

REPUBLIQUE FRANCAISE

REPUBLIC OF POLAND

COMMISSION DES OPERATIONS
DE BOURSE

KOMISJA PAPIEROW WARTOSCIOWYCH
I GIELD

MEMORANDUM OF UNDERSTANDING ON THE EXCHANGE OF INFORMATION
BETWEEN THE COMMISSION DES OPERATIONS DE BOURSE
AND THE KOMISJA PAPIEROW WARTOSCIOWYCH I GIELD

The *Komisja Papierow Wartosciowych i Gield* and the *Commission des opérations de bourse*;

Considering, in light of the increasing internalization of activities in securities, the need for mutual cooperation, and consultation in order to facilitate the performance of their functions in the areas mentioned hereinafter;

Considering, the importance of ensuring compliance with and enforcement of securities laws and regulations applicable in France and in Poland;

Wishing to achieve the provision of the broadest possible mutual assistance, and the strengthening of cooperation and exchange of information in order to enhance the performance of the supervisory functions and the effective enforcement of the laws and regulations governing financial markets;

Have thus reached the following understanding ;

Article 1 - Purpose of the Memorandum

The purpose of this Memorandum is to set up and implement a system for mutual assistance and exchange of information between the Authorities designated hereinafter, in order to facilitate the fulfilling of their supervisory functions in the field of financial markets.

Article 2 - Definitions

For the purposes of this Memorandum:

1. "Authority" means:
 - a) the Commission des opérations de bourse (COB) of France; or
 - b) the Komisja Papierow Wartosciowych i Gield (KPWG) of the Republic of Poland.
2. "Requested Authority" means the Authority to whom a request is made under this Memorandum;
3. "Requesting Authority" means the Authority making a request under this Memorandum;
4. "Laws and Regulations" means the provisions of the laws, regulations and other regulatory requirements applicable in France and in Poland;
5. "Financial Instruments" means shares, bonds and other forms of securitized debts, futures and derivative products and any other financial products, within the respective competence of the Authorities.
6. "Issuer" means a natural or legal person who issues or proposes to issue any security;
7. "Financial Markets" means regulated markets and any other market or Financial Instruments supervised by the Authorities;
8. "Investment Services" means carrying out and trading transactions involving Financial Instruments on its own account and/or on behalf and for the account of third parties;
9. "Investment Services Providers" means investment firms, credit institutions, and any other person as authorized to provide Investment Services within the law and regulations of the Authorities.

Article 3 - Scope of assistance

1. The Authorities will provide each other with the fullest assistance under this Memorandum, to the extent permitted by their respective national laws and regulations, in order to facilitate the performance of their respective supervisory duties. The Requested Authority will provide access to the information it holds to the Requesting Authority and when possessing the legal authority to do so, exercise its powers as necessary to obtain all useful information to comply with the request.
2. In so far as the request concerns information relating to specified persons and their activities or is not exchanged pursuant to the provisions of any proceedings resulting from the violation of the laws or regulations, the Requested Authority shall take all reasonable steps to provide assistance to the Requesting Authority. In case of any difficulty to provide with the relevant information, the Authorities agree on particular consultations.
3. The information is exchanged pursuant to the provisions of any of the relevant national law or regulation of the Authorities and the requirements of any relevant international agreements.

4. Assistance under this Memorandum may be denied, in particular:
 - a) where the execution of the request would prejudice the sovereignty, the security, the fundamental economic interests or public policy of the State of the Requested Authority;
 - b) where the exchange of information is contrary to the provisions of this Memorandum;
 - c) where criminal proceedings have already been initiated or where final judgement has already been passed or administrative sanctions have already been applied by the competent Authorities, in the jurisdiction of the Requested Authority, in respect of the same facts and against the same persons;
5. The denial of assistance does not undermine the right of the Authorities to consult each other. When the Requested Authority does not possess the legal authority to provide the assistance requested, the Requested Authority and the Requesting Authority will consult on other possible means of dealing with the request.
6. Without prior request for assistance, the Authorities may transmit to each other information they hold and which they may consider useful to the other Authority the performance of its functions and for the purposes that may be specified in the transmission letter, in which event the terms and conditions of this Memorandum will apply if the providing Authority specify that the information is given under this Memorandum.
7. This Memorandum constitutes a basis for cooperation between the Authorities and neither changes nor replaces the Laws and Regulations enforceable in the jurisdiction of Poland and France. This Memorandum does not grant any rights to be executed by a third party and does not affect any other agreement or memorandum. The execution of this provisions can not prejudice the public policy of the State of the Requested Authority.

Article 4 - Requests for assistance

1. Requests for assistance shall be made in writing and addressed to the Requested Authority's contact person listed in Appendix A.
2. The request for assistance must specify the following:
 - a) a general description of the information sought by the requesting Authority;
 - b) a general description of both the matter which is the subject of the request and the purpose for which the information is sought;
 - c) in so far as the request results from investigations of violations of any laws or regulations, a description of the relevant provisions that may have been violated;
 - d) if known to the Requesting Authority, a list of the persons or institutions believed by the Requesting Authority to possess the information sought or the places where such information may be obtained;
 - e) an indication of the urgency of the request, or the desired time period for the reply.

Article 5 - Execution of requests

1. Subject to Articles 1, 3 and 4, the Requested Authority will provide to the Requesting Authority the information that it holds or that it may obtain by such means as may be determined by the Requested Authority, in accordance with the national laws and regulations of the Requested Authority.
2. The information should be transmitted to the person listed in Appendix A.

Article 6 - Permissible use of information

1. The Requesting Authority shall use the information furnished solely for purposes stated in the request, with a view to ensuring compliance with or enforcement of the national laws or regulations specified in the request.
2. The information provided without prior request for assistance to an Authority shall not be used for any purpose other than those stated in the transmission letter or other than for any subsequent criminal proceeding.
3. If the Requesting Authority wishes to use the information provided for any purpose other than those stated in paragraphs 1 and 2 of this article, but remaining within the scope of this Memorandum, including the transmission of this information to other competent regulators in the field of securities, it must first seek permission from the Requested Authority. If the Requested Authority agrees to the use of the information for purposes other than those stated in paragraphs 1 and 2 of this article, it might subject the use of the information to certain conditions. The Requested Authority may refuse such use of the information; in that case, the Authorities will consult each other pursuant to Article 8 regarding the reasons for refusal and the circumstances under which use of the information might otherwise be allowed.

Article 7 - Confidentiality of the requests and information exchanged

1. Each Authority shall keep confidential, to the extent permitted by law, requests or communications of information, made within the framework of this Memorandum, the contents of such requests, and any other matters arising during the implementation of this Memorandum, including consultations between the Authorities.
2. In all cases, the Requesting Authority shall keep confidential, to the extent permitted by law, any information received pursuant to this Memorandum to the same extent as such information would be kept confidential under the national laws and regulations of the Requested Authority.

Article 8 - Consultations

1. The Authorities agree to inform each other on any development in the laws and regulations affecting the scope of this Memorandum, and to consult each other on a periodic basis and whenever necessary.

2. The Authorities will keep the operation of this Memorandum under continuous review and will consult each other with a view to improving its operation and resolving any matters which may arise. In particular the Authorities should consult each other in case of:
 - a) refusal to provide assistance;
 - b) disagreement in the use of the information provided as mentioned in Article 6;
 - c) significant change in the economic situation or the legal provisions while, for the achievement of this Memorandum, requires a change in its contents.
3. The Authorities may agree such further arrangements of a practical nature as may be necessary to facilitate the implementation of this Memorandum.
4. In any case of dispute over the interpretation of this Memorandum, the Authorities will consult each other with a view to reaching a mutually acceptable interpretation.

Article 9 - Costs of assistance

Where substantial imbalance has arisen in the cumulative cost incurred, the Requested Authority may require the Requesting Authority to make a contribution to costs.

Article 10 - Amendments to the Memorandum

Further to consultations held pursuant to Article 8, the Authorities may agree on amendments to the present Memorandum as may be necessary to enhance effectiveness of this Memorandum.

Article 11 - Publication

The Authorities agree to publish this Memorandum.

Article 12 - Effective Date

This Memorandum will come into effect from the date of signature.

Article 13 - Termination

This Memorandum shall be concluded for an unlimited period of time and may be terminated by any Authority at any time by giving 30 days prior written notice to each other Authority. Where the Requested Authority gives such notice, this Memorandum will continue to have effect with respect to all requests for assistance made before the date of the reception of the notification.

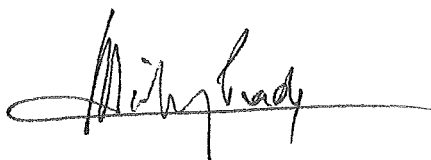
IN WITNESS WHEREOF the Undersigned have signed this Memorandum.

DONE in Lisbon, on May 24, 1999 , in six versions, two in French, two in Polish and two in English.

FOR THE COMMISSION DES
OPERATIONS DE BOURSE

FOR THE KOMISJA PAPIEROW
WARTOSCIOWYCH I GIELD

Michel PRADA
Chairman

A handwritten signature in black ink, appearing to read 'Michel Prada', written over a horizontal line.

JACEK SOCHA
Chairman

A handwritten signature in black ink, appearing to read 'Jacek Socha', written over a horizontal line.

APPENDIX A

The Requested Authority's contact person pursuant to Article 4 of the Memorandum is:

For the *Commission des opérations de bourse*:

Hervé DALLÉRAC
Director of the Enforcement Division

TEL: (33.1) 53.45 63 76

FAX: (33.1) 53 45.63 80

For the *Komisja Papierow Wartosciowych i Gield*:

Mirosław KACHNIEWSKI
General Secretary of the *Komisja Papierow
Wartosciowych i Gield*

TEL: (48 22) 826 93 96

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