

MEMORANDUM OF UNDERSTANDING

BETWEEN HER MAJESTY'S TREASURY, THE FINANCIAL SERVICES AUTHORITY OF THE UNITED KINGDOM, AND THE COMISIÓN NACIONAL DE VALORES OF ARGENTINA.

INTRODUCTION

1. In the UK, Her Majesty's Treasury ("HM Treasury") has governmental responsibility for policy and legislation in the sphere of financial services and for the regulation of investment business under the Financial Services Act 1986, for oversight over the Financial Services Authority, and for certain arrangements with overseas authorities for exchanging information. HM Treasury liaises closely with other bodies and agencies, in particular the Department of Trade and Industry, which has responsibility for policy, legislation, and enforcement in other areas relevant to the scope of this MoU.
2. The Financial Services Authority ("FSA") has responsibility for the regulation of most financial services under the Financial Services Act, including the oversight of recognised self-regulating organisations (SROs) and recognised investment exchanges, and for the rules in accordance with which investment business is conducted in the United Kingdom. The FSA also has responsibility for regulating stock exchange listings and in doing so, the FSA makes rules governing admissions to listings, the continuing obligations of issuers, the enforcement of those obligations and the suspension and cancellation of listings. The London Stock Exchange is recognised by the FSA as an investment exchange and as such is monitored by the FSA.
3. The Comisión Nacional de Valores ("CNV") is an autonomous organisation with jurisdiction over the whole territory of the Argentine Republic, established by the Law on Public Offering of Securities No. 17,811. Its main aims are to guarantee the transparency of the Argentine securities market, control market pricing, and protect investors. It is responsible for regulation, licensing, and the formulation of policies on

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the authorisation of public issues of securities in Argentina. The CNV lays down the rules with which natural or legal persons involved in any capacity in the public issue of securities must comply in order to fulfil the requirements established in Law No. 17,811. The CNV is responsible for supervising joint stock companies that issue securities to the public. It also ascertains whether the securities markets in which pension fund administrators negotiate securities are transparent and provide reliable, precise information on a daily basis which is available to the public. In addition, the CNV is responsible for supervising, recording, and regulating companies which administer and are depositories for mutual investment funds. It also maintains a register and supervises risk assessors operating in Argentina, authorises the operation of futures and options markets, controlling and recording their articles of association and internal and operating regulations, and regulates financial trust funds. Lastly, the CNV may issue general resolutions regulating the activities of all market participants.

KEY TERMS

4. In this MoU, the following definitions are used;
- (a) "Authorities" means HM Treasury and the FSA on one hand, and the CNV on the other;
 - (b) "Requested Authority" means an Authority to whom a Request is made under this MoU;
 - (c) "Requesting Authority" means an Authority making a Request under this MoU;
 - (d) "Person" means a natural person or legal entity, trustee, or partnership;
 - (e) "Security" means a stock, bond, debenture, note negotiable, futures contract, other derivatives product, option, or any financial product, or any other right, contract, or document which falls within the jurisdiction of the Authorities;

- (f) "Issuer" means a person who issues or proposes to issue any security;
- (g) "Offeror" means a person who distributes or offers any security;
- (h) "Investor" means a person who directly or indirectly has, holds, or places an order to obtain a beneficial interest in any security;
- (i) "Securities Market" means an exchange or over-the-counter market for Securities regulated or supervised by the Authorities where Issuers, Offerors, and Investors participate;
- (j) "Laws, Regulations, or Rules" means the provisions of the laws, regulations, and other regulatory requirements applicable in Argentina and the United Kingdom.

5. The Authorities, recognising the increasing international activity in securities markets, and the corresponding need for co-operation between the relevant national authorities, have reached the following understanding.

PRINCIPLES

6. The purpose of this MoU is to protect investors and to promote the integrity of securities markets in the United Kingdom and Argentina by providing a framework for co-operation, including channels of communication, increased mutual understanding and the exchange of regulatory information.
7. 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 the performance of the provisions shall not be contrary to the public interests of the country of the requested Authority.
8. The MoU serves as a basis for co-operation between the Authorities and does not create any binding international legal obligations.

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INFORMATION EXCHANGE

9. To the extent permitted by the applicable laws, regulations or rules and subject to the provisions of this MoU, the Authorities agree to exchange information on the following areas:
- (a) Insider dealing, market manipulation, and other fraudulent, deceptive, and manipulative practices in relation to securities, futures and options, and collective investment schemes;
 - (b) Enforcement of the laws, regulations, and rules relating to managing, issuing, dealing in and arranging deals in securities, futures and options, and collective investment schemes;
 - (c) Fitness and properness of the persons who are authorised to conduct the business referred to above, and promoting high standards of fair dealing and integrity in the conduct of that business;
 - (d) The duties, of issuers and of offerors for securities, to disclose information relevant to investors;
 - (e) The disclosure of interests in the securities of companies;
 - (f) Other matters agreed upon by the Authorities.
10. Each request will be assessed on a case by case basis by the requested Authority to determine whether information can be provided under the terms of this MoU.
11. In order to facilitate the assessment of a request for assistance a requesting Authority should specify in writing:
- (a) The information sought (including the identity of persons and specific questions to be asked);

- (b) The purpose for which the information is sought (including details of the laws, regulations, or rules which are alleged to have been breached);
- (c) A description of the conduct or suspected conduct which gives rise to the request;
- (d) Any persons suspected of possessing the information, and any places where the information might be obtained;
- (e) The link between the specified laws or regulatory requirements and the regulatory functions of the requesting Authority;
- (f) The relevance of the requested information to the specified laws or regulatory requirements; and
- (f) To whom, if anyone, onward disclosure of information is likely to be necessary, the interest that person has in the information, the use to which the information will be put in that person's hands and the reason for such disclosure.

12. In deciding whether or not to accept or decline a request, the requested Authority will take account of:

- (a) Matters specified by the laws, regulations, or rules of the requested Authority's country;
- (b) Whether broadly equivalent assistance would be available from the country of the requesting Authority;
- (c) Whether the request involves an assertion of a jurisdiction not recognised by the requested Authority;

(d) Whether it would be contrary to the public interest for assistance to be given.

13. The requested Authority may, as a condition of agreeing that any assistance be given under this MoU, require the requesting Authority to contribute to its costs. Such a contribution may, in particular, be required where the cost of complying with a request is substantial or where a substantial imbalance has arisen in the costs incurred by the Authorities when giving a response to a request under the terms of the MoU.
14. This MoU does not affect the ability of the Authorities to obtain information from persons on a voluntary basis, provided that any procedures in place in the Authorities' respective countries are observed.

CONFIDENTIALITY

15. The information will be provided under this MoU by the Authorities for the purposes of assisting each other in the performance of their functions within the scope of this MoU. To the extent permitted by law, each Authority will keep confidential any request for information made or information passed under this MoU.
16. Information received will be used solely for the purpose of:
- (a) securing compliance with or enforcement of the laws, regulations or rules specified in the request by initiating or assisting in criminal prosecution arising out of the breach of such law;
 - (b) conducting or assisting in civil or administrative proceedings arising out of the breach of the laws, regulations or rules specified in the request and brought by the Authorities or other law enforcement or regulatory bodies within the jurisdictions of the United Kingdom and Argentina;
 - (c) taking regulatory action or imposing regulatory requirements within the areas set out in paragraph 9.

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17. As a condition of providing information under this MoU, the requested Authority may require confirmation from the requesting Authority that any person in the requesting Authority's country with the power, under that country's laws, to compel the requesting Authority to disclose the information for purposes other than those set out in paragraph 9 will agree or has agreed not to exercise such power or to exercise it on reasonable notice to the requesting Authority.
18. Except as contemplated by paragraph 15 above, the requesting Authority will not, without the written consent of the requested Authority, offer the information to, and will use its best efforts to ensure that it is not obtained by, any other person. In the event that such information is obtained by any other person, the requesting Authority will use its best efforts to ensure that it will not be used by that person in any way that involves its disclosure to any other person or its use for any purposes other than those contemplated in paragraph 15.
19. If the requesting Authority becomes aware that the information has been or is likely to be disclosed otherwise than as contemplated by paragraph 15 above, it will immediately inform the requested Authority of the situation.
20. After the requesting Authority has terminated the matter for which assistance has been requested under this Memorandum, upon request of the requested Authority, it will return to the requested Authority, to the extent permitted by the laws of the jurisdiction of the requesting Authority, all documents and copies thereof not already disclosed in proceedings referred to in paragraph 15 above, and other material disclosing the content of such documents, (other than material generated as part of the deliberative, investigative, internal or analytical process of the requesting Authority, which may be retained).
21. Any document or other material provided by an Authority in response to a request under this Memorandum and any copies or other material disclosing its content, (other than material generated as part of the deliberative, investigative, internal or analytical process of the requesting Authority), will not become the property of the requesting Authority, and must be redelivered to the requested Authority without delay on

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demand to the extent permitted by the laws of the jurisdiction of the requesting Authority.

CONSULTATION

22. The Authorities may consult informally, at any time, about a request or proposed request.
23. The Authorities agree to consult on and, if appropriate, revise the terms of this MoU within a reasonable time after the coming into force of in the United Kingdom of the Financial Services and Markets Act. The Authorities further agree to consult on and, if appropriate, revise the terms of this MoU in the event of a substantial change in the laws, regulations, or rules which affect its operation.

CONTACT POINTS

24. All communications between the Authorities should be between the points of contact below unless otherwise agreed.
25. The Deputy Director of the Financial Regulation Directorate is the point of contact in HM Treasury.
26. The Director of Enforcement is the point of contact in FSA.
27. The Subgerente de Relaciones Internacionales is the point of contact in the CNV.

TERMINATION

28. This MoU may be terminated by an Authority by giving thirty days' written notice to the other Authorities.

ENTRY INTO EFFECT

29. This MoU is effective from the date of its signature by the Authorities.

30. This MoU is signed in duplicate, in the English and Spanish languages, both of them equally valid.

SIGNED IN LONDON AND BUENOS AIRES

C. Elliott 7/5/01.

THE COMISIÓN NACIONAL DE VALORES

HER MAJESTY'S TREASURY

Alan J. Johnson

M. J. P. 1/5/02

24/4/01

THE FINANCIAL SERVICES AUTHORITY