

CHAPTER 200

LAGOS STOCK EXCHANGE ACT

ARRANGEMENT OF SECTIONS

SECTION

1. Short title.
2. Interpretation.
3. Exclusive right of Exchange members to carry on business of stockbroking.
4. Offence to carry on unauthorised business of stockbroking.
5. Reports to be made quarterly.
6. Notification of rejection of applicant for membership of Exchange.
7. Central Bank of Nigeria may deal in Government securities.

An Act to prohibit the carrying on of the business of stockbroking in relation to stock, shares and other securities granted a quotation by the Lagos Stock Exchange except by members of the Exchange, and to provide for the making of certain reports and statements on the activities of the Exchange by the Chairman thereof.

[Commencement: 6th June 1961]

1961 No. 14



1. This Act may be cited as the Lagos Stock Exchange Act.

Short title.

2. In this Act, unless the context otherwise requires—
 "Articles of Association" means the Articles of Association of the Exchange;

Interpretation.

"Chairman of the Exchange" means the person who, in accordance with the Articles of Association, is for the time being the Chairman of the Exchange;

"the Exchange" means the Lagos Stock Exchange, a company of that name registered under the provisions of the Companies and Allied Matters Act;

Cap. 59.

Lagos Stock Exchange Act

“member of the Exchange” means any individual person, firm or corporate body who, in accordance with the Articles of Association, is a member or founder member of the Exchange;

“Minister” means the Minister of the Federation charged with responsibility for matters relating to finance and economic development;

“stockbroking” includes stockjobbing.

Exclusive right of Exchange members to carry on business of stockbroking.

3. The business of stockbroking in Nigeria in relation to stocks, shares and other securities for the time being granted a quotation by the Exchange shall be undertaken only by members of the Exchange.

Offence to carry on unauthorised business of stockbroking.

4. Any person who, not being a member of the Exchange, on behalf of any other person sells or offers for sale or purchases or offers to purchase any stock, share or other security for the time being granted a quotation by the Exchange shall be guilty of an offence and liable on conviction—

(a) in the case of an individual person, to a fine not exceeding two thousand naira or imprisonment for a term not exceeding two years, or to both such fine and imprisonment;

(b) in the case of a corporate body, to a fine of ten thousand naira.

Reports to be made quarterly.

5. (1) The Chairman of the Exchange shall, as soon as possible after the end of each quarter of each year, that is to say, the 31st March, the 30th June, the 30th September, and the 31st December, forward to the Governor of the Central Bank of Nigeria a written report on the activities of the Exchange during the previous quarter.

(2) The Governor of the Central Bank of Nigeria shall forward to the Minister every written report received by him in accordance with subsection (1) of this section, and shall also submit such written comments thereon as he may wish to make.

6. Where the application of any person to be admitted to membership of the Exchange is rejected by the Council of the Exchange in accordance with the Articles of Association, the Chairman of the Exchange shall forthwith forward to the Minister through the Governor of the Central Bank of Nigeria, a written statement informing him of such rejection and of the reasons therefor.

Notification of rejection of applicant for membership of Exchange.

7. Notwithstanding anything contained in this Act, the Central Bank of Nigeria, whether or not it is a member of the Exchange, may, either on its own behalf or on behalf of another person, sell or offer for sale or purchase or offer to purchase stocks and other securities of the Federal Government, whether or not they are for the time being granted a quotation by the Exchange.

Central Bank of Nigeria may deal in Government securities.

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SUBSIDIARY LEGISLATION

No Subsidiary Legislation