

# KASNEB

## CS PART II SECTION 4 CORPORATE SECRETARIAL PRACTICE PILOT PAPER

September 2015.

Time Allowed: 3 hours.

Answer ALL questions. Marks allocated to each question are shown at the end of the question.

### QUESTION ONE

- (a) Explain the following terms in the context of corporate secretarial practice:
- (i) Common seal. (2 marks)
  - (ii) Statutory registers. (2 marks)
  - (iii) Circular resolution. (2 marks)
- (b) The Organisation for Economic Cooperation and Development (OECD) has issued guidelines on pension fund asset management.
- In relation to the above statement, describe six requirements of a good investment policy for a pension fund. (6 marks)
- (c) Examine four roles of a company secretary with regard to restructuring of a company. (8 marks)
- (Total: 20 marks)**

### QUESTION TWO

As a company secretary, discuss how you would exploit information communication technology to improve your efficiency in serving the board, shareholders and other stakeholders of your company. (20 marks)

### QUESTION THREE

- (a) Argue for and against the relevance of a memorandum of association as a prerequisite for incorporating a modern day company. (12 marks)
- (b) Outline the contents of articles of association. (8 marks)
- (Total: 20 marks)**

### QUESTION FOUR

Maghudo Khamala is a renowned informal businessman in Korogocho town. His friend Auma Misoi has advised him that he requires to engage the services of a company secretary to assist him in formalising his business operations for optimal productivity. He is aware that you are pursuing the Certified Secretaries (CS) course and has approached you to clarify several issues.

Explain the following to Maghudo Khamala:

- (a) Who a company secretary is. (2 marks)
- (b) The value that a company secretary could add to his business. (5 marks)
- (c) How a company secretary could assist him formalise his business. (5 marks)
- (d) The pros and cons of formalising his business. (8 marks)
- (Total: 20 marks)**

### QUESTION FIVE

- (a) The certified secretarial profession is critical in the achievement of the development agenda of your country. Critique the above statement. (15 marks)
- (b) Outline five statutory obligations of a company secretary. (5 marks)
- (Total: 20 marks)**