

**MEMORANDUM**  
**OF**  
**UNDERSTANDING**

**Between**  
*Jordan Securities Commission*  
*and*  
*New Zealand Securities Commission*

**Amman - Jordan**

**February 17, 2008**

## INTRODUCTION

1. The New Zealand Securities Commission hereinafter referred to as “NZSC” is an independent Crown entity established under section 9 of the Securities Act 1978. It is the principal regulator of securities markets in New Zealand. Its purpose is to strengthen investor confidence and foster capital investment in New Zealand by promoting the efficiency, integrity and cost-effective regulation of New Zealand’s securities markets.
2. The Jordan Securities Commission hereinafter referred to as “JSC” is a government agency established by virtue of the Securities Law No. 23 of 1997, aims to protect investors in securities, regulate and develop the Jordan capital market, and protect the capital market from risks it might face. The JSC regulates, monitors, and supervises the business operations of the Amman Stock Exchange (ASE), the Securities Depository Center (SDC), financial services companies, issuers of securities, mutual funds, and financial professionals.
3. In this Memorandum of Understanding (hereinafter referred to as “MOU”), “Authorities” in New Zealand and Jordan mean the NZSC And JSC respectively.
4. The NZSC and JSC recognizing the increasing international activities in the 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 securities, futures and other related investment products markets and to enforce and ensure compliance with their respective Laws and regulatory requirements 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 NZSC and JSC. The MOU does not create any rights enforceable by third parties, nor does it affect any arrangements under other MOUs. In particular this MOU does not derogate from the Authorities’ support for the IOSCO Multilateral Memorandum of Understanding (the “IOSCO MMOU”) or from any terms or provisions of the IOSCO MMOU.
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 securities, futures and other related investment products markets administered by the other Authority.

## **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:

1. Ensuring the issuers and offerors of securities compliance with any relevant laws and rules, and with requirements to make full and fair disclosure of information relevant to investors;
2. Enforcement of the laws and rules relating to issuing of, dealing in, arranging deals in, managing and advising on securities, futures and other investment products;
3. Promoting and securing the fitness and properness of brokers/dealers and advisers in securities, futures and other investment products markets, and promoting high standards of fair dealing and integrity in the conduct of business of these institutions and professionals;
4. Supervising and monitoring the trading, clearing and settlement, and other activities of securities, futures and other investment products markets, and their compliance with relevant laws and regulations;
5. Detecting market manipulation, insider trading and other deceptive and fraudulent practices concerning securities issuing and trading, the activities of listed companies, and trading of futures contracts, options and other investment products;
6. Technical cooperation and assistance;
7. Other matters agreed upon by the Authorities.

## **III. REQUESTS AND EXECUTION**

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 and detailed 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 fact 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.

#### **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 shall not be used in any proceedings or for any other related purposes. 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, except for the execution of request if the third party concerned is covered by similar confidentiality requirements.
2. While disclosing the information obtained pursuant to this MOU to any third parties, the requesting Authority will obtain an undertaking of keeping 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 courses 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 securities, futures and other related investment products markets both in New Zealand and Jordan.

#### **VI. 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.

## APPENDIX A

### CONTACT PERSONS

#### **New Zealand Securities Commission**

Ms Monique Egli Costi  
Head of International Affairs  
New Zealand Securities Commission  
P.O.Box 1179  
Wellington 6011  
New Zealand  
Tel. +6444729830  
Fax. +6444728076  
Email: monique.egli.costi@seccom.govt.nz

#### **Jordan Securities Commission**

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Mr. Mazen Wathaifi  
Director  
Research and International Affairs Dept.  
Jordan Securities Commission  
P.O.Box 8802  
Amman 11121  
Hashemite Kingdom of Jordan  
Tel. : 96265607171  
Fax. : 96265686830  
Email: mazenwath@jsc.gov.jo

## **VII. 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.

## **VIII. ENTRY INTO EFFECT**

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

## **IX. TERMINATION**

This MOU may be terminated as to any Authority by that 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.

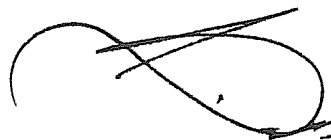
Signed this on the 17th day of February, 2008, in Amman- Jordan

**Representative of  
New Zealand Securities  
Commission**



**Ms. Jane Diplock  
Chairman**

**Representative of Jordan  
Securities Commission**



**Dr. Bassam Saket  
Executive Chairman**