Companies and Intellectual Property Commission
a member of the dti group

NOTICE TO CUSTOMERS

(Practice Notice No 70 of 2019)

FILING OF DOCUMENTS IN TERMS OF REGULATION 168

The change of directors of a company is marred with controversy due to unauthorized changes being made on the register of directors kept by the Commission.

Various measures have been put in place to mitigate the risk of fraudulent changes being made, especially with regards to companies. It has come to the attention of the CIPC that documentation is being submitted for unauthorized changes that contain resolutions / decisions made by shareholders. The Commission (CIPC) keeps no shareholder information on our records, and has therefore no way of verifying the validity of such resolutions passed.

Regulation 168(4) requires the recording officer to take reasonable steps to, amongst others, verify the person filing a document on behalf of or in relation to a juristic person and verify the authenticity of every document being filed. In doing so, the Commission may demand that the person seeking to file a document supply reasonable evidence for purposes of verification mentioned above and may reject any document on the grounds that the requirements have not been met.

Therefore in order to mitigate the risks identified with regards to director amendments, any notice filed for the change of directors (resignation or removal) as a result of the **resolution by the shareholders must be accompanied by, a certified copy of the shareholders register (securities register) or share certificates, at all times**. This information is required additional to the current required supporting documents for director amendments.

Yours Sincerely

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Advocate Rory Voller

CIPC Commissioner

Date: ..11..../..11...../2019