INVESTMENTS AND SECURITIES CLAIMS: A REVIEW OF THE NIGERIAN INVESTMENTS AND SECURITIES TRIBUNAL JURISDICTION UNDER THE INVESTMENTS AND SECURITIES ACT 2025 AND OPPORTUNITIES FOR LEGAL PRACTITIONERS.

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ABSTRACT

The Investments and Securities Tribunal enjoys exclusive jurisdiction in matters appertaining to the capital market. No other court in our land is empowered as a first responder to resolve disputes in the capital market ecosystem The importance of the capital market to the growth of a nation' economy cannot be overemphasized. This apparently led the National Assembly to enact the Investments and Securities Act 2025 and established the Investments and Securities Tribunal as a specialized civil court with the specific mandate to adjudicate disputes arising from investments and securities transactions in Nigeria. The efficient resolution of capital market disputes is of utmost importance for bolstering investor confidence and ensuring the strength of Nigeria's financial market. This paper studied the Investments and Securities claims: A review of the Investments and Securities Tribunal jurisdiction and opportunities for legal practitioners. The statutory mandate of the jurisdiction of the Investments and Securities Tribunal, its effectiveness in providing specialized, timely, and accessible adjudication of disputes arising from investments and securities transactions. This paper also examined the opportunities that are open for legal practitioners to ply their trade. The market is growing and there is a strong need to cultivate legal practitioners who are knowledgeable in the field of investments and securities laws. Legal practitioners who understand how the market works. This paper reviews the legal basis of the Investments and Securities Tribunal jurisdiction, the types of claims it entertains, procedural innovations, and the emerging opportunities for legal practitioners within the capital market ecosystem.

1. INTRODUCTION[1]

The Investments and Securities Tribunal was established to provide a specialized forum for the timely and expert resolution of disputes arising from Nigeria's capital market. In 1996, the Odife Panel was set up by the Federal Government of Nigeria to review the operations of the Nigerian capital market. It was chaired by Chief Dennis Odife. The Presidential Panel was a pivotal initiative aimed at reforming the Nigerian capital market, to enhance, its efficiency, transparency, and align it with international standards. One of the key institutional reforms recommended by the Odife Panel was a creation of a specialized tribunal to handle capital market disputes. The recommendation led to the establishment of the Investments and Securities Tribunal[2] (IST). The Investments and Securities Tribunal was formally inaugurated in December 2002. The Investments and Securities Act 2007 which came into effect in June 2007 repealed and replaced the Investments and Securities Act 1999. The ISA 2007 was repealed in March of 2025 with the signing into law of the ISA 2025 (ISA).

The ISA 2025 empowers the Securities and Exchange Commission (SEC) as the apex regulatory authority for the Nigerian capital market. The Act provides a stronger regulatory foundation for the capital market under SEC. As the apex regulator it polices the securities industry with a prime view of protecting investors and the integrity of the securities market. The ISA 2025 is a progressive piece of legislation intended to reposition Nigeria's capital market for a fast changing world.

2. THE CAPITAL MARKET

The capital market simply means a financial market that brings buyers and sellers together to trade securities, commodities, and other financial assets[3]. The capital market is the market where intermediate and extensive funds are source. It comprises the complex of institutions and mechanisms through which intermediate term funds and long term funds are pooled and made available to businesses, governments and individuals. It is also the process by which securities already outstanding are transferred[4]. Without doubt participation in the capital market by investors is attributed to the quantum of confidence which the market bolsters. Also, certain factors are seen as foundations for capital market success by investors and market

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[2] Investments and Securities Act, 1999, s224 (Nig)
[3] Investments and Securities Act 2025 s357(Nig)
[4] G.E. Oyedokun & B.M. Ilo, *Financial Market and Derivatives*, (OGE Business School), 38(2020)

stakeholders. These factors include furnishing of legal guidelines leading the capital market and access to institutions which apply those legal regulations governing the sector. It is common knowledge that when investors have confidence in the capital market they would invariably invest in it. This fact resonates because the capital market is a fragile constituency that booms on investors' buoyancy in the workings of the operations of the prevailing legal and institutional regime. The delicate nature of the market is that every minute is valuable.[5] Thus the legal regulations, accessibility and timely enforcements of the machineries are a desideratum in enhancing investor confidence. The capital market as a major division of financial markets provide the route through which short, intermediate to extensive assets are provided for optimum utilization.

The capital market is a gauge for measuring a nation's economic health. It is an exquisite feature of all independent economies the world over. It is a special kind of market where securities are traded at the floor of a trading house. It is peculiar in that the instruments traded are not tangible and susceptible to touch, yet the capital market provides investible funds through local savings and foreign investments. It is trite that investment is one of the most potent variables in the fiscal development of a nation's economy. The capital market provides a genuine atmosphere for private firms to mobilise investments to scale operations and engage in other productive ventures.

The ISA 2025 defines Securities as (a) Debentures, stocks or bonds issued or proposed to be issued by a government (b) Debentures, stocks, shares, bonds or notes issued by a body corporate, any right or option in respect of any such debentures, stocks, shares bonds or notes: (c) Virtual and digital assets (d)Investment contracts (e) Commodities futures, contracts or options and other derivatives, or (f) Any other instrument deemed as securities which may be transferred by means of any electronic mode or which may be deposited kept or stored with any depository or custodian[6].

Securities are not tangible neither are they visible to the human eyes. However, they are documentary evidence of ownership or entitlement to part of the asset of the issuing house which may be a business or government institution. Securities are choses in action, they have intrinsic worth and thus are properties that can be mortgaged, bequeathed, pledged or sold. The

[5] Bodunde v Securities and Exchange Commission (2020) 8 NISLR 24.
[6] Investments and Securities Act 2025, s357.

Supreme Court has recognized securities as, a chose in action as a proprietary interest such as debt owed by a person, a share in a joint stock company[7]. It is the right to take legal action, it is defined as all personal property, which can only be demanded or imposed by action and not by taking physical possession. Thus, it is a title in property which has no physical or corporeal being, and is therefore not capable of being possessed physically.

3. THE LEGAL FRAMEWORK OF THE INVESTMENTS AND SECURITIES TRIBUNAL JURISDICTION

The Investments and Securities Act (ISA) 2025 was signed into law by President Bola Ahmed Tinubu GCFR, in March 2025. The Act repealed the ISA 2007.The ISA 2025 sets a new paradigm for the securities market infrastructure for the regulation of investments and securities business in Nigeria. It is the strongest regulatory framework ever accorded the capital market sector. The ISA 2025 is an effective system of preventing indecorum in the administration of the capital market by the capital market operators through the SEC intervention in the decaying or paralyzing affairs of a company registered with it as Capital Market Operator in the capital market performing specific role of issues of securities. The ISA amongst others majorly sets out the rules for public offer of securities, mutual funds, mergers and acquisitions of public companies, recognition of virtual assets, established the IST. The ISA sets up the establishment of the SEC. SEC is the apex regulator of the Nigerian CM. The SEC makes rules and regulations under the ISA, for the operations of the CM. The ISA established two key bodies for the adjudication of CM disputes and they are the Administrative Proceedings Committee (APC) and the IST. The APC is a quasi -judicial fact finding body of the SEC. It is dedicated to resolving complaints against CMO at first instance. Appeals from the APC lie to the IST. The ISA 2025 is the law that is operational in the CM industry in Nigeria. The ISA 2025 as an up - to - date legal framework that strengthens investor's trust, and brings the Nigerian CM in tandem with global standards. The ISA amongst other new elements strengthens the IST as a civil court that can now enforce its judgement. The ISA 2025 confers on the IST the right to make civil procedure rules to regulate its proceedings[8]. At present the Investments and Securities Tribunal (Procedure) Rules 2022 is the rules book for regulating practice and procedure before the Tribunal. Prior to the enactment of the ISA 2025, the Tribunal could bark but not bite as it lacked the inherent power to enforce its own

[7] A.T.S and Sons v BEc Ltd (2018) 17 NWLR (pt1647) 1.
[8] ISA 2025, s332.

judgement. The judgements of the Tribunal were enforced as judgement of the Federal High Court. It is commonplace that Judgements are alive once they are delivered and every court has intrinsic ability to proceed to administer judgement at once[9]. Litigants would get a judgement from the Tribunal and then proceed to the Federal High Court to enforce the judgement. Such jurisdictional and procedural irregularity engendered additional financial burden on the litigant and arguably prolonged the litigation process and the actual enjoyment of the judgement. Requiring a litigant to seek enforcement in a separate court increased the procedural burdens, economic costs could even undermine the finality and authority of the Tribunal. However, the enactment of the ISA 2025, is a paradigm shift as the Tribunal is empowered to enforce its judgment. The ISA 2025 categorically provided in section 332 (2) (h)[10] that, The Tribunal shall have for the purposes of performing its functions under this Act power to – (h) enforce its judgement.

a. EXCLUSIVE / ORIGINAL JURISDICTION OF THE INVESTMENTS AND SECURITIES TRIBUNAL

The Tribunal derives its authority primarily from the Investments and Securities Act (ISA) 2025. As stated above, the Act provides a stronger regulatory foundation for the capital market, it reaffirms and clarifies the adjudicatory powers granted under earlier versions of the Act. The Act is a progressive crafted piece of legislation that repositions and aligns the Nigerian capital market competitively globally. The ISA 2025 captures the expansion of capital market activities and the rise of digital trading, virtual assets and fintech platforms.

The IST possesses exclusive jurisdiction over disputes arising from investments and securities transactions in Nigeria[11]. In other words, only the Investments and Securities Tribunal can adjudicate on disputes arising from investments and securities transactions in Nigeria. Exclusive jurisdiction means a court's power to adjudicate an action or a class of actions to the exclusion of all other courts[12]. The apex court in Ajayi v Securities and Exchange Commission [13] commended the Federal High Court (FHC) in declining jurisdiction to entertain the matter dealing with the capital market and securities traded at the stock exchange. The Supreme Court held that the appellant in instituting his case at the FHC was erroneous and that the appropriate

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[9] *Ngerev v Okuruket* (2014) 11 NWLR Pt 1417.
[10] ISA 2025 s332.
[11] Investments and Securities Act 2025 s326 (1)
[12] Obi v INEC (2007) 11 NWLR PT (1046) 436
[13] (2023) 6 NWLR (PT 1881) 533

forum to aerate his grievance was the IST. The Apex Court went on to state that the law is well settled that disputes bordering on capital market operations and investments are within the exclusive jurisdiction of the Investments and Securities Tribunal. The judicial exegesis of the learned justices has not only infused being into the words of the statute but it has also bolstered the inherent powers of the IST, and accorded the capital market the right boost which investors major on.

Section 326 of the ISA 2025, has stratified the jurisdiction of the IST to original and appellate jurisdictions[14]. As stated above, Section 314 of the ISA 2025 established the Tribunal and set forth its composition and the number of persons that form a quorum whenever the Tribunal is sitting. The IST is composed of twelve persons. A Full Time Chairman and five other Full Time Members[15]. The other six Members shall serve as Part Time Members. The Act stipulates that the Tribunal shall be duly constituted if it sits with at least three Members. In other words, the Tribunal can sit with more than three Members but not less than three Members at any time and any of its Member who shall preside as Chairman of any panel for the purpose of adjudication shall be a legal practitioner.[16] In disputes involving the actions of SEC the Tribunal has original jurisdiction. The Investments and Securities Tribunal is established to exercise the control, inherent abilities, and power conferred on it by and under the Investments and Securities Act[17]. It is a special civil tribunal for all purposes and its proceedings are deemed to be judicial proceedings. One essential mandate of the Tribunal is the safeguarding of investors and the transparency of the capital market.

Under the ISA 2025, one way a prospective litigant can invoke the jurisdiction of the Tribunal is by approaching the Securities and Exchange Commission (SEC) with a petition or complaint for investigation and when deemed necessary for administrative hearing, by the Administrative Proceedings Committee (APC). If a litigant is displeased with the decision or action of the APC of SEC, he may appeal against such decision or action at the IST and the prospective litigant must notify the SEC of his intention to institute an action or appeal against SEC' decision[18]. That in everyday legal practice is known as a pre action notice. The Tribunal has both original and appellate jurisdictions and in each case, any person dissatisfied with the Tribunal' decision

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[14] Investments and Securities Act 2025
[15] *ibid* s315.
[16] *ibid* s 318(2).
[17] *ibid* s314.
[18]*ibid* s341.

may appeal against such decision to the Court of Appeal[19].

Under the ISA 2025, the IST has absolute authority over disputes involving, capital market transactions, decisions of SEC, issues relating to securities, mergers, takeovers, insider trading, and other capital market infractions[20]. Examples of capital market cases that could be brought before the tribunal include, but not limited to the following, misappropriation of client's money by market operators, late returns of investor's money in cases of oversubscribed public offer, non - remittance of issue proceeds by an issuing house to the issuer/ company, non - remittance of dividends by a registrar/ public company/ stockbroker, late transfer and or registration of shares/ stocks by any stockbroker, disputes between operators and any Self – Regulatory Organisation in the market - stockbrokerage firm and a stock exchange and dispute between a registrar and a securities exchange, disputes arising from the rules, regulations and such other guidelines made by the commission, or any securities exchange, disputes arising from any decision, notice and or decision issued by the commission, appeals against disciplinary measures by commission such as suspension and or barring participants from the market, appeals against delisting of any security or company by an exchange and disputes claims arising from misinterpretation or false statements in offer documents or in a securities transaction, interpretation of ISA 2025[21].

As a fast track specialized institution, the IST resolves disputes faster than regular courts, which is crucial for maintaining investor confidence in the capital market. The Tribunal is mandated to give effective resolution of capital markets infractions brought before it within three months from the date of commencement of the hearing of the substantive action[22]. In the capital market ecosystem, time is of the essence as securities and other commodities rise and fall irregularly. Consequently, the tribunal under the Act shall give effective resolution of capital market infractions brought before it within three months from the date of commencement of the hearing of the substantive action[23].

The IST is a fundamental institutional framework established by the government to provide efficient adjudicatory conduct of the Nigerian capital market so as to safeguard the activities of the market. It bolsters investor's confidence both nationally and internationally and without

[19] *Ibid* s336.
[20] *Ibid* s326(1).
[21] *ibid* s326 (5).
[22] *ibid* s331(5).
[23] *ibid* s33 (5)

ado protects the sanctity and sanity of the capital market. The IST is an independent, specialized, fast track court to hear and determine disputes arising from investments and securities transactions in the Nigerian capital market. The Tribunal is actually the capital market investor' court, because the Tribunal ensures the protection of investors and the integrity of the capital market.

The Tribunal' jurisdiction has grown both in scope and importance and understanding the contours of its jurisdiction and its practical implications is very crucial for legal practitioners who advise clients, litigate disputes, or participate in regulatory enforcement.

b. APPELATE JURISDICTION OF THE INVESTMENTS AND SECURITIES TRIBUNAL

The IST enjoys `appellate jurisdiction under the Act. The commission as the apex regulator of the capital market ecosystem has its in-house quasi-judicial body ,the Administrative Proceedings Committee[24] (APC) governed by the Administrative Proceedings Rules 2000. Also, it has the Complaints Management Framework Rules, which provides a structured approach for dispute resolution, between investors, Capital Market Operators and other stakeholders. Rule 9(3) of the Complaints Management Framework provides that complainants not satisfied with decisions reached by the commission reserve the right to proceed to the IST[25]. In other words, when parties are dissatisfied with the ruling of the APC they proceed to the IST appealing the decision of the commission. When in the course of its regulatory duties the commission discovers evidence of possible criminality. It shall prosecute after seeking the consent of the Attorney General of the Federation[26]. By the ISA 2025[27], it is a condition precedent that Commission shall consider a complaint by an investor before the investor can approach the Tribunal if dissatisfied with the decision or determination of the Commission before institution of action against the Commission at the Tribunal. The ISA 2025 also provides that the Commission shall be notified in writing (pre – action notice) of an investors intent to file an action or appeal against the Commission' decision[28]. Where parties are dissatisfied with

[24] Investments and Securities Act 2025, s352.
[25] Securities and Exchange Commission, Rules Relating to the Complaints Management Framework of the Nigerian Capital Market, r (9)3 (2015).
[26] Investments and Securities Act 2025, s345.
[27]*ibid* s331 (3).
[28] *ibid* s331.

the decision at the Administrative Proceedings Committee (APC) they appeal to the Tribunal.

4. OPPORTUNITIES FOR LEGAL PRACTITIONERS

The capital market ecosystem is substantial and growing. The equity market capitalisation is adjudged to be over One Hundred Trillion Naira (₦100 trillion)[29], thus the market is quite large and dynamic. Its capitalisation reveals, the markets growing depth, resilience and ability to respond to macro – economic conditions. Such a huge ecosystem offers open ended opportunities for Legal Practitioners.

Ranging from incorporation of business entities under the Companies and Allied Matters Act 2020, registration of business entities under the ISA 2025, advisory services to Investors, Issuing houses, Brokers, Fund Managers and Public companies. A legal practitioner who lacks the knowledge of the workings of the capital market regulations and operations exposes himself to significant professional and financial crisis. The capital market is pivotal to the financial system and it is in dire need of legal practitioners who are abreast with regulatory compliance as provided under the ISA 2025 in order to properly serve clients. In addition, the capital market offers substantial opportunities for legal work, including but not limited to initial public offerings (IPOs), filings with the Securities and Exchange Commission, corporate governance compliance, private placements, debt issuance, investment disputes, mergers, acquisitions, and takeovers. Ignoring this dynamic sector means missing out on a significant area of legal practice. Right issues, equity fund and public offers come with the caveat to prospective investors to consult their solicitor.

5. CONCLUSION

The Investments and Securities Tribunal remains a cornerstone of Nigeria's capital market regulation. Its specialized jurisdiction, flexible procedures, and focus on investor protection make it a vital institution in sustaining market integrity. For legal practitioners, the capital market ecosystem of which the Tribunal is a vital part presents abundant opportunities to build niche expertise in securities law, regulatory compliance, financial transactions, and capital market litigation.

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[29] Taofik Salako, Stock Market Capitalization Hits ₦ 101 Trillion Naira, The Nation Newspaper, January 6, 2026, at 16,

As the market evolves – particularly with digital assets and innovative financial products- legal practitioners who understand not only the Tribunal's jurisdiction but the market ecosystem will remain strategically positioned to serve clients, influence regulatory reform, and shape the future of Nigeria's investments and securities landscape.