

- 1 2 In furtherance of its objects the Institute shall have the following ancillary objects and
2 powers:
- 3 (a) to develop, organize and. conduct professional examinations in Securities and Investment
4 leading to the award of diplomas, certificates and other awards as may be prescribed by the
5 Council;
- 6 (b) to develop, organise, promote, for the public benefit, the advancement and dissemination of
7 knowledge in the field of securities and investment;
- 8 (c) To train and formulate standards of professional conduct and competence for all those
9 engaged in the profession of securities and investment in Capital Market operations/practice
10 in Nigeria.
- 11 (d) To act as an authoritative body for the purpose of conducting research in matters of
12 education or public interest concerning securities and investment in capital market operations
13 and instruments.
- 14 (e) to fix and receive fees and levies payable by or on behalf of candidates, members, or firms in
15 respect of such events, materials, training, examinations and subscriptions as the Institute
16 may develop; 'organize or' conduct;
- 17 (f) to preserve at all times the professional independence of members in whatever capacities they may
18 be serving;
- 19 (g) to promote, foster and maintain the interest and support of persons engaged in securities and
20 investments in the objects and activities of the Institute;
- 21 (h) to organize, provide facilities for and hold lectures, seminars, meetings, discussions, conferences,
22 exhibitions, competitions, demonstrations and courses 'of instructions on Securities and Investment
23 and related fields;
- 24 (i) to publish, produce or distribute books, pamphlets, literature, periodicals, films, posters
25 and journals relating to the affairs of the Institute or promoting and furthering the interests,
26 usefulness and efficiency of members and others or of the Securities and Investment profession
27 generally;
- 28 (j) to conduct research into the theory and practice of Securities issuance and dealing and Investment
29 management and advisory services in Capital Market operations and instruments generally;
- 30 (k) to disseminate information relating to Securities and Investment to the public and to liaise with the
31 Government and the regulatory bodies towards promoting and regulating the practice of Securities
32 and Investment and related field in the country;
- 33 (l) To make recommendations for improving or simplifying the law and practice relating to Securities
34 and Investment in Capital Market operations and instruments and draw attention to the anomalies
35 in such law and forward its recommendations to the appropriate authority;
- 36 (m) to make grant or other contributions to local or other societies having as their object the
37 furtherance of the objects of the Institute;
- 38 (n) to receive grants, gifts, levies, or other contributions from individuals, corporate and/or
39 governmental organizations;
- 40 (o) to make gifts or contributions for national, public, educational or research charitable
41 purposes;

- 1 (p) to make grants to universities or other educational establishments, to provide finance and
2 make grants for courses, lectures, classes or other tuition or for research and to establish
3 scholarships or exhibitions and give prizes with a view to promoting or furthering the
4 interests of members and prospective members of the Institute;
- 5 (q) to procure that, subject to the laws of the country concerned, the Institute be registered or
6 recognised in any part of the world;
- 7 (r) to establish and maintain a library or libraries and collection of literature, films and other
8 material for the use of members and others;
- 9 (s) to undertake and execute any trusts which may be lawfully undertaken by the Institute and
10 may further its objects;
- 11 (t) (1) to organise, finance and maintain schemes for the granting of diplomas, certificates and
12 other awards (with or without prior examination) with a view to promoting the principal
13 objects of the Institute and to provide, if it thinks fit (Whether in such scheme or otherwise)
14 and subject to payment of such fee, subscription or other sums as may be prescribed by or
15 pursuant to the Regulations of the Institute, for the use of designatory letters by persons
16 granted such diplomas, certificates and awards; and
- 17 (u) (u) to do, alone or in conjunction with others, such other acts and things, whether incidental
18 to the powers aforesaid or not, as may be requisite in order to further the Objects of the
19 Institute.

Membership of the Institute 20 **3.-(1) "Subject to the provisions of this Act and Regulations which may be made by the Institute**
21 **from time to time, persons admitted to membership of the Institute shall be registered as members**
22 **including but not limited to the following categories" –**

- 23 (a) Fellows;
24 (b) Honorary Fellows;
25 (c) Associate Members;
26 (d) Members;
27 (e) Corporate Members;
28 (f) Affiliates.

29 (2) A person registered under this Act shall be enrolled to a higher membership status in any of
30 the following categories, that is

31 (a) as an associate if -

- 32 (i) he has passed the examinations prescribed or accepted by the Institute; or
33 (ii) not being a member of the Institute at the time of application for membership, has
34 passed the qualifying examination of any recognised Institute of Securities and
35 Investment Professionals in any other country acceptable to the Council; and
36 (iii) he has acquired on the job practical experience or training in the securities and
37 investment or related fields for such number of years as may be specified by the
38 Council;
- 39 (iv) has been admitted by any recognized related foreign Institute to that category of
40 membership;
- 41 (v) he is otherwise considered by the Council to be a fit person to be so enrolled; and
42 (vi) he satisfies all other criteria as may be specified by the Council from time to, time.

43 (b) as an Honorary Fellow if –

- 1 (i) *he has contributed immensely to the growth of Securities and Investment profession*
2 *in Nigeria and the Institute, and in the opinion of the Council be able to assist in the*
3 *promotion of the objects of the Institute by reason of his experience, or position of*
4 *eminence;*
- 5 (ii) *he is considered by the Council as a fit and proper person to be awarded the*
6 *Honorary Fellowship of the Institute and satisfies the Council that he is eligible to*
7 *be so awarded;*
- 8 (iii) *he complies with any requirements as set out in Regulations made by the Council*
9 *and published from time to time; and*
- 10 (c) as a Fellow if -
- 11 (i) he satisfies the Council that for a continuous period of five years immediately
12 preceding the application, he has been an associate member in good standing with
13 the Institute;
- 14 (ii) he is a holder of approved academic and or professional qualifications and a
15 certificate of the examinations prescribed or accepted by the Institute;
- 16 (iii) he is otherwise considered by the Council to be a fit person to be so enrolled; and
17 (iv) he satisfies all other criteria as may be specified by the Council from time to time.
- 18 (d) as a Corporate Member if-
- 19 (i) *it satisfies the Council that it is a fit and proper firm conducting securities and investment*
20 *business in capital market instruments & operations and is eligible to be so registered;*
21 (ii) it satisfies all other criteria as may be specified by the Council from time to time.
- 22 (3) A member or corporate member of the Institute shall be entitled to receive, from the Council,
23 a letter or certificate of registration of membership for the category of membership in such a form
24 as the Council may approve for that purpose.
- 25 (4)
- 26 (a) The Council shall have the power in its absolute discretion to grant affiliate status to persons
27 not being members of the Institute upon such terms and conditions as the Council from time-
28 to-time considers appropriate.
- 29 (b) Every person on being granted affiliate status shall pay such fee, annual subscription or other
30 sums as may be prescribed by or pursuant to the Regulations of the Institute.
- 31 (c) An affiliate shall be subject to the provisions as to discipline set out in this Act and of the
32 Rules and Regulations of the Institute, including any scheme maintained by the Institute
33 under sub-paragraph (t) of Section 2 of this Act, and references to members in such
34 provisions shall be taken to include references to affiliates.
- 35 (d) Provided always that affiliates shall not be members of the Institute and shall not be entitled
36 to any of the rights of members (other than the rights of a member in disciplinary
37 proceedings) and that the Institute shall not be entitled to authorise their use of any
38 designatory letters.
- 39 (5) Any person admitted to any class of membership of the Institute shall give an undertaking on
40 admission in writing in such terms as Rules and Regulations may prescribe. Such undertaking on
41 admission will include that:.
- 42 (a) he will abide by the Act, Rules and Regulations and Code of Ethics and Standards of
43 Professional Conduct (as amended from time to time);

- 1 (b) he will not at any time after ceasing to be a Member of the Institute use or permit to be used
2 in conjunction with:
3 (i) his name; or
4 (ii) the name of any organisation with which he may be associated;
5 (iii) any Designation, Designatory Initials or expression denoting or suggesting any past or
6 present membership of or connection with the Institute that he or the organisation is not
7 otherwise entitled to use;
- 8 (c) he will be liable whilst a Member and will remain liable after ceasing to be a Member any
9 monies payable by him to the Institute, including but not limited to any fee, subscription,
10 levy, fine or other penalty, or reimbursement in accordance with any scheme of
11 compensation; and
- 12 (d) he will comply with such other requirements as the Council shall determine.

13
14
15 **PART II - HONORARY OFFICERS AND OTHER OFFICERS OF THE CHARTERED**
16 **INSTITUTE OF SECURITIES AND INVESTMENT**

17 **4.**-(1) There shall be a President and such number of Vice Presidents of the Institute as the
18 Regulations made by the Institute may prescribe from time to time. They and their successors shall
19 hold their respective offices for such terms and their successors shall be appointed in such manner, as
20 shall from time to time be prescribed by or in accordance with the Members' Regulations.

Office of
President,
First Vice
President
and Second
Vice
President of
the Institute

21
22 (2) There shall be such other officers of the Institute as the Regulations made by the Institute may
23 from time to time prescribe or authorise and they shall have such powers and duties and such periods
24 of office and shall be appointed in such manner as may be prescribed by or in accordance with the
25 Members' Regulations.

26
27 **PART III – GOVERNING COUNCIL OF THE INSTITUTE, ETC.**

28 **5.**-(1) There is hereby established for the Institute a Governing Council (in this Act referred to as
29 "the Council") which shall be charged with the responsibility for the administration and general
30 management of the Institute.

31 (2) The Council- shall consist of the following members:

- 32 (a) the Chairman who shall be the President of the Institute;
- 33 (b) such number of Vice-Presidents as may be prescribed by Regulations from time to time;
- 34 (c) One representative each of the following.
- 35 (i) Securities and Exchange Commission
- 36 (ii) Pension Commission of Nigeria
- 37 (iii) Federal Ministry of Education,
- 38 (iv) Federal Ministry of Finance; and
- 39 (d) One representative each of -licensed Stock Exchanges;

- 1 (e) *One representative of Commodities Exchanges; and*
- 2 (f) *One representative of other trading platforms in Nigeria;*
- 3 (g) *One of such number of - individuals representing classified groups based on skills-set as*
4 *follows or as determined from time to time by the Governing Council:*
- 5 (i) *Investment (Portfolio Management, Fund Management, Investment Advisory, Financial*
6 *Planning)*
- 7 (ii) *Securities Issuance and Financial Advisory;*
- 8 (iii) *Securities Dealing (Equity, Fixed Income, Derivatives, Commodities),*
- 9 (vi) *Trusteeship and Custodianship; and*
- 10 (v) *Share Registrars;*
- 11 (h) *Not more than five (5) corporate members representing each of the above categories;*
- 12 (i) *Two (2) persons to represent institutions of higher learning in Nigeria offering courses leading*
13 *to approved qualifications, to be appointed by the Federal Ministry of Education on rotation,*
14 *such, however that the two shall not be from the same and type of institution;*
- 15 (j) *Twelve (12) members to be elected by the Institute, either from the Associates or Fellows*
16 *category or such number of members to be elected by the Institute, as may be prescribed in the*
17 *Regulations made by the Institute;*
- 18 (k) *Council may co-opt as member(s) such person(s) whose skills are required, from time to time,*
19 *but not exceeding five (5) persons at any point in time and whose tenure shall not be more than*
20 *one term in office; but a person who is a member by virtue of the sub-paragraph shall not be*
21 *entitled to vote at any meeting of the Council and shall not count towards a quorum.*
- 22 (l) *Past Presidents of the Institute who shall be entitled to serve on the Council for a maximum*
23 *period of three years from the expiration of their terms of office as President of the Institute;*
24 *and*
- 25 (m) *The Registrar & Chief Executive Officer of the Institute.*
- 26 (3) *The qualifications and tenure of office of members of the Council and the other matters*
27 *therein mentioned shall from time to time be prescribed by or in accordance with the Members'*
28 *Regulations.*
- 29

PART IV ACCOUNTS AND AUDIT

- 31 **6. - (1)** There shall be established for the Institute, a fund which shall be managed and controlled by
32 the Council. Fund of the
Institute
- 33 (2) There shall be paid into the fund established pursuant to subsection (1) of this section -
- 34 (a) all fees and other monies payable to the Institute in pursuance of this Act; and
- 35 (b) such other monies as may be payable to the Institute in the course of its operations or in
36 relation to the exercise of any of its functions under this Act.
- 37 (3) There shall be paid out of the fund of the Institute -
- 38 (a) the remuneration and allowances of the Chief Executive Officer and other employees of the
39 Institute;

1 (b) such reasonable travelling and subsistence allowances of members of the Council in respect
2 of the time spent on the business of the Council as the Council may determine;

3 (c) remuneration to and the expenses of any other persons (whether members of the Institute or
4 not) who render services to the Institute; and

5 (d) any other expenses incurred by the Council in the discharge of its functions under this Act.

6 (4) The income and property of the Institute, whensoever derived, shall be applied solely towards the
7 promotion of its objects as set forth in this Act or added to in the manner hereinafter provided and no
8 Member shall as such have any personal claim on any of the said income or property.

9 (5) No part of the fund, income or property of the Institute shall be paid or transferred directly or
10 indirectly by way of dividend, bonus or otherwise howsoever by way of profit to its Members,
11 provided that nothing herein contained shall prevent the payment in good faith of remuneration to any
12 Member thereof, or to any other person in return for services rendered to the Institute, or the payment
13 in good faith of expenses incurred by any such person in providing such services, or the payment of
14 interest at a rate to be determined by Council on money borrowed from any Member or any payment
15 becoming due under or by virtue of any indemnity given by the Institute to any officials or servants or
16 to any Member in accordance with the Members' Regulations.

17 (6) If any person ceases for any cause whatsoever to be a member of the Institute he shall not nor
18 shall his representatives have any interest in or claim against the funds or property of the Institute.

19 (7) No payment of remuneration (other than reimbursement of out-of-pocket expenses) shall be made
20 by the Institute to any member of the Council of the Institute except as may be specifically permitted
21 by the Members' Regulations.

22 (8) The Council may invest monies from the fund in any security created or issued by or on behalf of
23 the Federal Government or in any other securities in Nigeria approved by the Council.

24 (9) The Council may, from time to time, borrow money with or without security for the purpose of the
25 Institute and any interest payable on moneys so borrowed shall be paid out of the fund.

26 (10) All members shall be liable for payment of fees, subscription, levy, or other sums payable while
27 in membership.

28 (11) The Council shall on behalf of the Institute cause proper books of account to be kept with respect
29 to:

30 (a) all sums of money received and expended by the Institute and the matters in respect of which
31 the receipt and expenditure takes place;

32 (b) all sales and purchases of goods and services by the Institute; and

33 (c) the assets and liabilities of the Institute.

34 Proper books shall not be deemed to be kept if there are not kept such books of account as are
35 necessary to give a true and fair view of the state of the Institute's affairs and to explain its
36 transactions.

37 (12) A copy of every balance sheet, income and expenditure account and auditors' report shall be sent
38 to every Member not less than twenty-one days before the Meeting at which they are to be considered

39 **7.** The Council shall cause the financial statements of the Institute to be audited by an auditor or
40 auditors appointed in a manner prescribed in the Members' Regulations.

Account and
Audit

41

42

PART V - APPOINTMENT OF THE CHIEF EXECUTIVE OFFICER ETC

8.-(1) The Council shall appoint a fit and proper person who shall be a Member of the Institute to be the Chief Executive Officer for the purpose of this Act, and such other persons as the Council may from time to time, deem necessary to assist the Chief Executive Officer in the performance of his functions under this Act.

(2) The Chief Executive Officer, shall in addition to his other functions under this Act, be the Secretary to the Council and shall keep minutes of the proceedings of all meetings of the Council and committees thereof.

(3) The Chief Executive Officer appointed under Subsection (1) of this section shall report to the Council of the Institute.

(4) (i) The Institute shall keep and maintain the Register of Members as set out in Council Regulations, which shall record any person:

(a) admitted to any class of membership of the Institute following admission or readmission;

(b) expelled or who resigns from any class of membership of the Institute;

or

(c) suspended

(ii) There shall be for the purposes of this Act two registers as follows

(a) the register of individual members and

(b) the register of Corporate Members.

(5) Subject to other provisions of this section, the Council shall make rules with respect to the form and keeping of registers and the making of entries thereon, and in particular -

(a) regulate the making of applications for enrolment or registration, as the case may be, and providing for the evidence to be produced in support of the applications;

(b) provide for the notification to the Chief Executive Officer, by the person to whom any registered particular relates or any change in those particulars;

(c) authorize an enrolled or registered person to have any. Qualification which' is in, relation to the relevant division of the profession, either an approved qualification or an accepted qualification, for the purposes of this Act, registered in relation to his name in addition to, or as he may elect, in substitution for any other qualification so registered;

(d) specify the fees, including any annual subscription, to be paid to the Institute in respect of the entry of names on the Register and authorizing the Chief Executive Officer to refuse to enter a name on the Register until any fee specified for the entry has been paid; and

(e) specify anything failing to be specified under the foregoing provisions of this section; but rules made for the purpose of paragraph (d) of this subsection shall not come into force until they are confirmed at a meeting of the Institute.

(6) The Chief Executive Officer shall -

(a) correct, in accordance with the Council's directions, any entry in the register which the Council directs him to correct as being in the Council's opinion an entry which was incorrectly made;

(b) The Chief Executive Officer shall- make, from time to time, any necessary alterations in the registered particulars of registered persons in accordance with the Council directives;

- 1 (c) remove from the register the name of a deceased member; and
2 (d) record the names of members of the Institute who are in the default for more than one year in
3 the payment of annual subscriptions and to take such action in relation thereto (including
4 removal of the times of defaulters from the register) as the Council may direct and any
5 person whose name is removed from the register for being in default of payment for more
6 than one year may be re-registered subject to payment of outstanding subscription and re-
7 registration fees as may be approved by the Council from time to time.

8 (7) If the Chief Executive Officer -

- 9 (a) sends by post to any enrolled or registered person a registered letter addressed to him at his
10 enrolled address on the register, enquiring whether the enrolled registered particulars relating
11 to him are correct and receives no reply to the letter within a period of six months from date
12 of posting it and
13 (b) upon the expiration of that period, sends in the like manner to the person in question a
14 second similar letter and receives no reply to that letter within three months from the date of
15 posting it, the Chief Executive Officer may remove the particulars relating to person in
16 question from the register and the Council may direct the Chief Executive Officer to restore
17 to the appropriate part of the register any particulars removed there from under this
18 subsection.

19 9.-(1) The Chief Executive Officer shall-

- 20 (a) cause the register to be printed, published (including the electronic form and publication
21 on the Institute's website) and put on sale to members of the public not later than two years
22 from the commencement of this Act;
23 (b) thereafter in each year, cause to be printed, published (including the electronic form and
24 publication on the Institute' s website) and put on sale as aforesaid, either a corrected
25 edition of the register or list of corrections made to the register, since it was last printed;
26 (c) cause a print (including the electronic form and publication on the Institute's website) of
27 each edition of the register and of each list of the corrections to be deposited at the
28 principal office of the Institute and/or on the Institute website; and
29 (d) keep the register and list so deposited and make the register and such lists available at all
30 reasonable times for inspection by members of the public (including the electronic form
31 and publication on the Institute's website).

Publication
of register
and list of
correction,
etc

32 (2) A document purporting to be a print (including the electronic form and publication on the
33 Institute's website) of an edition of the register published under this section by authority of the Chief
34 Executive Officer or documents purporting to be prints of an edition of the register so published and
35 of the list of corrections to that edition so published, shall (without prejudice to any other mode of
36 proof) be admissible in any proceedings as evidence that any person specified in the document or the
37 documents read together as being registered or enrolled was so enrolled or registered as at the date of
38 the edition, or of the list of corrections, as the case may be, and that any person not so specified was
39 not so enrolled or registered.

40 (3) Where in accordance with Subsection (2) of this section a person is in any proceedings, shown to
41 have been or not to have been registered or enrolled at a particular date, he shall, unless the contrary

1 is proved, be taken for the purpose of the proceedings as having at all materials times thereafter
2 continued to be or not to be so enrolled or registered,

3
4 **PART VI – REGISTRATION OF MEMBERS**

Registration
of members

5 **10.** — (1) A person, other than one whose membership has been suspended by a directive of the
6 Disciplinary Committee shall be entitled to be registered as member in the classes of membership
7 specified in Section 3 of this Act if he satisfies the requirements for registration.

8 (2) An applicant for registration shall, in addition to evidence of qualification, satisfy the Council that
9 he

10 (a) is of good character;

11 (b) has attained the age of 18 years; and

12 (c) has not been convicted in Nigeria or elsewhere of an offence involving fraud or dishonesty .

13 (3) The Council may at its sole discretion provisionally accept a qualification produced in respect of
14 an application for registration under this section or direct that application be renewed within such
15 period as may be specified in the direction.

16 (4) Any entry directed to be made by the Chief Executive Officer under Subsection (3) of this section
17 shall show that registration is provisional and no entry so made shall be converted to full registration
18 without the consent of the Council signified in writing in that behalf.

19 (5) The Council shall, from time to time, prescribe and publish (including in electronic form)
20 in the official journal, news letter, magazine and/or website of the Institute particulars of
21 qualification for the time being accepted as aforesaid.

22
23 **11.**—(1) The Council may approve any qualification for the purpose of this Act and may for
24 such purpose approve

25 (a) any course of training at any approved institution which is intended for persons
26 seeking to become or are already Securities and Investment Professionals and which
27 the Council approval of qualifications, considers is designed to confer on persons
28 completing it, sufficient knowledge and skill for admission to the Institute; and

29
30 (b) any qualification which as a result of an examination taken in conjunction with a
31 course of training approved by the Council under this section is granted to
32 candidates having reached a standard at the examination, indicating in the opinion
33 of the Council, that the candidates have sufficient knowledge and skill to practice as
34 securities and investment professionals.

35 (2) The Council may, if it thinks fit, withdraw any approval given under this section in respect
36 of any course, qualification or institution, but before the withdrawal of such an approval, the
37 Council shall

38 (a) give notice that it proposes to do so to each person in Nigeria appearing to the
39 Council to be person by whom the course is conducted or the qualification is
40 granted or the institution is controlled, as the case may be;

41 (b) afford each of such person an opportunity of making to the Council
42 representations with regard to the proposal; and

Approval of
qualifications,
etc

1 (c) take into consideration any representations made in respect of the proposal in
2 pursuance of paragraph (b) of this subsection.

3 (3) A course, qualification or institution shall not be treated as approved during any period the
4 approval is withdrawn under Subsection (2) of this section.

5 (4) Notwithstanding the provisions of Subsection (3) of this section, the withdrawal of approval under
6 Subsection (2) of this section shall not prejudice the registration or eligibility for registration of any
7 person who, by virtue of the approval, was registered or was eligible for registration (either
8 unconditionally or subject to his obtaining a certificate or experience) immediately before the
9 approval was withdrawn.

10 (5) The giving or withdrawal of an approval under this section shall have effect from such date, either
11 before or after the execution of the instrument signifying the giving or withdrawal of the approval, as
12 the Council may specify in the instrument, and the Council shall -

13 (a) as soon as may be practicable, publish a copy of every such instrument in the official news
14 letter and magazine and/or website of the Institute, and

15 (b) not less than seven days before its publication as aforesaid, send a copy of the instrument to
16 the institution affected.

Supervision of
instructions,
etc

17 **12.**-(1) It shall be the duty of the Council to keep itself informed of the nature of-

18 (a) the instructions given at approved institutions to persons attending approved courses of
19 training; and

20 (b) the examinations as a result of which approved qualifications are granted and for the
21 purposes of performing that duty the Council may appoint, either from its own members or
22 otherwise, persons to visit approved institutions or observe such examinations.

23 (2) It shall be the duty of a person appointed under subsection (1) of this section to report to the
24 Council on -

25 (a) the adequacy of the instructions given to persons attending approved course of training at
26 institutions visited by him;

27 (b) the adequacy of the examinations attended by him; and

28 (c) any other matter relating to the institutions or examinations on which the Council may, either
29 generally or in particular cases request them to report, but no such person shall interfere
30 with the giving of any instruction or the holding of any examination.

31 (3) On receiving a report made pursuant to this section, the Council may, if it thinks fit, and shall, if
32 so required by the institution, send a copy of the report to the person appearing to the Council to be in
33 charge of the Institution or responsible for the examinations to which the report relates, requesting
34 that person to make observations on the report to the Council within such period as may be specified
35 in the quest, not being less than one month beginning with the date of that request.

36

37

PART VII – PROFESSIONAL DISCIPLINE

38 **13.**-(1) There shall be constituted a body to be known as the Chartered Institute of Securities and
39 Investment Investigating Panel (in this Act referred to as "the Investigating Panel") which shall be
40 charged with the duty to-

Establishment
of
Investigating
Panel and
Disciplinary

- 1 (a) conduct a preliminary investigation into any case where it is alleged that a member of the
2 Institute has misbehaved in his capacity as a member or shall for any other reason be the
3 subject of proceedings before the Disciplinary Tribunal; or
4 (b) decide whether the case should be referred to the Disciplinary Tribunal or not; or
5 (c) submit a report on any action taken in the past to the Disciplinary Tribunal.

6 (2) The Investigating Panel shall be appointed by the Council as prescribed in the Regulations of the
7 Institute.

8 (3) The Council may make rules not inconsistent with this Act as regard acts which constitute
9 professional misconduct.

10 (4) The Investigating Panel shall act independently in receiving and investigating allegations under
11 paragraph (a) of subsection (I) of this section and shall have power to receive complaints directly
12 from any individual or organization.

13 (5) There shall be established a Tribunal to be known as Chartered Institute of Securities and
14 Investment Disciplinary Tribunal (in this Act referred to as "the Disciplinary Tribunal") which shall
15 be charged with the duty of considering and determining any case referred to it by the Investigating
16 Panel constituted under Subsection (1) of this section.

17 (6) The investigating Panel and the Disciplinary Tribunal shall consist of such number of members
18 with such qualifications, appointed by the Council in such manner and to hold office for such period
19 and on such terms and otherwise as the Regulations of the Institute shall direct.

20 14.-(1) Where-

Penalties for
professional
misconduct

- 21 (a) a member is adjudged by the Disciplinary Tribunal to be guilty of professional misconduct in
22 any professional respect; or
23 (b) a member is convicted by any court or tribunal in Nigeria or elsewhere having power to
24 award punishment for an offence (whether or not such offence is punishable with
25 imprisonment), which in the opinion of the Disciplinary Tribunal is incompatible with the
26 conduct required of a member of the Institute; or
27 (c) the Disciplinary Tribunal is satisfied that the name of any person has been fraudulently
28 enrolled or registered, the Disciplinary Tribunal shall impose such sanction(s) as it deemed
29 fit and convey a direction to the person concerned after receiving the confirmation of the
30 Council.

31 (2) If the complaint against the person concerned is upheld by the Disciplinary Tribunal having heard
32 the case, the Disciplinary Tribunal shall direct that anyone or more of the following sanctions be
33 imposed:

- 34 (i) the respondent be reprimanded;
35 (ii) the respondent be severely reprimanded;
36 (iii) the respondent's registration as a Member in Practice be suspended or cancelled;
37 (iv) the respondent's Practising Licence be withdrawn;
38 (v) the respondent be fined a sum not exceeding a maximum figure as the Council may set from
39 time to time;
40 (vi) the respondent be expelled from membership of the Institute,
41 (vii) the respondent's membership be made subject to conditions;

- 1 (viii) the respondent's registration, if an affiliate or a registered student, be cancelled or made subject
2 to conditions;
- 3 (ix) the respondent may be required to fully or partly restate the complainant;
- 4 (x) the respondent may be required to pay all or part of the costs of the proceedings against him;
- 5 (xi) the respondent gives a written undertaking to refrain from continuing or repeating the
6 misconduct in question; and
- 7 (xii) in the case of an affiliate or registered student (but not an Associate or Fellow member) that
8 he/she:
- 9 (a) be declared unfit to become a full member;
- 10 (b) be debarred from sitting the Institute's examinations/assessments
- 11 (c) for such a period of time as shall be determined; and
- 12 (d) have a relevant examination/assessment result declared null and void.
- 13 (3) The Disciplinary Tribunal may, if it thinks fit, defer or further defer its decision as to the
14 giving of a direction under Subsection (2) of this section until a subsequent meeting of the
15 Disciplinary Tribunal, but-
- 16 (a) no decision shall be deferred under this subsection for any period exceeding three months
17 from the conclusion of proceedings in the case, and
- 18 (b) no person shall be a member of the Disciplinary Tribunal for the purpose of reaching a
19 decision which has been deferred, or further deferred, unless he was present as a member of
20 the Disciplinary Tribunal when the decision was deferred.
- 21 (4) For the purpose of paragraph (b) subsection (1) of this section, a person shall not be treated as
22 guilty as therein mentioned, unless the guilt stand at a time when no appeal or further appeal is
23 pending or may (without extension of time) be brought in connection with the direction.
- 24 (5) When the Disciplinary Tribunal gives a direction under subsection (1) of this section, the
25 Disciplinary Tribunal shall cause notice of the direction to be served on the person to whom it relates.
- 26 (6) provides that appeals against the decision of the Chartered Institute of Securities and Investment
27 Disciplinary Tribunal goes to the Court of Appeal.
- 28 (7) A direction of the Disciplinary Tribunal given under Subsection (1) of this section shall take effect
29 where -
- 30 (a) no appeal under the section is brought against the direction within the time limit for such an
31 appeal, or on the expiration of that time; or
- 32 (b) such an appeal is brought and is withdrawn or struck out for want of prosecution, on the
33 withdrawal or striking out of the appeal; and
- 34 (c) such an appeal is brought and is not withdrawn or struck out as aforesaid, if and when the
35 appeal is dismissed,
- 36 (8) A person whose name is struck out of the Register in pursuance of a direction of the Disciplinary
37 Committee under this section, shall not be entitled to be enrolled or registered again, except in
38 pursuance of a direction in that behalf given by the Disciplinary Committee on the application of that
39 person and a direction under this section for the striking off a person's name from the register may
40 prohibit an application under this subsection by that person until the expiration of such period from
41 the date of the direction (and where he has duly made an application, from the date of his last
42 application), as may be specified in the direction.

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Application of
this Act to
unregistered
persons

PART VIII - MISCELLANEOUS

15. A person who is not a member of the Chartered Institute of Stockbrokers before the commencement of this Act, but is qualified to apply for and obtain membership of the Institute, may apply for membership of the Chartered Institute of Securities and Investment established by this Act, in such a manner as may be prescribed by rules made by the Council and shall be registered in the category of membership appropriate in the current period for holders of the qualification the person possesses.

16.-(1) Subject to subsection (2) of this section, a person shall be deemed to practice as a Securities and Investment professional if in consideration of remuneration received or to be received and whether by himself or in partnership with any other persons or in the employment of a body corporate, he -

Practice as a
Securities and
Investment
professional

- (a) engages himself in the practice of securities and investment in capital market operations/activities' or holds himself out to the public as a professional in securities and investment in capital market operations, or
- (b) renders professional service or assistance in, or about matters of principles or detail, relating to the practice of securities and investment in capital market operations and instruments;

(2) Nothing in Subsection (1) of this section shall be construed as to apply to persons who, while in the employment of any government, perform the duties or any of the duties of a securities and investment professional.

17.-(1) The Council may make rules to guide training in securities and investment methods and practice.

Rules as to
practice, etc.

- (2) The Council may also make rules -
- (a) prescribing the amount and due date for the payment of the fee, annual subscription or such other sums and for such purposes, different amounts may be prescribed by rules according to the category of membership;
 - (b) prescribing the form of licence to practise to be issued annually, or if the Council thinks fit, by endorsement on an existing licence; and
 - (c) restricting the right to practise as a securities and investment professional in default of the amount of the annual subscription where the default continues for longer than such period as may be prescribed by the rules.
 - (d) restricting the right to practise as the member of the profession if the qualification granted outside Nigeria does not entitle the holder to practise s a member of the profession; and
 - (e) prescribing the period of practical training in the office of a member of the profession in practice to be completed before a person qualifies for a license to practise as a member of the profession.

(3) Rules made under this section shall, if the Council so directs, be published in the official newsletter, website and magazine of the Institute.

Offence and
penalties

18.-(1) If on or after the coming into force of this Act, a person who is not a member of the Institute practises or holds himself out as a member of the Institute or a securities and investment professional for, or in expectation of reward or takes or uses any name, title, addition or description, implying that he is in practice as a securities and investment professional, commits an offence punishable on first

1 conviction with fine which may extend to five hundred thousand Naira, and on any subsequent
2 conviction with imprisonment which may extend to six months or with fine which may extend to five
3 million Naira, or with both.

4 (2) A person who, for the purpose of procuring the registration of any name, qualification or other
5 matter –

6 (a) makes a statement which he believes to be false in a material particular;

7 (b) recklessly makes a statement which is false in a material particular, commits an offence.

8 (3) Any person who being a member of the Institute, but not having a certificate of practice,
9 represents that he is in practice or practises as a chartered member, commits an offence.

10 (4) The Chief Executive Officer or any other person employed by or on behalf of the Institute who
11 willfully makes any falsification in any matter relating to the register, commits an offence.

12 (5) A person who commits an offence under subsections (2) to (4) above shall be liable to a fine as
13 may be prescribed in the Regulations of the Institute from time to time.

Power to
make rules
and
regulations

14 **19.**-(1) The Institute may from time-to-time as it deems fit, by special resolution make such
15 regulations for regulating the affairs of the Institute and may rescind, repeal, amend or vary any of the
16 regulations provided that such regulations shall not be in any respect inconsistent with the express
17 provisions of this Act.

18 (2) For the purposes of this Act a 'Special Resolution' means a resolution passed by a majority of not
19 less than two-thirds of the members present and voting in person at a meeting specially convened for
20 the purpose with at least twenty-one days' notice in writing (which expression shall be taken to mean
21 written or produced by any substitute for writing or partly one and partly another, including in
22 electronic form).

23 (3) Regulations which shall be made by Special Resolution shall be known as 'Members' Regulations';
24 Regulations which shall be made by the Council shall be known as 'Council Regulations' Members'
25 Regulations may direct that any matter prescribed or regulated therein may be further prescribed or
26 regulated by Council Regulations.

27 (4) Any Regulation made pursuant to this Act shall be published (including in electronic form) in the
28 official journal, newsletter, magazine and/or website of the Institute.

29 **20.**-(1) On the commencement of this Act, the Chartered Institute of Stockbrokers shall cease to exist
30 and the functions and employees, assets and liabilities of the said Chartered Institute of Stockbrokers
31 shall be transferred to the Chartered Institute of Securities and Investment.

Dissolution of
Chartered
Institute of
Stockbrokers

32 (2) Any act or thing made or done by the Chartered Institute of Stockbrokers shall be deemed to have
33 been made or done by the Chartered Institute of Securities and Investment established by this Act.

34 **21.**-(1) On the commencement of this Act-

35 (a) the Chartered Institute of Securities and Investment shall retain such persons in its
36 employment not being persons on the staff of the defunct Institute but as staff of the
37 Chartered Institute of Securities and Investment transferred to it by this Act on the same
38 terms and conditions.

Transfer to
the Chartered
Institute of
Securities
and
Investment
of assets and
liabilities

39 (b) any staff of the defunct Institute who fails within one month of the defunct Institute to report
40 for duty at his duty post as designated by the management of the Chartered Institute of
41 Securities and Investment shall be deemed to have abandoned his duty post.

42 (2) As from the commencement of this Act -

- 1 (a) the provision of any contract or instrument connected therewith, shall be read and construed
2 with such modifications (including additions, alterations, omissions or repeals) as would
3 bring them in conformity with the general intentment of this Act;
- 4 (b) the rights, interests, obligations and liabilities of the defunct Institute existing immediately
5 before the commencement of this Act under any aforementioned contract or instrument, or in
6 law or in equity apart from contract or instrument, shall by virtue of this Act be assigned to
7 and vested in the Chartered Institute of Securities and Investment; or
- 8 (c) any such contract or instrument as is mentioned in sub-paragraph (b) of this paragraph, shall
9 be of the same force and effect against or in favour of the Chartered Institute of Securities
10 and Investment and shall be enforceable as fully and effectively as if instead of the defunct
11 Institute the Chartered Institute of Securities and Investment had been named therein or had
12 been a party thereto.

13 (3) The provision of the Schedule to this Act shall have effect with respect to matters arising from the
14 transfer by this section to the Chartered Institute of Securities and Investment of the property of the
15 defunct Institute and with respect to the other matters mentioned therein.

16 **22.** In this Act, unless the context otherwise requires-

17 "approved training" means practical training and experience approved by the Council and obtained at
18 or from a recognized training organisation;

19 "Chief Executive Officer" means the person appointed by the Council pursuant to Section 9(1) of the
20 Act;

21 **“Corporate member”-** means a body corporate, a partnership, a limited liability partnership, a sole
22 practice registered by regulatory authorities to engage in approved securities and investment in capital
23 market operations/activities and instruments or carries out core capital market operations/activities.
24 Any firm and/or association engaged in the Securities and Investment Business may elect to be a
25 corporate member or in the alternative choose to be an Affiliate.
26 However, nothing precludes an Affiliate from electing to become a full Corporate member;

27 **“An Affiliate”-** is a corporate entity that aggregates the interests of other corporate members who
28 may be qualified to be members but have elected not to be full members.
29 Affiliates will be represented on the Governing Council of the Institute subject to Membership
30 Regulation.

31 "complaint" means an allegation that a Member, Graduate, Affiliate or Registered Student or such
32 membership as prescribed is guilty of misconduct, and may comprise several allegations;

33 "complainant" means a person making a complaint;

34 "Council" means the Council established as the governing body of the Institute under section 5, of this
35 Act;

36 "Disciplinary Tribunal" means the Chartered Institute of Securities and Investment Disciplinary
37 Tribunal established under subsection (5) of section 13 of this Act;

38 "Fees" includes annual subscription, levy, or other sums payable while in membership.

39 "in writing" means written or produced by any substitute for writing or partly one and partly another,
40 including in electronic form

41 "Institute" means the Chartered Institute of Securities and Investment established under section 1 of
42 the Act;

43 "Investigating Panel" means the Chartered Institute of Securities and Investment Investigating Panel
44 established under subsection (3) of section 13 of this Act:

- 1 "Member", means a member of the Institute and membership shall be construed accordingly;
- 2 "Member in practice" and "Member in public practice" means a Member registered as such under this
- 3 Act and under any Regulations and defined in any Regulations;
- 4 "Minister" means the Minister of Education;
- 5 "President" and "Vice Presidents" respectively means the holder of offices under those names in the
- 6 Institute;
- 7 "Register" means the register maintained pursuant to Section 9 of this Act;
- 8 "regulations" means regulations made by the Institute or Council or any Committee or Sub-committee
- 9 pursuant to section 19 of the Act;
- 10 "Securities and Investment Professional" means a professional who is engaged in Securities and
- 11 Investment activities or conducting business in the securities and investment field or activities; and
- 12 "Securities and Investment Professional" means a professional who is engaged in Securities dealings
- 13 and Investment in capital market operations/activities or conducting business in the Securities and
- 14 Investment field or in capital market instruments; and
- 15 "Securities and Investment business/activities means operations /activities involving capital market
- 16 instruments, such as:
- 17 (a) the purchase and/sale of securities for third parties (including all derivatives) for third parties,
- 18 funds/portfolio management, asset management, commodities trading, mergers and acquisitions,
- 19 trusteeship, custodianship, share registration payment & transfer agency, corporate finance
- 20 advisory, and corporate finance related services involving the management, issuance and
- 21 exchange of securities for publicly held companies,
- 22 (b) Securities analysis involving issuance of research reports and Investment advice to the public.
- 23
- 24 **23. This Bill may be cited as the Chartered Institute of Securities and Investment Bill, 2013.**

Short title

SCHEDULE

Section 21 (3)

TRANSITIONAL PROVISIONS AS TO ASSETS AND LIABILITIES

Transfer of assets and liabilities

- 30 1.-(1) Every agreement to which the defunct Institute was a party immediately before the
- 31 commencement of this Act, whether in writing or not and whether or not of such a nature that the
- 32 rights, liabilities and obligations there under could be assigned by the defunct Institute, shall, unless
- 33 its terms or subject matter make it impossible that it should have effect as modified in the manner
- 34 provided by these sub-paragraphs, have effect from the commencement of this Act so far as it relates
- 35 to assets and liabilities transferred by this Act to the Chartered Institute of Securities and Investment,
- 36 as if -
- 37 (a) the Institute established by this Act had been a party to the agreement;
- 38 (b) for any reference (however worded and whether expressed or implied) to the defunct
- 39 Institute, there were substituted as respects anything falling to be done on or after the
- 40 commencement of this Act a reference to the Chartered Institute of Securities and
- 41 Investment.
- 42 (c) For any reference, however, worded and whether expressed or implied, to a member or
- 43 members of the Council of the defunct Institute or an officer of the defunct Institute, there
- 44 were substituted, as respects anything falling to be done on or after the commencement of
- 45 this Act, a reference to a member or members of the Council under this Act or the officer of

1 the defunct Institute corresponds as nearly as may be to the member or officer in question of
2 the defunct Institute

3 (2) Other documents which refer, whether specially or generally, to the defunct Institute shall be
4 considered in accordance with subparagraph (i) of this paragraph so far as applicable.

5 (3) Without prejudice to the generality of the foregoing provisions of this schedule, where by the
6 operation of section 21 of this Act, any right, liability or obligation vests in the Chartered Institute of
7 Securities and Investment, the Institute and all other persons shall, as from the commencement of this
8 Act, have the same rights, powers and remedies (and, in particular, the same rights as to the taking or
9 resisting of legal proceeding or the making or resisting of applications to any authority) for
10 ascertaining, perfecting or enforcing that right, liability or obligation as they would have if it had at
11 all times been a right liability or obligation of the Institute.

12 (4) Any proceeding or cause of action or application to any authority pending or existing or which
13 could have been taken by or against the defunct Institute immediately before the commencement of
14 this Act in respect of any right, interest, obligation or liability of the defunct Institute may be
15 commenced, continued or enforced or taken by or against the Chartered Institute of Securities and
16 Investment established by this Act.

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EXPLANATORY MEMORANDUM

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(This note does not form a part of the above Bill

20

but is intended to explain its purport)

21

22 The Bill seeks to repeal the Chartered Institute of Stockbrokers Act, Cap. C9.

23 LFN 2004 and provide for the establishment of the Chartered Institute of Securities and Investments

24 to regulate and control the professional practice in the areas of Securities and Investments business in

25 Nigeria.