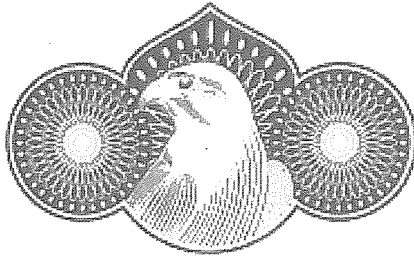


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 **SECURITIES COMMISSION**
NEW ZEALAND

MEMORANDUM OF UNDERSTANDING

BETWEEN

EMIRATES SECURITIES AND COMMODITIES AUTHORITY (ESCA)

AND

NEW ZEALAND SECURITIES COMMISSION

IN RELATION TO

ASSISTANCE AND MUTUAL CO-OPERATION

DUBAI

6 December, 2007

INTRODUCTION

1. The New Zealand Securities Commission (hereinafter referred to as “NZSC”) was established under section 9 of the Securities Act 1978. Its functions are to review and comment on practices relating to securities and activities of securities markets, to advise on the conduct rules of exchanges, to recommend law reform, to perform specific functions and duties under the law, to promote public understanding of the law and practice relating to securities, and to cooperate with overseas regulators. The ability to act on behalf of an overseas regulator is governed by the provisions of section 10(ca) and 69 F to 69 I of the Securities Act 1978.

2. The Emirates Securities and Commodities Authority (hereinafter referred to as “ESCA”) was established under Article 2 of the Federal Law No. 4 of 2000 concerning the Emirates Securities & Commodities and Market to regulate the securities and commodities markets in United Arab Emirates. Its primary role is to ensure the orderly development of a fair and efficient securities and commodities market in line with the economic and development objectives of the country. The main functions of the Emirates Securities and Commodities Authority include supervising and monitoring the activities of any exchange, clearing house and central depository, safeguarding the interests of the persons dealing in securities; promoting proper conduct amongst members of the exchanges and all registered persons; suggesting law reforms relating to securities or commodities contracts and encouraging the development of the securities markets in United Arab Emirates. The authority to exchange information with overseas regulators is covered under Article 4(4) of the Federal Law No. 4 of 2000.

3. In this Memorandum of Understanding (hereinafter referred to as “MOU”), “Authorities” in New Zealand and United Arab Emirates mean the NZSC and ESCA respectively.

4. The NZSC and the ESCA, recognizing the increasing international activities in the commodities, securities, futures and other related investment products markets and the corresponding need for mutual cooperation between the relevant authorities have, after friendly consultation, reached the following understanding.

I. PRINCIPLES

1. The purpose of this MOU is to promote investor protection and integrity of the commodities, securities, futures and other related investment products markets by providing a framework for cooperation, including channels of communication, increasing mutual understanding and exchange of regulatory and technical information.
2. This MOU serves as a basis of cooperation for the Authorities and does not create any binding international legal obligations, nor does it modify or supersede any laws, regulations or regulatory requirements in force in or applying to New Zealand and United Arab Emirates. This MOU does not create any rights enforceable by third parties, nor does it affect any arrangements under other MOUs.
3. The performance of the provisions of this MOU shall be consistent with domestic laws, regulations and conventions of the respective countries of the Authorities and within the availability of respective resources of the Authorities, and shall not be contrary to the public interests of the country of the Requested Authority.
4. To the extent permitted by its domestic laws and regulations, each Authority will use reasonable efforts to provide the other Authority with any relevant information that is discovered which gives rise to a breach, or anticipated breach of the regulatory requirements or laws in the commodities, securities, futures and other related investment products markets administered by the other Authority.
5. This MOU is not intended to derogate from both Authorities' continuing efforts in furtherance of development of the multilateral cooperation and information sharing through the activities of the International Organization of Securities Commissions (IOSCO), including their strong support of the Multilateral Memorandum of Understanding of IOSCO.

II. SCOPE

The Authorities agree to promote mutual assistance and exchange of information to assist them to perform their respective functions in relation to the following areas:

- a) Ensuring the markets and their participants make full and fair disclosure of information relevant to investors;

- b) Enforcement of the laws and rules relating to issuing of, dealing in, arranging deals in, managing and advising on commodities, securities, futures and other investment products;
- c) Promoting and securing the fitness and properness of brokers/dealers and advisers in commodities, securities, futures and other investment products, and promoting high standards of fair dealing and integrity in the conduct of business of these institutions and professionals;
- d) Supervising and monitoring the trading, clearing and settlement, and other activities of commodities, securities, futures and other investment products, and their compliance with relevant laws and regulations;
- e) Detecting market manipulation, insider trading and other deceptive and fraudulent practices concerning financial markets, and trading of futures contracts, options and other investment products;
- f) Technical cooperation and assistance;
- g) Other matters agreed upon by the Authorities.

III. REQUESTS AND EXECUTIONS

1. Requests will be made in writing in the English language and addressed to the contact persons listed in Appendix A. In urgent cases, requests may be made in summary form to be followed within 10 business days by a full request.
2. Requests should specify:
 - a) the information requested;
 - b) a description of the conduct or suspected conduct which gives rise to the request;
 - c) the purpose for which the information is sought (including details of the laws or regulatory requirements pertaining to the matter which is the subject of the request);
 - d) the link between the specified laws or regulations and the regulatory

functions of the Requesting Authority;

- e) the persons or entities suspected by the Requesting Authority to possess the information sought, or the place where such information may be obtained, if the Requesting Authority is knowledgeable thereof;
- f) to whom, if anyone, to the extent permitted by the provisions of Chapter II, onward disclosure of information is likely to be necessary and the reason for such disclosure;
- g) the desired time period for the reply.

3 . The Requested Authority will deal with the request in a reasonable time.

4. Each request will be assessed by the Requested Authority to determine whether information can be provided under the terms of this MOU. In any case where the request cannot be accepted completely, the Requested Authority will consider whether there may be any relevant information which can be given.

5. In deciding whether to accept or decline a request, the Requested Authority will consider:

- a) whether the request relates to the breach of laws or regulations which falls within the scope of the Requested Authority;
- b) whether broadly equivalent assistance would be available from the Requesting Authority;
- c) whether the request involves an assertion of a jurisdiction not recognized by the Requested Authority;
- d) whether it would be contrary to the public interests of the Requested Authority;
- e) whether a criminal proceeding has already been initiated in the country of the Requested Authority based upon the same facts and against the same persons or the same persons have already been finally sanctioned on the same charges by the competent Authorities of the Requested Authority.

6. Any document or other materials provided in response to a request under this MOU and any copies thereof must be returned to the Requested Authority on request.

7. Where one Authority has information which will assist the other Authority in the performance of its regulatory functions, the former may provide such information on a voluntary basis in consistence with paragraph 5 of Chapter III.

IV. PERMISSIBLE USE AND CONFIDENTIALITY

1. Assistance or information will be provided by the Authorities only for the purposes of assisting the other party to this MOU in the performance of its regulatory functions and, unless agreed otherwise, will not be used for another purpose. Each Authority will keep confidential to the extent permitted by law any request of information under this MOU as well as any matter arising in the course of its operation. Any information or assistance provided under the MOU will not be disclosed by the recipient to any third parties without the prior consent of the Authority providing the assistance or information, unless the third party concerned is covered by similar confidentiality requirements, or as required by law.

2. While disclosing the information obtained pursuant to this MOU to any third parties, the Requesting Authority will obtain an undertaking to keep the information confidential from the third parties, unless it is a legally enforceable demand to disclose.

3. If either Authority becomes aware that information passed under this MOU may be subject to a legally enforceable demand to disclose, it will, to the extent permitted by law, inform the other Authority of this situation. The Authorities will then discuss and determine the appropriate course of action.

V. TECHNICAL COOPERATION

The respective Authorities intend to work together to identify and address, subject to the availability of personnel and resources, the training and technical assistance required to facilitate the development of the regulatory framework for commodities, securities, futures and other related investment products markets both in New Zealand and the United Arab Emirates.

VI. 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, in particular, be required where the cost of executing a request is substantial.

VII. CONSULTATION

1. The Authorities will consult in the event of a dispute over the meaning of any term used in this MOU.
2. The Authorities may consult, at any time, about a request or proposed request.
3. The Authorities may consult and revise the terms of the MOU in the event of a substantial change in the laws, regulations or practices affecting the operation of the MOU.
4. To improve the cooperation under this MOU, the Authorities will conduct consultations and discussions on the implementation of the MOU periodically or when necessary.

VIII. 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 be amended by written notice from either Authority without the need for resigning this MOU.

IX. ENTRY INTO EFFECT

This MOU will be effective from the date of its signature.

APPENDIX A

CONTACT PERSONS

EMIRATES SECURITIES AND COMMODITIES AUTHORITY

1. H.E Abdullah Salem Al-Turifi
Chief Executive Officer
Emirates Securities & Commodities Authority
Al-Gaith Tower
P.O.Box 33733
Abu Dhabi, United Arab Emirates
Tel: (9712) 612 0140
Fax: (9712) 627 3332
Email: alturifi@sca.ae

2. Alternate:
Mr. Ebrahim Al Zaabi
Director of Supervision and Commodities Department
Emirates Securities & Commodities Authority
Al-Ghaith Tower
P.O. Box 33733
Abu Dhabi, United Arab Emirates
Tel: (971 2) 612 0300
Fax: (971 2) 627 7751
Email: eod@sca.ae

NEW ZEALAND SECURITIES COMMISSION

1. Ms. Monique Egli Costi
Head of International Affairs
Securities Commission
Unisys House, Level 8
56 The Terrace
P.O. Box 1179
Wellington 6011, New Zealand
Tel: +64 4 472 9830
Fax: +64 4 472 8076
Email: monique.egli.costi@seccom.govt.nz

X. TERMINATION

This MOU may be terminated by either Authority giving thirty days' written notice to the other Authority. This MOU will continue to have effect with respect to all requests for assistance that are made before the effective date of termination.

SIGNED THIS SIXTH DAY OF DECEMBER, 2007 IN DUBAI IN
DUPLICATE.

EMIRATES SECURITIES &
COMMODITIES AUTHORITY



H.E. Sheikha Lubna Bint Khalid Al Qasimi
Chairperson

NEW ZEALAND
SECURITIES COMMISSION



Jane Diplock AO
Chairperson