



MEMORANDUM OF UNDERSTANDING

BETWEEN THE

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| THE AUTORITÉ DES MARCHÉS FINANCIERS OF FRANCE | DUBAI FINANCIAL SERVICES AUTHORITY |

IN RELATION TO

ASSISTANCE and MUTUAL CO-OPERATION

5 March 2010

CONTENTS

| | PAGE |
|---|------|
| 1. INTRODUCTION | 3 |
| 2. DEFINITIONS | 3 |
| 3. PRINCIPLES | 4 |
| 4. SCOPE | 5 |
| 5. REQUESTS FOR ASSISTANCE OR INFORMATION | 6 |
| 6. EXECUTION OF REQUESTS | 7 |
| 7. UNSOLICITED INFORMATION | 8 |
| 8. PERMISSIBLE USES OF INFORMATION | 8 |
| 9. CONFIDENTIALITY | 8 |
| 10. CONSULTATION | 9 |
| 11. COST OF INVESTIGATION OR ASSISTANCE | 9 |
| 12. REGULATORY COOPERATION | 9 |
| 13. EFFECTIVE DATE..... | 10 |
| 14. TERMINATION | 10 |
| 15. CONTACT PERSONS | 10 |



1. INTRODUCTION

- 1.1 The Dubai Financial Services Authority (DFSA) was established under Dubai Law No. 9 of 2004 and is the independent integrated financial services and market regulator of the Dubai International Financial Centre (DIFC). The DFSA administers the DIFC Regulatory Law No. 1 of 2004, which provides, among other things, for the authorization, registration, recognition and supervision of financial service providers, financial services and products related to banking, securities, Islamic finance, collective investment schemes, asset management, trust services and insurance and re-insurance. The DIFC has two authorised market institutions, NASDAQ Dubai and the Dubai Mercantile Exchange ("DME"). The DFSA has the authority under the DIFC Markets Law No. 12 of 2004 to regulate these financial markets.
- 1.2 The Autorité des marchés financiers (AMF - France) was formed on 23rd November 2003 from the merger of the Commission des opérations de bourse (COB), the Conseil des marchés financiers (CMF) and the Conseil de discipline de la gestion financière (CDGF) "to deal with protection of the savings invested in financial instruments and all other investments which give rise to public offerings, the information provided to investors, and the proper functioning of the market of financial instruments".

2. DEFINITIONS

For the purposes of this Memorandum of Understanding:

"Authority" means the French Autorité des marchés financiers (AMF) or the Dubai Financial Services Authority (DFSA), as the case may be.

"Authorities" means the French Autorité des marchés financiers (AMF) and the Dubai Financial Services Authority (DFSA).

"Requested Authority" means the Authority to whom a request is made pursuant to article 5 of this Memorandum of Understanding.

"Requesting Authority" means the Authority making a request pursuant to article 5 of this Memorandum of Understanding.

"Person" means a natural person, a legal person, partnership, or unincorporated association, government or political subdivision, agency or instrumentality of a government.

"Securities market" means an exchange or other market, including an over-the-counter market, in respect of equity securities, debt securities, bonds, futures and options or any other security that is recognised, regulated or supervised by the Authorities.

"Territory" means the country, state, zone or other territory, as the case may be, in which an Authority has legal authority, power and / or jurisdiction conferred by law.

3. PRINCIPLES

3.1 Concerning cooperation

The AMF and the DFSA wish to enhance their close and co-operative relationship. As co-signatories of the IOSCO Multi-lateral MoU, both Authorities confirm their adherence to the highest standards of cooperation and exchange of information to ensure compliance with and enforcement of their securities and derivatives laws and regulations. More generally, both Authorities also acknowledge the importance of compliance with IOSCO's Objectives and Principles of Securities Regulation and the Financial Action Task Force (FATF) Recommendations on Anti-Money Laundering.

3.2 The Authorities recognise, as capital markets regulators, the importance of harmonisation of regulation and wish to enter into this Memorandum of Understanding (MOU) to strengthen cooperation and collaboration on these matters.

3.3 Both parties agree to enhance mutual cooperation towards promoting and developing cross border activities. To this end both parties will examine the possibility of establishing a framework for the mutual recognition of their regulatory regimes governing collective investment schemes, prospectuses, intermediaries, and market infrastructure in the DIFC and in France.

3.4. Concerning mutual assistance

The Authorities will use their best endeavours to meet the terms of this Memorandum of Understanding. This MOU does not impose any legally binding obligation on the Authorities. It does not modify or supersede any domestic laws or regulatory requirements, in force in, or applying, to the Authorities. It will not affect any arrangements made, or to be made under any other MOU.

3.5. This Memorandum of Understanding does not affect any right of any Authority under its domestic laws or any other arrangement to take measures, otherwise than as provided herein, to obtain information necessary to ensure compliance with, or to enforce, its domestic laws or regulations. In particular, this Memorandum of Understanding does not affect any right of either Authority to communicate with or obtain information or documents from any other person on a voluntary basis on the territory of the other Authority.

3.6. This Memorandum of Understanding will not give any other person, directly or indirectly, other than the authorities, the right to obtain information. No person other than the Authorities, may suppress or exclude any information, or challenge the execution of a request for assistance invoked through this MOU.

3.7. In the course of an ongoing supervision and/or in case of investigations and to the extent permitted by laws and practices, each Authority will use all reasonable efforts to provide the other Authority with any information and documents held in the files of the Requested Authority that is related to the facts discovered in the course of an ongoing supervision and/or underlying the investigations.

3.8. The Authorities recognise the need and desirability for providing mutual assistance and exchanging information to assist each other in ensuring compliance with laws and regulations of their respective jurisdictions. However, the Requested Authority may deny assistance requested under this Memorandum of Understanding on the ground that:

3.8.1. The provision of assistance would violate an essential national or public interest or the domestic law of the Requested Authority; or

3.8.2 The request is not made in accordance with the provisions of this Memorandum of Understanding.

3.8.3 Where a criminal proceeding has already been initiated in the jurisdiction of the Requested Authority based upon the same facts and against the same Persons, or the same Persons have already been the subject of final punitive sanctions on the same charges by the competent authorities of the jurisdiction of the Requested Authority, unless the Requesting Authority can demonstrate that the relief or sanctions sought in any proceedings initiated by the Requesting Authority would not be of the same nature or duplicative of any relief or sanctions obtained in the jurisdiction of the Requested Authority.

4. SCOPE

4.1 Through the provisions of this Memorandum of Understanding, the Authorities agree to promote mutual assistance and exchange of information and documents regarding the matters set forth in the request for assistance. Information and documents shall include:

4.1.1 Contemporaneous records sufficient to reconstruct all securities and derivatives transactions, including records of all funds and assets transferred into and out of bank and brokerage accounts relating to these transactions;

4.1.2 Records that identify: the beneficial owner and controller, and for each transaction, the account holder; the amount purchased or sold; the time of the transaction; the price of the transaction; and the individual and the bank or broker and brokerage house that handled the transaction; and

4.1.3 Information identifying persons who beneficially own or control non-natural Persons organized in the jurisdiction of the Requested Authority.

4.2. Under the foregoing general theme, the scope of this Memorandum of Understanding will include the following:

4.2.1. Assisting in discovery of and taking action against insider dealing, market manipulation and other fraudulent practices in securities dealings in relation to companies, securities, futures contracts, options and collective investment schemes. The assistance shall include taking or compelling a Person's statement or, where permissible, testimony under oath;

- 4.2.2. Enforcement of laws, rules and regulations relating to dealing in, arranging deals in, managing and advising on securities, futures contracts, options and collective investments;
- 4.2.3. Supervising and monitoring stock markets and clearing and settlement activities and their compliance with the relevant laws and regulations;
- 4.2.4. Promoting and securing the fitness and properness of registered persons and promoting high standards of fair dealing and integrity in their conduct of business;
- 4.2.5. The compliance by issuers of and offers for securities and directors, officers, shareholders and professional advisers of companies listed, or applying for listing, on the respective securities markets pertaining to the Authorities with any duties under any relevant laws and rules and any obligation to make full, accurate and timely disclosure of information relevant to investors;
- 4.2.6. Enforcement of laws, rules and regulations relating to the issuing of, dealing in, arranging deals in, managing and advising on securities and other investment products;
- 4.2.7. Take-overs and mergers; and
- 4.2.8. Any other matters agreed upon between the Authorities at any time.

5. REQUESTS FOR ASSISTANCE OR INFORMATION

- 5.1. This Memorandum of Understanding does not affect the ability of the Authorities to obtain information from persons on a voluntary basis, provided that existing procedures in the territory of each Authority for the obtaining of such information are observed.
- 5.2. Requests for information or other assistance will be made in writing in English and addressed to the Requested Authority's contact person(s) referred to in article 15 herein. In urgent cases, requests may be made in summary form to be followed with a full request within five (5) business days there from. If necessary, the documents communicated by the requested Authority will be translated into English.
- 5.3. Requests for information should specify:
 - 5.3.1. A description of the facts discovered in the course of ongoing supervision and/or underlying the investigation that are the subject of the request, and the purpose for which the assistance is sought;
 - 5.3.2. The information required (identity of persons, specific questions to be asked, etc.);
 - 5.3.3. The purpose for which the information is sought (including details of the rule or law pertaining to the subject matter of the request);
 - 5.3.4. The link between the specified rule or law and the regulatory functions of the Requesting Authority;

- 5.3.5. The relevance of the requested assistance to the specified rule or law;
- 5.3.6. To whom, onward disclosure of information is likely to be necessary, and in this context, the reason for such disclosure;
- 5.3.7. Any information in the possession of the Requesting Authority that might assist the Requested Authority in identifying the persons or entities believed by the Requesting Authority to possess the information sought or the places where such information may be obtained;
- 5.3.8. The desired time period for the reply;
- 5.3.9. Any other matters specified by the laws and regulations in the territory of the Requested Authority.
- 5.4. Any document or other material provided in response to a request under this Memorandum of Understanding must be returned upon request, to the extent permitted by the laws of the Requested Authority.
- 5.5. Each request will be assessed on a case by case basis by the Requested Authority to determine whether assistance can be provided under the terms of this Memorandum of Understanding. In any case where the request cannot be accepted completely, the Requested Authority will consider whether there may be other assistance which can be given, to the extent permitted by its laws.
- 5.6. In deciding whether to accept or decline a request, the Requested Authority will take account of :
 - 5.6.1. Matters specified by the laws and regulations of its territory, and
 - 5.6.2. Whether the request involves an assertion of jurisdiction not recognised by the territory of the Requested Authority, and
 - 5.6.3. Whether it would be contrary to national or public interest to provide the assistance sought.

6. EXECUTION OF REQUESTS

- 6.1. Access to information held in the possession of the Requested Authority will be provided upon request of the Requesting Authority, to the extent permitted by the domestic laws and internal policies of the Requested Authority.
- 6.2. Upon request, the Requested Authority will require the production of documents identified in 4(1) from (i) any Person designated by the Requesting Authority, or (ii) any other Person who may possess the requested information or documents. Upon request, the Requested Authority will obtain other information relevant to the request.
- 6.3. Upon request, the Requested Authority will seek responses to questions and/or a statement (or where permissible, testimony under oath) from any Person involved, directly or indirectly, in the activities that are the subject

matter of the request for assistance or who is in possession of information that may assist in the execution of the request.

- 6.4. Unless otherwise arranged by the Authorities, information and documents requested under this Memorandum of Understanding will be gathered in accordance with the procedures applicable in the jurisdiction of the Requested Authority and by persons designated by the Requested Authority. Where permissible under the Laws and Regulations of the jurisdiction of the Requested Authority, a representative of the Requesting Authority may be present at the taking of statements and testimony and may provide, to a designated representative of the Requested Authority, specific questions to be asked of any witness.
- 6.5. In urgent circumstances, the response to requests for assistance may be effected by telephone, email or facsimile, provided such communication is confirmed through an original, signed document.

7. UNSOLICITED INFORMATION

Where one Authority has information, which will assist another Authority in the performance of its regulatory functions, the former may provide such information, or arrange for such information to be provided, on a voluntary basis even though no request has been made by the other Authority. The terms and conditions of this Memorandum of Understanding will apply if the providing Authority specifies that the information is passed under this Memorandum of Understanding.

8. PERMISSIBLE USES OF INFORMATION

- 8.1. Any assistance or information will be provided by an Authority only for the purposes of assisting the other Authority in the performance of its regulatory functions. Any assistance or information provided under this Memorandum of Understanding shall be used by the recipient only for:
- 8.1.1. the purpose of performing its regulatory functions;
 - 8.1.2. the purposes stated in the request, including ensuring compliance with or enforcement of the laws or regulations of the Requesting Authority specified in the request, by assisting in criminal prosecution arising out of the breach of such rule or law; or
 - 8.1.3. Conducting or assisting in civil proceedings brought by the Authorities or other law enforcement or regulatory bodies within the territory of the Requesting Authority in taking regulatory action or imposing regulatory requirements within the scope stated in article 4 above arising out of the breach of the rule or law specified in the request.
- 8.2. In the event that the Requesting Authority wishes to use the information obtained for any purpose other than that stated in 8.1 above, the Requesting Authority must notify and seek the written consent of the Requested Authority to such use of the information.

9. CONFIDENTIALITY

- 9.1. The assistance or information obtained pursuant to this Memorandum of Understanding should not be disclosed to third parties without the prior consent of the Requested Authority. Each Authority will establish and maintain such safeguards as are necessary and appropriate to protect the confidentiality of such information or assistance.
- 9.2. Each Authority will keep confidential, to the extent permitted by law:
 - 9.2.1. Any request for information made under this Memorandum of Understanding and any matter arising in the course of the operation of this Memorandum of Understanding, including consultations between the Authorities and unsolicited assistance, unless such disclosure is necessary to carry out the request or unless the other Authority waives such confidentiality;
 - 9.2.2. Any information received pursuant to this Memorandum of Understanding unless it is disclosed in furtherance of the purpose for which it was requested.
- 9.3. The Requesting Authority will not disclose non-public documents and information received under this Memorandum of Understanding, except in response to a legally enforceable demand. In the event of a legally enforceable demand, the Requesting Authority will notify the Requested Authority prior to complying with the demand, and will assert such appropriate legal exemptions or privileges with respect to such information as may be available. The Requesting Authority will use its best efforts to protect the confidentiality of non-public documents and information received under this Memorandum of Understanding.
- 9.4. If an Authority becomes aware that any information passed under this Memorandum of Understanding may be subject to a legally enforceable demand to disclose it, it will to the extent permitted by law, inform the other Authority of the situation. The Authorities will then discuss and determine the appropriate course of action.

10. CONSULTATION

- 10.1. The Authorities may consult one another informally at any time about a request or proposed request.
- 10.2. The Authorities may consult and may revise the terms of the Memorandum of Understanding in the event of a substantial change in laws, practices, market or business conditions affecting the operation of this Memorandum of Understanding.
- 10.3. The Authorities will endeavour to meet from time to time for purposes of assessing and reviewing interactions and cooperation initiatives that have taken place between the Authorities pursuant to this Memorandum of Understanding, and to discuss any matter related thereto.

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11. COST OF INVESTIGATION OR ASSISTANCE

The Requested Authority may as a condition of agreeing that assistance be given under this Memorandum of Understanding, require the Requesting Authority to make a contribution to costs. Such a contribution may, particular, be required where the cost of executing a request is substantial.

12. EFFECTIVE DATE

This Memorandum of Understanding becomes effective on the day it is signed by the Authorities.

13. TERMINATION

This Memorandum of Understanding will continue in effect until the expiry of thirty (30) days after either Authority gives written notice to the other Authority of its intention to terminate. This Memorandum of Understanding will continue to have effect with respect to all requests for assistance that were made before the effective date of termination.

14. DISPUTES AND CHANGES

The Authorities shall use reasonable efforts to settle amicably all disputes arising out of or in connection with this Memorandum of Understanding or its interpretation. All changes or modifications to this Memorandum of Understanding must be agreed to in writing between the Authorities.

15. CONTACT PERSONS

All communications between the Authorities should be between the principal points of contact as set out in Appendix A unless otherwise agreed. Appendix A may however be amended by written notice from either Authority without the need for the resigning of this Memorandum of Understanding.

Signed on 5 March 2010

**DUBAI FINANCIAL SERVICES
AUTHORITY**



**Jean-Pierre Jouyet
Chairman**

**AUTORITE DES MARCHES
FINANCIERS**



**Paul Koster
Chief Executive**

APPENDIX A

LIST OF CONTACT PERSONS

DUBAI FINANCIAL SERVICES AUTHORITY

1. Mr. Paul Koster
Chief Executive
Dubai Financial Services Authority
Level 13, The Gate
P.O. Box 75850
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United Arab Emirates
Tel: +971 4 362 1611
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Email: pkoster@dfsa.ae
2. **Ongoing contacts for regulatory issues**
Mr. Mark McGinness
Director, International Relations
Dubai Financial Services Authority
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United Arab Emirates
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Fax: +971 4 362 0801
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FRENCH AUTORITE DES MARCHES FINANCIERS

1. **Mr. Jean-Pierre Jouyet**
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2. **Ongoing contacts for regulatory issues**
Mr. Xavier Tessier
Director for International Affairs
Regulation Policy and International Affairs Division
Autorité des marchés financiers
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