



MEMORANDUM OF UNDERSTANDING

BETWEEN

**AUTORITÉ DES MARCHÉS
FINANCIERS
(QUÉBEC, CANADA)**

**SECURITIES AND
COMMODITIES AUTHORITY
(UNITED ARAB EMIRATES)**

IN RELATION TO

ASSISTANCE AND MUTUAL CO-OPERATION

June 8th, 2010

CONTENTS

1.	INTRODUCTION.....	3
2.	DEFINITIONS	3
3.	PRINCIPLES	4
4.	SCOPE	5
5.	REQUEST FOR ASSISTANCE.....	6
6.	EXECUTION OF REQUESTS	7
7.	UNSOLICITED INFORMATION.....	7
8.	PERMISSIBLE USE OF INFORMATION	8
9.	CONFIDENTIALITY OF REQUESTS	8
10.	CONSULTATIONS.....	8
11.	AMENDMENTS TO THE MEMORANDUM	9
12.	EFFECTIVE DATE.....	9
13.	TERMINATION.....	9
14.	CONTACT PERSONS	9
	APPENDIX A	11

1. INTRODUCTION

- 1.1 **The Emirates Securities and Commodities Authority (ESCA)** was established under Article 2 of the Federal Law No. 4 of 2000 concerning the Emirates Securities & Commodities Authority and Market to regulate the securities and commodities markets in the 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 ESCA 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 market in the United Arab Emirates.
- 1.2 **The Autorité des marchés financiers (“AMF”)** is established under the *Act respecting the Autorité des marchés financiers (R.S.Q., c. A-33.2)*. The mission of the AMF is to promote efficiency in the securities market, to protect investors against unfair, improper or fraudulent practices, to regulate the information that must be disclosed to security holders and to the public in respect of persons engaged in the distribution of securities and of the securities issued by these persons, to define a framework for the professional activities of persons dealing in securities, for associations of such persons and for bodies entrusted with supervising the securities market. The AMF may, according to the *Securities Act*, R.S.Q., c. V-1.1, make an agreement with a person or with an organization from Québec or elsewhere, with a view to fostering the application of this Securities Act or foreign legislation in matters of securities.

Considering, in light of increasing internationalization of activities in securities, the keen interest of the two organizations to enhance mutual cooperation and consultation in order to facilitate the performance of their functions in the areas mentioned hereinafter; and the importance of ensuring compliance with and enforcement of Securities Laws and Regulations applicable in Québec and in the United Arab Emirates, the following Memorandum of Understanding states :

2. DEFINITIONS

For the purposes of this Memorandum of Understanding:

“Authority” means the **Autorité des marchés financiers (AMF)** in Québec (Canada) or the **Emirates Securities and Commodities Authority (ESCA)**, as the case may be.

“Authorities” means the **Autorité des marchés financiers (AMF)** in Québec (Canada) and the **Emirates Securities and Commodities Authority (ESCA)**.

“Designated Third Party” means:

- (a) any Person or body responsible for supervising the Requesting Authority;
or
- (b) any authority of the country responsible for carrying out the purpose set out in Article 3.1.

“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” includes any company or association or body of persons, corporate or unincorporated.

“Securities” means shares, bonds and other forms of securitized debt, futures contracts, options on shares or futures contracts, collective investment schemes and any other financial products, which are traded on securities or futures exchanges within the competence of the Authorities.

“Territory” means the country, state 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 The purpose of this Memorandum is to set up and implement a system for mutual assistance and exchange of information between the Authorities, in order to facilitate the performance of the functions they are entrusted with in the field of Securities, in particular:

3.1.1 Taking of any action for or in connection with the supervision of the operations of a Securities exchange, intermediary or any other person regulated by the respective Authorities, or the issuance of or trading in Securities, in the countries of the respective Authorities;

3.1.2 Investigating to determine if a specified Person has contravened or is contravening a Law or Regulation that relates to the Securities industry of the countries of the respective Authorities;

- 3.1.3 Taking of any action to enforce against a specified Person a Law or Regulation that relates to the Securities industry of the countries of the respective Authorities; and
- 3.1.4 Promoting and securing the fitness and propriety of Persons registered or licensed in the countries of the respective Authorities and their activities.
- 3.2 Each Authority agrees that this Memorandum represents the preferred way of obtaining confidential information necessary to ensure compliance with or enforcement of the Laws and Regulations. However, it does not prohibit either Authority from taking other measures which conform to international law to achieve the same purpose. Before resorting to such other measures, the Requesting Authority shall notify the Requested Authority that it intends to resort to such other measures. The Requesting Authority shall, if so requested by the Requested Authority, consult the Requested Authority as to how such measures may affect the interests of the Requested Authority.
- 3.3 This Memorandum does not affect the ability of the Authorities to exchange non-confidential information.
- 3.4 This Memorandum does not create any legally enforceable rights nor impose any legally binding obligations. This Memorandum does not modify or supersede any laws or regulatory requirements in force in, or applying to Québec or the United Arab Emirates. It does not affect any arrangements under other Memoranda to which either Authority may be a party.

4. SCOPE

- 4.1 The Authorities will provide each other with the fullest assistance under this Memorandum, to the extent permitted by their respective Laws and Regulations, in order to comply with requests for assistance consistent with this Memorandum. For these purposes, the Requested Authority will exercise such powers and take such steps as necessary to obtain all useful information from the relevant sources to comply with the request.
- 4.2 Assistance under this Memorandum may be denied in the following situations:
 - 4.2.1 Such assistance is not permitted by the Laws or Regulations in force in, or applying to, Québec, Canada or in the United Arab Emirates;
 - 4.2.2 The request is not made in accordance with the provisions of this Memorandum;

- 4.2.3 The execution of the request would prejudice the sovereignty, security, fundamental economic interest or public order of the State of the requested Authority; or
- 4.2.4 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 finally sanctioned on the same charges by the competent Authorities of the State of the requested Authority, unless the requesting Authority can demonstrate that the relief or sanction sought in any such proceeding would not be duplicative of any relief or sanction obtained in the State of the requested Authority.
- 4.3 The denial of assistance does not undermine the right of the Authorities to consult each other.
- 4.4 In considering any request for information, the Requested Authority may take into account in deciding whether to accept or decline a request:
 - 4.4.1 Whether the Requesting Authority has given or is willing to give an undertaking to the Requested Authority to comply with a future request by the Requested Authority to the Requesting Authority for similar assistance;
 - 4.4.2 Whether the Requesting Authority has given or is willing to give an undertaking to the Requested Authority to contribute towards the costs of providing the assistance that the Requesting Authority has requested.
- 4.5 Where 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.

5. REQUEST FOR ASSISTANCE

- 5.1 Requests for assistance must be made in writing in English and addressed to the Requested Authority's contact Person listed in Appendix A. Appendix A may be amended by written notice from either Authority without the need for re-signature of this Memorandum. In urgent cases, requests may be in summary form to be followed by a full request as soon as possible.
- 5.2 The request for assistance must specify the following:
 - 5.2.1 A general description of both the matter which is the subject of the request and the purpose for which the information is sought (including details of the Law or Regulation pertaining to the matter which is the subject of the request);

- 5.2.2 A general description of the assistance, material or statements of Persons sought by the Requesting Authority;
- 5.2.3 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;
- 5.2.4 To whom if anyone, onward disclosure of information is likely to be necessary and the reason for such disclosure;
- 5.2.5 In the case of the obtaining of testimony from a person, whether it is likely that criminal proceedings will be brought against that person; and
- 5.2.6 The desired time period for the reply and, where appropriate, the urgency thereof.

6. EXECUTION OF REQUESTS

- 6.1 Subject to Articles 3, 4 and 5, the Requested Authority will provide information to the Requesting Authority in accordance with the Laws and Regulations applicable to the Requested Authority.
- 6.2 If it appears that responding to a request for assistance under this Memorandum will involve substantial costs being incurred by the Requested Authority, the Requested Authority and the Requesting Authority will establish a cost-sharing arrangement before continuing to respond to such requests for assistance.
- 6.3 Each request will be analyzed by the Requested Authority to determine whether information or assistance can be provided under the terms of this Memorandum. In any case where the request cannot be accepted completely, the Requested Authority and the Requesting Authority will consult each other on other possible means of dealing with the uncovered part of the request.

7. UNSOLICITED INFORMATION

Where the Authority has information which will assist the other Authority in the performance of its regulatory functions, including any relevant information that is discovered which gives rise to a suspicion of a breach, or anticipated breach, of the laws or regulatory requirements of the other Authority, the former may provide such information, or arrange for such information to be provided, to the extent permitted by law, on a voluntary basis even though no request has been made by the other Authority. The terms and conditions of this Memorandum will

apply if the providing Authority specifies that the information is passed under the Memorandum.

8. PERMISSIBLE USE OF INFORMATION

Each Requesting Authority shall give a written undertaking that any material or copy thereof obtained pursuant to its request shall not be used for any other purpose than a purpose that is specified in the request and approved by the Requested Authority.

9. CONFIDENTIALITY OF REQUESTS

- 9.1 Each Requesting Authority shall give a written undertaking not to disclose to a third party (other than a Designated Third Party) any material received pursuant to a request unless the Requesting Authority is compelled to do so by the Law of a court or its country.
- 9.2 Each Requesting Authority shall give a written undertaking to obtain the prior consent of the Requested Authority before disclosing any material received pursuant to the request to a Designated Third Party, and to make such disclosure only in accordance with such conditions as may be imposed by the Requested Authority unless the Requesting Authority is compelled by law or a court order to disclose the information.
- 9.3 Where compelled by law or a court order to disclose the information received, the Requesting Authority should, to the extent practicable, give prior written notification to the Requested Authority before such disclosure can be made.

10. CONSULTATIONS

- 10.1 The Authorities agree to inform each other of 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.
- 10.2 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.
- 10.3 The Authorities may agree on such further arrangements of a practical nature as may be necessary to facilitate the implementation of this Memorandum.
- 10.4 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.

11. AMENDMENTS TO THE MEMORANDUM

- 11.1 Further to consultations held pursuant to Article 10, the Authorities may agree on such amendments as may be necessary to give effect to this Memorandum.
- 11.2 If, in future, there are any legislative changes which will affect the scope of this Memorandum, the Authorities may review the Memorandum.

12. EFFECTIVE DATE

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

13. TERMINATION

This Memorandum will remain in effect unless terminated by any Authority upon 30 days written notice. If either 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 until the Requesting Authority terminates the matter for which the assistance was requested.

14. 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.

The Authorities have signed this bilateral Memorandum of Understanding on June 8th, 2010 in Montreal, in duplicate, in the Arabic, French and English languages, all versions being equally authentic. In the event of any discrepancy between different versions of this Memorandum, the English language version shall prevail.

**THE EMIRATES
SECURITIES & COMMODITIES
AUTHORITY**

**THE AUTORITÉ DES MARCHÉS
FINANCIERS IN QUÉBEC
(CANADA)**

**H. E. Sultan Bin Saeed Al Mansoori
Minister of Economy \ Chairman of the
Board**

**Mr. Jean St-Gelais
President and Chief Executive Officer**

APPENDIX A

LIST OF CONTACT PERSONS

THE EMIRATES SECURITIES AND COMMODITIES AUTHORITY

1. H.E Abdullah Salem Al-Turifi
Chief Executive Officer
Emirates Securities & Commodities Authority
Al-Ghaith Tower
P.O. Box 33733
Abu Dhabi, United Arab Emirates
Tel: (971 2) 612 0140
Fax: (971 2) 627 3332
Email: alturifi@sca.ae

2. Alternate:
Mr. Ebrahim Al Zaabi
Deputy Chief Executive Officer
Licensing, Supervision and Enforcement
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 4600
Email: eod@sca.ae

THE AUTORITÉ DES MARCHÉS FINANCIERS IN QUÉBEC (CANADA)

1. M^e Anne-Marie Beaudoin, Corporate Secretary
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