

MEMORANDUM OF UNDERSTANDING

BETWEEN

THE FEDERAL SECURITIES SUPERVISORY OFFICE OF GERMANY

AND

THE SECURITIES AND FUTURES COMMISSION OF HONG KONG

1. INTRODUCTION

The German Federal Securities Supervisory Office (Bundesanwalt für den Wertpapiermarkt) and the Securities and Futures Commission of Hong Kong (SFC) have entered into this Memorandum of Understanding (MoU) to enhance cooperation and information exchange between the two regulatory bodies.

2. FUNCTIONS OF EACH AUTHORITY

- (a) Federal Securities Supervisory Office (Bundesaufsichtsamt für den Wertpapierhandel, short BAWe)

The BAWe is an independent federal authority within the ambit of the Federal

Ministry of Finance. It began its regulatory activity on 1 January 1995. The legal
framework for the establishment and operation of the BAWe is set out in the

markets in Hong Kong and the increased use of such markets by investors in Hong Kong and elsewhere.

3. SCOPE

Through the machinery set up by this Memorandum, the Authorities hereby agree to promote mutual assistance and the exchange of information so that the Authorities may effectively perform their respective duties according to law.

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

a) supervising and monitoring the securities markets in Hong Kong and elsewhere.

- e) enforcement of the laws and regulatory requirements relating to insider dealing, market manipulation and other fraudulent practices in relation to

- f) ensuring compliance by issuers of and offerors for securities, and directors,

- (iii) 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);
- (iv) the link between the specified laws or regulatory requirements and the regulatory function of the requesting Authority;
- (v) the relevance of the requested information to the specified laws or regulatory requirements; and
- (vi) to which Annex B bodies onward disclosure of information is contemplated and the reason for such disclosure.

d) Each request will be addressed by the requested Authority to determine

f) The requested Authority may, as a condition of agreeing that assistance is given

[REDACTED]

information. Each Authority will establish and maintain such safeguards as are necessary and appropriate to protect the confidentiality of such information.

- b) When a requesting Authority discloses information to a third party (including those Annex B bodies) in accordance with paragraph 7(a), the requesting Authority will obtain an undertaking from that party that it will maintain the confidentiality of the information, except when disclosure is required pursuant to a legally enforceable demand.

respect to all requests for assistance that were made before the effective date of notification until the requesting Authority terminates the matter for which assistance was requested.

10. LANGUAGE OF THE MEMORANDUM AND EXHIBITS

This Memorandum is written in English.

A.

ANNEX B

LIST OF LAW ENFORCEMENT AND REGULATORY BODIES

REGULATED UNDER FINANCIAL SERVICES LAW

In Germany:

Die Börsenaufsichtsbehörden der Länder (Exchange Supervisory Authorities of the States)

Bundesanstalt für Finanzdienstleistungsaufsicht (Federal Financial Supervisory Authority)