

CHAPTER C9  
CHARTERED INSTITUTE OF STOCKBROKERS ACT  
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## CHAPTER C9

### CHARTERED INSTITUTE OF STOCKBROKERS ACT

An Act to establish the Chartered Institute of Stockbrokers to regulate the activities of members of the profession and for matters connected therewith.

[1992 No. 105.]

[2nd August, 1992]

[Commencement. ]

#### 1. Establishment of the Chartered Institute of Stockbrokers

- (1) There is hereby established a body to be known as the Chartered Institute of Stockbrokers (in this Act referred to as "the Institute") which shall be a body corporate under that name and be charged with the general duty of
  - (a) determining what standards of knowledge and skill are to be attained by persons seeking to become chartered members of the Institute and raising those standards from time to time as circumstances may permit;
  - (b) securing in accordance with the provisions of this Act the establishment and maintenance of a register of honorary fellows, associate members, fellows, members, ordinary members and students of the profession and the publication from time to time of the lists of those persons; and
  - (c) performing through the Council established by section 3 of this Act the functions conferred on it by this Act.
- (2) The Institute shall have perpetual succession and a common seal which shall be kept in such custody as the Council may, from time to time, authorise.
- (3) The Institute may sue and be sued in its corporate name and may, subject to the Land Use Act, hold, acquire and dispose of any property, movable or immovable.  
[Cap. L5.]
- (4) Subject to the provisions of this Act, members admitted to the Institute shall be enrolled as members of the profession in the category of- '
  - (a) fellows; or
  - (b) members; or
  - (c) associates; or
  - (d) honorary members; or
  - (e) honorary fellows.
- (5) A person accorded by the Council under this Act status as a Chartered Member of the Institute shall be entitled to the use of that name and shall be enrolled as –
  - (a) a fellow-:
    - (i) if he satisfies the Council that for a continuous period of five years immediately preceding the application he has been in continuous active practice as a stockbroker;

- (ii) if he is a holder of a certificate of the examination of the Institute and approved professional qualification;
- (iii) if he is otherwise considered by the Council to be a fit person to be so enrolled;

(b) a member –

- (i) if he is the holder of a certificate of the examination of the Institute and approved academic professional qualification; and
- (ii) if he is otherwise considered by the Council to be a fit person to be so enrolled;

(c) an associate

- (i) if for a continuous period of not less than three years immediately preceding the application (the period of membership of, the Institute in the discretion of the Council, counting in that behalf) he has been enrolled as an associate; and
- (ii) if he is otherwise considered by the Council to be a fit person to be so enrolled.

(6) An honorary fellow or an honorary member of the Institute shall be a person admitted as such by a resolution of the Council.

2. Election of President and Vice-Presidents of the Institute

- (1) There shall be for the Institute a President and two Vice-Presidents who shall be fellows of the Institute, to be elected by the Council and hold office each for a term of two years from the date of election.
- (2) The President shall be the chairman at meetings of the Institute, so however that in the event of the death, incapacity or inability for any reason of the President, the first Vice-President shall act in his stead for the unexpired portion of the term of office, or as the case may require, and references in this Act to the President shall be construed accordingly.
- (3) The President and one of the Vice-Presidents shall respectively be chairman and vice-chairman of the Council established by section 3 of this Act.
- (4) If the President or Vice-President ceases to be a member of the Institute he shall ipso facto cease to hold any of the offices designated under this section.

3. Governing Council of the Institute and membership, etc.

- (1) There is hereby established for the Institute a Governing Council of the Institute, (in this Act referred to as the "Council") which shall be charged with responsibility for the administration and general management of the Institute.
- (2) The Council shall consist of the following members, that is –
  - (a) the President of the Institute; who shall be the chairman;
  - (b) the two Vice-Presidents of the Institute;
  - (c) a representative of the Securities and Exchange Commission;
  - (d) a representative of the Nigerian Stock Exchange;
  - (e) two representatives of the Banker's Committee;
  - (f) twelve persons to be elected by the Institute;

- (g) two persons to represent institutions of higher learning in Nigeria offering courses leading to an approved qualification to be appointed by the Minister;
- (h) a representative each of the following Ministries, that is -
  - (i) Finance;
  - (ii) Education; and
  - (iii) Women Affairs and Youth Development;
- (i) past Presidents of the Institute who shall be entitled to serve on the Council for a maximum period of three years from the expiration of their terms of office as President of the Institute.

(3) The provisions of the First Schedule to this Act shall have effect with respect to the qualifications and tenure of office of members of the Council and the other' matters therein mentioned.

[First Schedule.]

#### 4. Fund of the Council

- (1) The Council shall establish and maintain a fund for the Institute.
- (2) There shall be paid and credited into the fund established pursuant to subsection (1) of this section
  - (a) all fees and other moneys payable to the Council in pursuance of this Act; and
  - (b) such moneys as may be payable to the Council in the course of the discharge of its functions under this Act.
- (3) There shall be paid out of the fund of the Institute
  - (a) all expenditure incurred by the Council in the discharge of its functions under this Act;
  - (b) the remuneration and allowances of the Registrar and other employees of the Institute; and such reasonable travelling and subsistence allowances of members of the Council in respect of the time spent on the duties of the Institute, as the Council may, with the approval of the Minister, determine.
- (4) The Council may invest moneys in the fund in any security created or issued by or on behalf of the Government of the Federation or in any other securities in Nigeria as may be approved by the Council.
- (5) The Council may, from time to time, borrow money for the purposes of the Institute and any interest payable on moneys so borrowed shall be paid out of the fund of the Institute.
- (6) The Council shall keep proper accounts on behalf of the Institute in respect of each year and proper records in relation to those accounts; and the Council shall cause the accounts to be audited by an auditor appointed by the Council.
- (7) The auditor, appointed for the purposes of this section, shall not be a member of the Institute.

5. Appointment of Registrar, etc., and preparation of register

- (1) It shall be the duty of the Council to appoint a fit and proper person, who shall be a member of the Institute, to be the Registrar for the purposes of this Act, and such other persons as the Institute may, from time to time, think necessary.
- (2) It shall be the duty of the Registrar to prepare and maintain, in accordance with rules made by the Council, a register of names, addresses and approved qualifications and of such other particulars as may be specified in the rules, of all persons who are entitled in accordance with the provisions of this Act to be registered as members of the profession in the category of fellows, members, fellow associates, honorary members, honorary fellows and students and ordinary members and, who, in the manner prescribed by such rules, apply to be so registered.
- (3) The register shall consist of five parts of which the first part shall be in respect of honorary fellows, the second part shall be in respect of fellows, the third part shall be in respect of associate members, the fourth part in respect of student members; the fifth part shall be in respect of ordinary members.
- (4) Subject to the following provisions of this section, the Council may make rules with respect to the form and keeping of the register and the making of entries therein and in particular
  - (a) regulating the making of applications for registration and providing for the evidence to be produced in support of such applications;
  - (b) providing for the notification to the Registrar, by the person to whom any registered particulars relate, of any change in those particulars;
  - (c) authorising an enrolled or a registered person to have any qualification which is in relation to the relevant division of the profession, either an approved 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 qualifications so registered;
  - (d) specifying the fees, including any annual subscription, to be paid to the Institute in respect of the entry of names on the register, and authorising the Registrar to refuse to enter a name on the register until any fee specified for the entry has been paid;
  - (e) specifying anything falling to be specified under the foregoing provisions of this section.
- (5) Any rules made for the purposes of paragraph (d) of subsection (4) of this section, shall not come into force until they are confirmed at a special meeting of the Institute, convened for the purpose or at the next annual general meeting, as the case may be.
- (6) It shall be the duty of the Registrar -
  - (a) to correct, in accordance with the directions of the Council, any entry in the register which the Council directs him to correct as being in the opinion of the Council an entry which was incorrectly made;

- (b) to make, from time to time, any necessary alteration to the registered particulars of registered persons;
- (c) to record the names of members of the Institute who are in default for more than six months in the payment of annual subscriptions, and to take such action in relation thereto (including removal of the names of defaulters from the register) as the Council may direct or require.

(7) If the Registrar -

- (a) sends by post to any registered person a registered letter addressed to him at his address on the register enquiring whether the registered particulars relating to him are correct and receives no reply to the letter within the period of six months from the date of posting it; and
- (b) upon the expiration of that period, sends in the like manner to the person in question a second similar letter and receives no reply to that letter within three months from the date of posting it, the Registrar may remove the particulars relating to the person in question from the register:

Provided that the Council may, for any reason which seems to it sufficient, direct the Registrar to restore to the appropriate part of the register any particulars removed therefrom under this subsection. . . .

6. Publication of register and list of corrections

(1) It shall be the duty of the Registrar –

- (a) to cause the register to be printed, published and put out on sale to members of the public not later than two years from the coming into force of this Act;
- (b) in each year after that in which a register is first published under paragraph (a) of this subsection, to cause to be printed, published and put on sale as aforesaid, either a corrected edition of the register or a list of alterations made to the register since it was last printed; and
- (c) to cause a print of each edition of the register and of each list of corrections to be deposited at the principal office of the Institute, and it shall be the duty of the Council to keep the register and lists so deposited available at all reasonable times for inspection by members of the public.

(2) A document purporting to be a print of an edition of a register published under this section by authority of the Registrar or documents purporting to be prints of an edition of a register so published and of a list of corrections to, that edition so published, shall (without prejudice to any other mode of proof) be admissible in any proceedings as evidence that any person specified in the document, or documents read together, as being registered, is so registered at the date of the edition or of the list of corrections, as the case may be, and that any person not so specified was not so registered.

(3) Where in accordance with subsection (2) of this section, a person is in any proceedings shown to have been or not to have been registered at a particular date, he shall, unless the contrary is proved, be taken for the purposes of those proceedings as having at all material times thereafter continued to be or not to be so registered.

## 7. Registration of chartered members of the profession

(1) Subject to section 13 of this Act and to rules made under section 5 of this Act, a person shall be entitled to be registered as a member of the profession if

- (a) he passes the qualifying examination for registration recognised or conducted by the Council under this Act and completes the practical training prescribed; or
- (b) he holds a qualification granted and for the time being accepted by the Institute and satisfies the Council that he has had sufficient practical experience as a member of the profession; or
- (c) he holds a qualification granted outside Nigeria and for the time being accepted by the Institute and is by law entitled to practice for all purposes as a professional stockbroker in the country in which the qualification was granted.

(2) An applicant for registration under this Act shall, in addition to evidence of qualification, satisfy the Council that –

- (a) he is of good character;
- (b) he has attained the age of 21 years; and
- (c) he has not been convicted in Nigeria or elsewhere of an offence involving fraud or dishonesty.

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

(4) Any entry directed to be made in the register under subsection (3) of this section, shall show that the registration is provisional and no entry so made shall be converted to full registration without the consent of the Council, signified in writing in that behalf.

(5) The Council shall, from time to time, publish in the Gazette particulars of qualifications for the time being acceptable for registration by the Institute.

## 8. Approval of qualifications, etc.

(1) The Council may approve any qualification for the purposes of this Act and may for those purposes approve –

- (a) any course of training at an approved institution which is intended for persons who are seeking to become or are already members of the profession and which the Council considers is designed to confer on persons completing it sufficient knowledge and skill for the practice of that profession;
  - (b) any qualification which, as a result of examination taken in conjunction with the course of training approved by the Council under this section, is granted to candidates reaching a standard at the examination, indicating in the opinion of the Council, that the candidates have sufficient knowledge and skill for the practice of the profession.
- (2) The Council may, if it thinks fit, withdraw any approval given under this section in respect of any course, qualification or institution but before withdrawing such an approval the Council shall –
- (a) give notice that it proposes to do so to the person in Nigeria appearing to the Council to be a person by whom the course is conducted or the qualification is granted or the institution is controlled, as the case may be;
  - (b) afford such person an opportunity of making to the Council representations with regard to the proposal; and
  - (c) take into consideration any representations made as respects the proposal in pursuance of paragraph (b) of this subsection.
- (3) As regards any period during which the approval of the Council under this section for a course, qualification or institution is withdrawn, the course, qualification or institution shall not be treated as approved under this section; but the withdrawal of such an approval shall not prejudice the registration or eligibility for registration of any person who, by virtue of the approval, was registered or eligible for registration immediately before the approval was withdrawn.
- (4) The giving or withdrawal of an approval under this section shall have effect from such date, either, before or after the execution of the instrument signifying the giving or withdrawal of the approval, as the Council may specify in the instrument and the Council shall –
- (a) as soon as may be, publish a copy of every such instrument in the Gazette; and
  - (b) not later than seven days before its publication, send a copy of the, instrument to the Minister.
9. Supervision of instructions, etc.
- (1) The Council shall, subject to the provisions of section 11 of this Act, keep itself informed of the nature of –
- (a) the instructions given at approved institutions to persons attending approved courses of training; and

- (b) the examinations as a result of which approved qualifications are granted, and for the purposes of performing that duty the Council may appoint, either from among its own members or otherwise, persons to visit approved institutions or to attend such examinations.
- (2) It shall be the duty of the person appointed under subsection (1) of this section to report to the Council on -
- (a) the sufficiency or otherwise of the instruction given to persons attending approved courses of training at institutions visited by him;
  - (b) the adequacy or otherwise of the examinations conducted at any institution inspected by him; and
  - (c) any other matter relating to the institutions or examinations on which the Council may, either generally or in a particular case, request him to report, but no person shall interfere with the giving of any instruction or the holding of any examination..
- (3) On receiving a report made in pursuance of this section, the Council may, if it thinks fit and shall, if so required by the Institute, send a copy of the report to the person appearing to the Council to be in charge of the institution or responsible for the examinations to which the report relates; requesting that person to make observations or report to the Council within such period as may be specified in the request, not being less than one month beginning with the date of the request.

#### 10. Establishment of Disciplinary Tribunal and Investigating Panel

- (1) There shall be a tribunal to be known as the Chartered Institute of Stockbrokers Disciplinary Tribunal (in this Act referred to as "the Tribunal"), which shall be charged with the duty of considering and determining any case referred to it by the Investigating Panel established under subsection (3) of this section, and any other case of which the Tribunal has cognisance under the following provisions of this Act.
- (2) The Tribunal shall consist of the President of the Council and six other members of the Council appointed by the Council.
- (3) There shall be a body, to be known as the Chartered Institute of Stockbrokers Investigating Panel (in this Act referred to as "the Panel") which shall be charged with the duty of -
- (a) conducting a preliminary investigation into any case where it is alleged that a member of the profession has misbehaved in his capacity as such a member or should for any other reason be the subject of proceedings before the Tribunal; or
  - (b) deciding whether the case should be referred to the Tribunal; or
  - (c) submitting a report on any action taken in the past to the Tribunal.

- (4) The Panel shall be appointed by the Council and shall consist of four members of the Council and one member who is not a member of the Council.
- (5) The provisions of the Second Schedule to this Act shall, so far as they are applicable to the Tribunal and Panel respectively, have effect with respect to those bodies.  
[Second Schedule.]
- (6) The Council may make rules not inconsistent with this Act as to acts which constitute professional misconduct.

## 11. Penalties for unprofessional conduct

- (1) Where –
  - (a) a person registered under this Act is adjudged by the tribunal to be guilty of infamous conduct in any professional respect; or
  - (b) a person registered under this Act is convicted, by any court in Nigeria or elsewhere by any court or tribunal having power to award punishment for an offence (whether or not such offence is punishable with imprisonment) which in the opinion of the Tribunal is incompatible with the status of a member of the profession: or
  - (c) The Tribunal is satisfied that the name of any person has been fraudulently registered, the Tribunal may, if it thinks fit, give a direction reprimanding that person or ordering the Registrar to strike his name off the relevant part of the register.
- (2) The Tribunal may, if it thinks fit, defer its decision as to the giving of a direction under subsection (1) of this section until a subsequent meeting of the Tribunal.
- (3) No decision of the Tribunal shall be deferred under subsection (2) of this section for periods exceeding one year in the aggregate.
- (4) As far as possible no person shall be a member of the Tribunal for the purposes of reaching a decision which has been deferred or further deferred, unless he was present as a member of the Tribunal when the decision was deferred.
- (5) For the purposes of subsection (1) of this section, a person shall not be treated as convicted unless the conviction stands at a time when no appeal or further appeal is pending or may (without extension of time) be brought in connection with the conviction.
- (6) When the Tribunal gives a direction under subsection (1) of this section, the Tribunal shall cause notice of the direction to be served on the person to whom it relates.
- (7) The person to whom such a direction relates may, at any time within twenty-eight days from the date of service on him of the direction, appeal against the direction to the Federal High Court and the Tribunal may appear as respondent to the appeal and, for the purpose of enabling directions to be given as to the Costs of the appeal and of proceedings before the

Tribunal, the Tribunal shall be deemed to be a party thereto whether or not it appears on the hearing of the appeal.

- (8) A direction of the Tribunal given under subsection (1) of this section shall take effect where –
- (a) no appeal under this section is: brought against the direction within the time limited for such an appeal, or on the expiration of that time; or
  - (b) such an appeal is brought and is withdrawn or struck out for want of prosecution, on the withdrawal or striking out of the appeal;
  - (c) such an appeal is brought and is not withdrawn or struck out as aforesaid, if and when the appeal is dismissed.
- (9) A person whose name is removed from the register in pursuance of a direction of the tribunal under this section shall not be entitled to be registered again except in pursuance of a direction in that behalf given by the Tribunal on the application of that person.
- (10) A direction under this section for the removal of a person's name from the register, may prohibit an application under subsection (9) of this section by that person until the expiration of such period from the date of the direction (and where he has duly made such an application, from the date of his last application) or as may be specified in the direction.

## 12. Application of Act to unenrolled persons

- (1) Any person not being a member of the Incorporated Institute who, but for this Act, would have been qualified to apply for and obtain membership of the Incorporated Institute may, within a period of three months from the commencement of this Act, apply for the membership of the Institute in such a manner as may be prescribed by the Council.
- (2) Where an application under subsection (1) of this section is approved by the Council, the applicant shall be registered, as the case may be, according to his qualification.

## 13. Rules as to articles, etc.

- (1) The Council may make rules for -
- (a) the training of registered members of the profession and of suitable persons in professional practice; or
  - (b) the supervision and regulation of the engagement, training and transfer of such person.
- (2) The Council may also make rules -
- (a) prescribing the amount and date for payment of the annual subscription and annual renewal of a studentship and for such purpose, different amounts may be prescribed by

the rules for a fellow, member, associate, honorary member, honorary fellow or student of the Institute;

- (b) prescribing the form of licence to practice to be issued annually or, if the Council thinks fit, by endorsement on an existing licence;
- (c) restricting the right to practice as a chartered member of the profession in default of payment 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 practice as a member of the profession if the qualification granted outside Nigeria does not entitle the holder to practice as a member of the profession; and
- (e) prescribing the period of practical training in the office of a chartered member of the profession in practice to be completed before a person qualifies for a licence to practice as a member of the profession.

(3) Rules when made shall, if the chairman of the Council so directs, be published in the Gazette.

#### 14. Provision of library

The Institute shall –

- (a) provide and maintain a library comprising books and publications for the promotion and advancement of knowledge of the profession, and such other books and publications as the Council may think necessary for that purpose; and
- (b) encourage research into stockbroking methods and allied subjects to the extent that the Council may, from time to time, determine.

#### 15. Regulations and rules

Rules made for the purposes of this Act shall be subject to confirmation by the Institute at its next annual meeting or at any special meeting of the Institute convened for the purpose, and if then annulled shall cease to have effect on the day after the date of annulment, but without prejudice to anything done in pursuance or intended pursuance of any such rules.

#### 16. Offences and penalties

- (1) If any person, for the purpose of procuring the registration of any name, qualification or other matter –
  - (a) makes a statement which he believes to be false in a material particular; or
  - (b) recklessly makes a statement which is false in a material particular,he is guilty of an offence.

- (2) If, on or after the coming into force of this Act, any person who is not a member of the Institute practices as a member or uses any name, title, addition or description implying that he is a member of the Institute, he is guilty of an offence.
- (3) In the case of a person referred to in section 12 of this Act –
  - (a) the provisions of subsection (2) of this section shall not apply in respect of anything done by him during the period of three months mentioned in that section; and
  - (b) if within that period he duly applies for membership of the Institute, then unless within that period he is notified that his application has not been approved, the provision of subsection (2) of this section shall not apply in respect of anything done by him between the end of that period and the date which he is registered or is notified as aforesaid.
- (4) If the Registrar or any other person employed by or on behalf of the Institute wilfully makes any falsification in any matters relating to the register, he commits an offence.
- (5) A person guilty of an offence under this section is liable –
  - (a) on summary conviction, to a fine of an amount not exceeding N1,000; or
  - (b) on conviction on indictment, to a fine of an amount not exceeding N5,000 or to imprisonment for a term not exceeding two years, or to both such fine and imprisonment.
- (6) Where an offence under this section which has been committed by a body corporate is proved to have been committed with the consent or connivance of or to be attributable to any neglect on the part of any director, manager, secretary or other similar officer of the body corporate or any person purporting to act in any such capacity, he, as well as the body corporate, shall be deemed to be guilty of that offence and shall be liable to be proceeded against and punished accordingly.

#### 17. Transfer to the Institute of certain assets and liabilities

- (1) On the commencement of this Act –
  - (a) all assets and liabilities held or incurred immediately before that day by or on behalf of the Incorporated Institute shall, by virtue of this Act and without any further assurance, vest in the Institute and be held by it for the purposes of the Institute established;
  - (b) the Incorporated Institute shall cease to exist; and
  - (c) subject to subsection (2) of the section, any act or thing made or done by the Incorporated Institute shall be deemed to have been made or done by the Institute established by this Act.
- (2) The provisions of the Third Schedule to this Act shall have effect with respect to matters arising from the transfer by this section to the Institute of the property of the Incorporated Institute and with respect to the other matters mentioned therein.

[Third Schedule.]

## 18. Interpretation

In this Act, unless the context otherwise requires –

"Council" means the Council established as the governing body of the Institute under section 3 of this Act;

"fees," includes annual subscriptions;

"Incorporated Institute" means the Nigerian Institute of Stockbrokers incorporated under the Companies and Allied Matters Act;

[Cap.C20.]

"Institute" means the Chartered Institute of Stockbrokers established under section 1 of this Act;

"member" means a member of the Council and includes the President and Vice-Presidents;

"Panel" has the meaning assigned thereto by section 10 of this Act;

"President" and "Vice-President" mean respectively the office holders under those names in the Institute;

"register" means the register maintained in pursuance of section 5 of this Act;

"Tribunal" has the meaning assigned thereto by section 10 of this Act.

## 19. Short title

This Act may be cited as the Chartered Institute of Stockbrokers Act.

## SCHEDULES

### FIRST SCHEDULE

[Section 3 (3).]

*Supplementary provisions relating to the Council, qualifications  
and tenure of office of members*

1. (1) Subject to the provisions of this paragraph, a member of the Council shall hold office for a period of three years beginning with the date of his appointment or election.
- (2) In the case of a person who is a member by virtue of having been President of the Institute, he shall hold office for a period of three years from, the date of his having ceased to be President of the Institute.
- (3) Any member of the Institute who ceases to be a member thereof shall, if he is also a member of the Council, cease to hold office on the Council.
- (4) Any elected member may, by notice in writing under his hand addressed to the President of the Institute, resign his office, and any appointed member may, with the consent of the Minister, in the same manner resign his office.
- (5) A person who retires from or otherwise ceases to be an elected member of the Council, shall be eligible again to become a member of the Council and any appointed member may be re-appointed.
- (6) Members of the Council shall at its meeting next before the annual meeting of the Institute arrange for the five members of the Council appointed or elected and longest in office to retire at that annual meeting.
- (7) Elections to the Council shall be held in such manner as may be prescribed by rules made by the Council, and until so prescribed, they shall be decided by a show of hands.
- (8) If for any reason there is a vacation of office by a member –
  - (a) and such member was appointed by the Minister, the Minister shall appoint another fit and proper person to replace such member; or
  - (b) and the member was elected, the Council may, if the time between the unexpired portion of the term of office and the next meeting of the Institute appears to warrant the filling of the vacancy, co-opt some fit and proper person for such time as aforesaid.

### Powers of Council

2. The Council shall have power to do anything which in its opinion is calculated to facilitate the carrying on of the activities of the Institute.
3. (1) Subject to the provisions of this Act, the Council may in the name of the Institute make

standing orders regulating the proceedings of the Institute, the Council or any of the Institute's committees.

- (2) The standing orders shall provide for decisions to be taken by a majority of the members, and in the event of equality of votes, the President of the Institute or the chairman, as the case may be, shall have a second or casting vote.
  - (3) The standing orders made for a committee shall provide that the committee reports back to, the Council on any matter referred to it by the Council;
4. The quorum of the Council shall be seven and the quorum of a committee of the Council shall be determined by the Council.

#### Meeting of the Institute

5. (1) The Council shall convene the annual meeting of the Institute on 30 April in every year or on such other day as the Council may, from time to time, appoint so however that if the meeting is not held within one year after the previous annual meeting not more than fifteen months shall elapse between the respective dates of the two meetings.
- (2) A special meeting of the Institute may be convened by the Council at any time; and if not less than twenty members of the Institute require it by notice in writing addressed to the Registrar of the Institute setting out the objects of the proposed meeting, the chairman of the Council shall convene a special meeting of the Institute.
- (3) The quorum of any meeting of the Institute shall be ten members and that of any special meeting of the Institute shall be fifteen members.

#### Meeting of the Council

6. (1) Subject to the provisions of any standing orders of the Council, the Council shall meet whenever it is summoned by the chairman, and if the chairman is required to do so by notice in writing given to him by not less than seven other members, he shall summon a meeting of the Council to be held within seven days from the date on which the notice is given.
- (2) At any meeting of the Council, the chairman or, in his absence, the vice-chairman shall preside; if both are absent, the members present at the meeting shall appoint one of their number to preside at that meeting.
- (3) Where the Council desires to obtain the advice of any person on a particular matter, the Council may co-opt him as a member for such period as the Council thinks fit; but a person who is a member by virtue of this sub-paragraph shall not be entitled to vote at any meeting of the Council and shall not count towards a quorum.
- (4) Notwithstanding anything in the foregoing provisions of this paragraph, the first meeting of the Council shall be summoned by the Minister, who may give such directions as he thinks fit as to the procedure which shall be followed at the meeting.

## Committees

7. (1) The Council may appoint one or more committees to carry out on behalf of the Institute or of the Council, such functions as the Council may determine.
- (2) A committee appointed under this paragraph shall consist of the number of persons determined by the Council, of whom not more than one third shall be persons who are not members of the Council and a person other than a member of the Council shall hold office on the Committee in accordance with the terms of the instrument by which he is appointed.
- (3) A decision of a committee of the Council shall be of no effect until it is confirmed by the Council.

## Miscellaneous

8. (1) The fixing of the seal of the Institute shall be authenticated by the signature of the President of the Institute or of some other member of the Council authorised generally or specially by the Institute to act for that purpose.
  - (2) Any contract or instrument which, if made or executed by a person not being a body corporate, would not be required to be under seal, may be made or executed on behalf of the Institute or of the Council as the case may require, by any person generally or specially authorised to act for that purpose by the Council.
  - (3) Any document purporting to be a document duly executed under the seal of the Institute shall be received in evidence and shall, unless the contrary is proved, be deemed to be so executed.
9. The validity of any proceedings of the Institute or the Council or of a committee of the Council shall not be adversely affected by any vacancy in membership, or by any defect in the appointment of a member of the Institute or of the Council or of a person to serve on the Committee or by reason that a person not entitled to do so took part in the proceedings.
  10. Any member of the Institute or of the Council, and any person holding office on a committee of the Council, who has a personal interest in any contract or arrangement entered into or proposed to be considered by the Council on behalf of the Institute, or on behalf of the Council or a committee thereof, shall forthwith disclose his interest to the President of the Institute or to the Council, as the case may be, and shall not vote on any question relating to the contract or arrangement.

## SECOND SCHEDULE

[Section 10 (5).]

### Supplementary provisions relating to the Disciplinary Tribunal and Investigating Panel of the Tribunal

1. The quorum of the Tribunal shall be four of whom at least two shall be members of the profession.

2. (1) The Attorney-General of the Federation may make rules as to the selection of members of the tribunal for the purposes of any proceedings and as to the procedure to be followed and the rules of evidence to be observed in proceedings before the Tribunal.
- (2) The rules shall in particular provide –
  - (a) for securing that notice of the proceedings shall be given at such time and in such manner as may be specified by the rules, to the person who is the subject of the proceedings;
  - (b) for determining who in addition to the person aforesaid, shall be party to the proceedings;
  - (c) for securing that any party to the proceedings shall, if so required, be entitled to be heard by the Tribunal;
  - (d) for enabling any party to the proceedings to be represented by a legal practitioner;
  - (e) subject to the provisions of section 11(7) of this Act, as to the costs of proceedings before the Tribunal;
  - (f) for requiring in a case where it is alleged that the person who is subject of the proceedings is guilty of infamous conduct in any professional respect, that where the Tribunal adjudges that the allegation has not been proved, it shall record a finding that the person is not guilty of such conduct in respect of the matters to which the allegation relates;
  - (g) for publication in the Gazette notice of the direction of the Tribunal which has taken effect providing that a person's name shall be struck off the register.
3. For the purposes of any proceedings before the Tribunal, any member of the Tribunal may administer oaths and any party to the proceedings' may issue out of the registry of the Court of Appeal writs of *subpoena ad testificandum and duces tectum*; but no person appearing before the Tribunal shall be compelled –
  - (a) to make any statement before the Tribunal tending to incriminate himself; or
  - (b) to produce any document under such a writ which he could not be compelled to produce at the trial of an action.
4. For the purpose of advising the Tribunal on questions of law arising in the proceedings before it, there shall in all such proceedings be an assessor to the Tribunal who shall be appointed by the Council on the nomination of the Attorney-General of the Federation and shall be a legal practitioner of not less than ten years' standing.

#### Functions of assessors

5. (1) The Attorney-General of the Federation shall make rules as to the functions of assessors appointed under this paragraph, and in particular, such rules shall contain provisions for securing that- .

- (a) where an assessor advises the Tribunal on any question of law as to evidence, procedure or any other matters specified by the rules, he shall do so in the presence of every party or person representing a party to the proceedings who appears thereat or, if the advice is tendered while the Tribunal is deliberating in private, that every such party or person as aforesaid shall be informed what advice the assessor has tendered;
  - (b) every such party or person as aforesaid shall be informed if in any case the Tribunal does not accept the advice of the assessor on such a question as aforesaid.
- (2) An assessor may be appointed under this paragraph either generally or for any particular proceedings or class of proceeding and shall hold and vacate office in accordance with the terms of the instrument by which he is appointed.

#### The Panel

6. The quorum of the Panel shall be three.
7. (1) The Panel may, at any meeting of the Panel attended by all the members of the Panel, make standing orders with respect to the Panel.
- (2). Subject to the provisions of any such standing orders, the Panel may regulate its own procedure.

#### Miscellaneous

8. (1) A person ceasing to be a member of the Tribunal or the Panel shall be eligible for re-appointment as a member of that body.
- (2) A person may, if otherwise eligible, be a member of both the Tribunal and the Panel; but no person who acted as a member of the Panel with respect to any case shall act as a member of the Tribunal with respect to that case.
9. The Tribunal or the Panel may act notwithstanding any vacancy in its membership; and the proceedings of either body shall not be invalidated by any irregularity in the appointment of a member of that body, or (subject paragraph 8 (2) of this Schedule) by reason of the fact that any person who was not entitled to do so took part in the proceedings of that body.
10. Any document authorised or required by virtue of this Act to be served on the Tribunal or the Panel shall be served on the Registrar appointed in pursuance of section 5 of this Act.
11. Any expenses of the Tribunal or the Panel shall be defrayed by the Institute.

THIRD SCHEDULE  
[Section 17 (2).]

Transitional provisions as to assets and liabilities

Transfer of assets and liabilities

1. (1) Every agreement to which the Incorporated Institute, was a party immediately before the commencement of this Act, whether in writing or not and whether or not of such a nature that the rights, liabilities and obligations thereunder could be assigned by the Incorporated Institute, shall, unless its terms or subject matter make it impossible that it should have effect as modified in the manner provided by these sub-paragraphs, have effect from the commencement of this Act so far as it relates to assets and liabilities transferred by this Act to the Institute, as if –
    - (a) the Institute had been a party to the agreement;
    - (b) for any reference (however worded and whether expressed or implied) to the Incorporated Institute, there were substituted as respects anything falling to be done on or after the commencement of this Act a reference to the Institute;
    - (c) for any reference, however worded and whether express or implied, to a member or members of the Council of the Incorporated Institute or an officer of the Incorporated Institute, there were substituted, as respects anything falling to be done on or after the commencement of this Act, a reference to a member or members of the Council under this Act or the officer of the Incorporated Institute corresponds as nearly as may be to the member or officer in question of the Incorporated Institute.
  - (2) Other documents which refer, whether specially or generally, to the Incorporated Institute shall be considered in accordance with subparagraph (1) of this paragraph so far as applicable.
  - (3) Without prejudice to the generality of the foregoing provisions of this Schedule, where, by the operation of section 17 of this Act, any right, liability or obligation vests in the Institute, the Institute and all other persons shall, as from the commencement of this Act, have the same rights, powers and remedies (and, in particular, the same rights as to the taking or resisting of legal proceedings or the making or resisting of applications to any authority) for ascertaining, perfecting or enforcing that right, liability or obligation as they would have if it had at all times been a right, liability or obligation of the Institute.
  - (4) Any legal proceeding or application to any authority pending on the commencement of this Act by or against the Incorporated Institute and relating to assets or liabilities transferred by this Act to the Institute maybe continued on or after that day by or against the Institute.
2. At the commencement of this Act, any person holding any paid appointment in the Incorporated Institute shall hold a corresponding appointment in the Institute on the same terms and conditions as to tenure and otherwise but shall not be entitled to receive remuneration both from the Incorporated Institute and from the Institute in respect of the same period of service.

CHAPTER C9

CHARTERED INSTITUTE OF STOCKBROKERS ACT

SUBSIDIARY LEGISLATION

No Subsidiary Legislation