

# MEMORANDUM OF UNDERSTANDING

The **Commission de Surveillance du Secteur Financier** of Luxembourg, an independent public law entity, with administrative and financial autonomy, established by the law of 23 December 1998, and

The **Superintendencia de Valores y Seguros** of Chile, an autonomous public service regulated by the D.L. N° 3.538, of 1980

**Sharing** the goal of promoting investor protection;

**Observing** the growth of global securities markets and cross-border investment management activity and the continuous development and innovation in financial products and activities in the investment management area; and

**Believing** that, in the light of these developments it is appropriate to formalise and systematise mechanisms that currently exist and are operating for sharing information where an Authority is located in one jurisdiction and an Investment Management Person located in another,

have reached the following Memorandum of Understanding:

## 1. PRINCIPLES

1.1 The Memorandum of Understanding serves as a basis for co-operation for the authorities and does not modify or supersede any laws or regulations, in force or applying in Chile or Luxembourg. The Memorandum of Understanding does not create any rights enforceable by third parties, nor does it affect any arrangements under other Memorandums of Understanding.

1.2 The performance of the provisions of this Memorandum of Understanding shall be consistent with domestic laws, regulations, and conventions of the respective countries of the Authorities and within the human and material resources of the Authorities, and the performance of the provisions shall not be contrary to the public interests of the requested Authority.

## **2. DEFINITIONS**

For the purpose of this Memorandum:

- (a) “Authority” means the Commission de Surveillance du Secteur Financier (CSSF) or the Superintendencia de Valores y Seguros.
- (b) “Dual Registrants” means Investment Management Persons that are authorised by, registered with or licensed by both Authorities.
- (c) “Investment Management Person” means an undertaking for collective investment or a person who provides investment management services to undertakings for collective investment.
- (d) “Person” means a natural person, legal entity, partnership or unincorporated association.
- (e) “Laws and regulations” means any laws or regulations in force in the respective states of the Authorities.
- (f) “Requested Authority” means the Authority to whom a request is made under this Memorandum of Understanding.
- (g) “Requesting Authority” means the Authority making a request under this Memorandum of Understanding.

## **3. SCOPE OF SUPERVISORY COOPERATION**

- 3.1 The Authorities intend to provide each other the fullest possible co-operation in assisting in the enforcement of their respective laws and regulatory requirements governing Dual Registrants.
- 3.2 Nothing in this Memorandum limits, expands or affects the respective jurisdictions of the Authorities.
- 3.3 The Authorities intend to keep each other advised of significant changes in the laws and regulatory requirements relevant to their co-operation under this Memorandum.

3.4 Under this Memorandum, the Authorities will assist each other by exchanging information concerning Investment Management Persons that are Dual Registrants.

3.5 To facilitate co-operation under this Memorandum, the Authorities hereby designate contact persons as set forth in the Attachment.

#### **4. EXCHANGE OF INFORMATION**

4.1 Each Authority agrees to keep the other authority informed on a timely basis about:

- (a) any supervisory measures, other sanctions or restrictions adopted in relation to the Dual Registrant's operation;
- (b) any event which would question that the Dual Registrant is of sufficiently good repute and is sufficiently experienced with regard to the type of undertakings for collective investment managed;
- (c) any changes in the supervisory requirements or any other terms and conditions which might have a material impact on the Dual Registrant's operation;
- (d) circumstances in which sudden insolvency occurs or the Authority becomes aware of a serious risk of insolvency occurring;
- (e) circumstances in which the Authority takes action to revoke a licence or similar formal intervention action with regard to an Dual Registrant's licence.

4.2 Each Authority intends to notify the other of the commencement of an investigation, or other regulatory action involving or affecting a Dual Registrant.

4.3 To the extent permitted by applicable laws and practices, each Authority will use reasonable efforts to ensure that the other Authority is provided with any relevant information discovered which gives rise to a suspicion of a breach, or anticipated breach of the laws and regulatory requirements in the other territory by a Dual Registrant.

4.4 The Requested Authority may only refuse to act upon a request for assistance where communication of the information might adversely affect the sovereignty, security or public policy of the State of the Requested Authority or where judicial proceedings for the imposition of criminal penalties have already been initiated in the jurisdiction of the Requested Authority, in respect of the same actions and against the same persons, or, on the grounds that the provision of assistance might result in a judicial or administrative sanction being imposed, where a non-appealable judicial or administrative sanction has already been imposed, in the

jurisdiction of the Requested Authority, in respect of the same actions and against the same persons.

## **5. CONFIDENTIALITY AND USE OF INFORMATION**

5.1 Assistance or information will be provided under this Memorandum by one Authority ("the Disclosing Authority") only for the purpose of assisting the other Authority ("the Receiving Authority") in the performance of its regulatory functions. To the extent permitted by law, any confidential information so provided should only be used by the Receiving Authority for such purpose and should not be disclosed to any third parties without the prior consent of the Disclosing Authority. Each Authority will establish and maintain such safeguards as are necessary and appropriate to protect the confidentiality of such information.

5.2 When the Receiving Authority discloses information to another person, that Authority will obtain an undertaking from the other person that it will maintain the confidentiality of the information, except when disclosure is required pursuant to a legally enforceable demand.

5.3 If any Authority intends to use or disclose information furnished under this Memorandum of Understanding for any purpose other than those stated in this Article and in the request, including the transmission of the information to other competent authorities in the field of financial markets supervision, it must obtain the prior written consent of the Authority which provided the information. If the Requested Authority consents to the use of the information for purposes other than those stated, it may subject it to certain conditions.

5.4 If the Receiving Authority becomes aware that information passed to it under this Memorandum may be subject to a legally enforceable demand to disclose, it will, to the extent permitted by laws, inform the Disclosing Authority of the situation.

5.5 The Authority to which unsolicited information is supplied will use this information solely for the purpose stated in the transmission letter.

## **6. COST SHARING**

If it appears to the Requested Authority that the response to a request for assistance under this Memorandum of Understanding will incur substantial costs, the Requested Authority may call for the establishment of a cost sharing arrangement before continuing to respond to such a request.

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## 7. AMENDMENTS TO THE MEMORANDUM OF UNDERSTANDING

The Authorities may by common consent make written amendments and add further Annexes to the Memorandum of Understanding which they consider necessary.

## 8. PUBLICATION

The Authorities agree that notification of the conclusion of this Memorandum of Understanding may be published in the respective state.

## 9. ENTRY INTO EFFECT AND TERMINATION

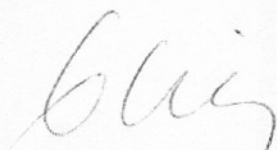
9.1 This Memorandum of Understanding shall be effective as from the day set out below.

9.2 This Memorandum of Understanding shall be concluded for an unlimited period of time and may be terminated by any of the Authorities at any time by giving, at least, thirty days prior written notice to the other Authority, provided that the Authorities have consulted this matter in advance. If the Requested Authority proposes to terminate the Memorandum of Understanding, requests for information communicated before the effective date of termination will still be processed under this Memorandum of Understanding.

Signed on 25 January 2008, in two originals

On behalf of the

Superintendencia de Valores  
y Seguros



Guillermo Larraín Ríos  
Superintendente

On behalf of the

Commission de Surveillance  
du Secteur Financier



Jean-Nicolas SCHAUS  
Directeur Général