- Meet governance objectives and optimize management information and,
- Assess corporate compliance with a code of conduct for a regulated entity.

Certification Program: Pillar 2, Module 7

MODULE 7: CONTRACT LAW FUNDAMENTALS FOR COMPANY SECRETARIES (8h)

This module aims to facilitate the understanding of contract law in a business environment. Accordingly, it covers the crucial ingredients required for setting up a good contract, and provides tips for understanding contractual material. It also scrutinizes what happens when things go wrong, including offering options for assessing damages and remedies for breach. Finally, the main features of contracts entered into by regulated entities and listed companies will be overviewed.

Main learning objectives

- Examine and address key issues in Luxembourg contract law;
- Offer solutions and advice on practical concerns;
- Initiate a governance review of contracts; and,
- Ensure a contract management approach (*signing process and document retention*).

Certification Program: Pillar 2, Module 8

MODULE 8: COMPANY SECRETARIES LEADING THROUGH INTEGRITY (4h)

Integrity means the respect of a consistent framework of ethical or moral principles based upon a core group of values, beyond formal codes of conduct and regulations. As scandals have decimated share prices and Board credibility, integrity became one of the critical elements of corporate governance that companies are looking to reinforce. As a result, the Board's approach to integrity has to spread outward from the Boardroom in order to permeate the whole culture of an organization. Indeed, it is more than ever required to be considered nowadays by a Company Secretary.

Main learning objectives

- Provide a practical framework for understanding and instilling integrity and ethics in the Boardroom, by using case studies, a master class and self-reflection;
- Try to identify how board members can more proactively recognize gap and risks;
- Help to prevent potential damages linked to failure on integrity; and,
- Enhance globally the role of integrity in the Boardroom and the whole organization.



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PRESENTATION OF THE ILA COMPANY SECRETARIES COMMITTEE

ILA Company Secretaries Committee: Focus & Activities

- The **Company Secretaries Committee of I.L.A** focuses on supporting the role of Company Secretaries in Luxembourg, notably by developing high professional standards and best practices, training programs and networking opportunities.
- For instance, the Company Secretaries Committee has organized, since 2016, **3 breakfast briefings** on hot topics, for which feedback given by the attendees and the keynote speakers was very positive:
 1. A breakfast briefing on “**How far should regulators influence company governance**” held on *27 September 2016*, with Mrs. Sandrine Leclercq, Director Advisory & Consulting in Regulatory at Deloitte Luxembourg, as keynote speaker.

The keynote speaker has highlighted the challenging role of the regulators with this regard, and, at the same time, its difficult reconciliation sometimes with the needs and practice of corporate governance bodies.

ILA Company Secretaries Committee: Activities

2. A breakfast briefing on “**What the Board room needs to know about the new General Data Protection Regulation**”, held on *26 October 2016*, with Mr. Vincent Wellens, Partner at Nauta Dutilh Luxembourg in the Intellectual Property and Information & Communication Technology practice, as keynote speaker. Indeed, the world has gone through a digital revolution, which has significantly changed all IT practices and habits. The keynote speaker has thus shared with us his analysis of those new rules on data protection and their impact on the Boardroom.
 3. Also, in order to highlight the value that a Company Secretary may add to the corporate governance field, a **breakfast briefing** was held on March 1st, 2017, “**The Company Secretary as Governance Officer**”. The key note speaker was Maurice Bauer, Secretary General of the Luxembourg Stock Exchange. He has explained how the Company Secretary has definitely emerged as the Chief Governance Officer in the recent years.
- Following those breakfast briefings, strong interest was shown by some attendees, who joined, (i) either the Company Secretaries Committee, in order to fully take part to its works and projects, (ii) or the CoSec LinkedIn Group, to follow up our debates on current topics.

ILA Company Secretaries Committee: Living Legacy

- In addition, **2 courses**, initiated in the past by the Company Secretaries Committee, have been held again in 2016, considering the attendance and continuing interest shown:
 1. “**Effective Minute Taking**”, by Mr. Phil Davis, held last time on 11 October 2016
 - ❖ What are minutes and why they are kept?
 - ❖ The role of the minute taker
 - ❖ The problems with minute taking
 - ❖ Understanding the nature of meetings
 - ❖ The skills of effective minute writing
 - ❖ Minute taking in practice
 - ❖ Essential listening skills for successful minute taking

ILA Company Secretaries Committee: Living Legacy

2. “Chair & Company Secretary working as a team” by Mr. Phil Davis, held last time on 12 October 2016

- ❖ What makes an effective meeting?
- ❖ What is the role of the chairperson?
- ❖ Chairing challenges
- ❖ The skills of effective chairing
- ❖ Overcoming chairing challenges
- ❖ The self-confident chairperson
- ❖ Personal application

ILA Company Secretaries Committee: Members

- Catherine Beaujour Meda Pharma/Mylan Group (Chair)
- Guy Modert Post Group (Vice-Chair)
- Monique Bachner ILA/Independant Director
- Maurice Bauer Société de la Bourse du Luxembourg
- Frédérique Bouchet Independent Director
- Kasia Ciesielska Park Properties
- Sarah Derengowski JP Morgan Chase & Co.
- Guillaume de Villenaut Marguerite Fund
- Sylvie Marquant Independent Director
- Simone Schmitz Invesco Real Estate Management
- Pamela Steinfeldt-Kristensen JP Morgan Asset Management
- Lars Svenningsson Independent Director
- Adriana Valcarce Aberdeen Asset Management
- Jeanne-Anne Yelverton Henderson Global Investors



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Thank you for your attention!

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