

MEMORANDUM
OF
UNDERSTANDING



中国证券监督管理委员会
CHINA SECURITIES REGULATORY COMMISSION

**CHINA
SECURITIES
REGULATORY
COMMISSION**



KNF

**KNF – POLISH
FINANCIAL
SUPERVISION
AUTHORITY**

**REGARDING SECURITIES AND FUTURES
REGULATORY COOPERATION**

INTRODUCTION

The China Securities Regulatory Commission (hereinafter referred to as "CSRC"), with the power and responsibility authorized by the *Securities Law of the People's Republic of China* and other Chinese regulations, was established with the approval of the State Council as the authority in charge of regulating the national securities and futures markets in China.

The KNF – Polish Financial Supervision Authority (hereinafter referred to as "KNF") was established under *Act of 21 July 2006 on Financial Market Supervision* as the authority in charge of supervising financial market in Poland, including banking, capital market, insurance and pension funds sectors.

The CSRC and the KNF, 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. DEFINITIONS

For the purposes of this Memorandum of Understanding:

- a. "**Authorities**" means China Securities Regulatory Commission and KNF – Polish Financial Supervision Authority;
- b. "**Authority**" means China Securities Regulatory Commission or KNF – Polish Financial Supervision Authority as the case may be;
- c. "**Information**" includes information and documents;
- d. "**Issuer**" according to the provisions of the laws of the jurisdictions of the Authorities means a natural or legal person who issues or proposes to issue any security, or an entity with no legal personality, yet having full legal rights;
- e. "**Laws and Regulations**" mean the provisions of the laws of the jurisdictions of the Authorities, the regulations promulgated there under, and other regulatory requirements that fall within the competence of the Authorities, including the relevant EU legislation in force concerning the following:

- (a) insider dealing, market manipulation, misrepresentation of material information and other fraudulent or manipulative practices relating to securities, derivatives and options including solicitation practices, handling of investor funds and customer orders;
- (b) the registration, issuance, offer, or sale of securities and derivatives, and reporting requirements related thereto;
- (c) market intermediaries, including investment and trading advisers who are required to be licensed or registered, collective investment schemes, brokers, dealers, and transfer agents;
- (d) managers of collective investment schemes, alternative investment funds, alternative investment funds managers; and
- (e) markets, exchanges, and clearing and settlement entities.

f. **"Requested Authority"** means the Authority to whom a request is made pursuant to Chapter IV of this Memorandum of Understanding;

g. **"Requesting Authority"** means the Authority making a request pursuant to Chapter IV of this Memorandum of Understanding;

II. PRINCIPLES

1. This Memorandum of Understanding (hereafter referred to as "MOU") sets forth a statement of intent of the Authorities to establish a framework for mutual assistance and to facilitate the exchange of information between the Authorities to ensure compliance with their respective securities and futures laws or regulatory requirements.
2. The purpose of this MOU is to promote investor protection and integrity of the 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.
3. 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 China and/or Poland. This MOU does not create any rights enforceable by third parties, nor does it affect any arrangements under other MOUs.

4. 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.

5. 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.

6. This MoU does not serve as a Memorandum of Understanding within the meaning of the Directive 2011/61/EU of the European Parliament and of the Council of 8 June 2011 on Alternative Investment Fund Managers and amending Directives 2003/41/EC and 2009/65/EC and Regulations (EC) No 1060/2009 and (EU) No 1095/2010.

III. SCOPE

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

- a) Ensuring the issuers and offerors of securities to 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 securities, futures and other investment products;
- c) 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;
- d) 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;
- e) 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.

f) Training cooperation and assistance;

Other matters agreed upon by the Authorities.

IV. 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 III, onward disclosure of information is likely to be necessary and the reason for such disclosure;
- g) the desired time period for the reply.
- h) areas of training cooperation which the Authorities seek to pursue and the kind of training cooperation which is to be provided.

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 in the country of the Requested Authority.

6. Any information provided in response to a request under this MOU and any copies thereof must be returned to the Requested Authority on request, upon completion of their necessary use by the Requesting Authority.

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 the paragraph 5 of Chapter IV.

V. PERMISSIBLE USE AND CONFIDENTIALITY

1. Assistance or information will be provided by the Authorities only for the purposes of assisting the other Authority in the performance of its administrative enforcement functions and shall not be used in any

proceedings or for any other related purposes. Should the Requesting Authority intend to use the information in civil or criminal procedures, it needs to refer to the Authority providing the assistance or information for prior written consent. 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 prior to such disclosure, unless it is a legally enforceable demand to disclose.

VI. TRAINING COOPERATION

The respective Authorities intend to work together to identify and address, subject to the availability of personnel and resources, the training assistance required to facilitate the development of the regulatory framework for securities, futures and other related investment products markets both in China and in Poland.

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. COST OF INVESTIGATION OR ASSISTANCE

The Requested Authority may as a condition of arranging 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.

X. ENTRY INTO EFFECT

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

XI. TERMINATION

This MOU may be terminated by either Authority by giving thirty days' written notice to the other Authority. This MOU will be terminated as of the 30th day when one party receives the notice. This MOU will continue to have effect with respect to all requests for assistance that are made before the effective date of termination. Terms on confidentiality are still valid after the termination of the MOU.

SIGNED THIS RESPECTIVELY ON _____ OF 2015
IN _____ IN DUPLICATE IN THE CHINESE, POLISH
AND ENGLISH LANGUAGES, ALL VERSIONS BEING EQUALLY
AUTHENTIC. IN THE EVENT OF ANY DISCREPANCY BETWEEN
DIFFERENT VERSIONS OF THIS MEMORANDUM OF
UNDERSTANDING, THE ENGLISH LANGUAGE VERSION SHALL
PREVAIL.

ON BEHALF OF
CHINA SECURITIES
REGULATORY
COMMISSION

肖钢

ON BEHALF OF
KNF – POLISH FINANCIAL
SUPERVISION AUTHORITY

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2015

APPENDIX A

CONTACT PERSONS

China Securities Regulatory Commission

Director-General
Department of International Cooperation
Focus Place
19 Jin Rong Street
Xi Cheng District
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The People's Republic of China
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