

Memorandum of Understanding
between
Financial Services and Markets Authority
of Belgium (FSMA)
and
The National Bank of Georgia (NBG)
2015

This Memorandum of Understanding (MoU) is made on 10 November 2015 between

1. FINANCIAL SERVICES AND MARKETS AUTHORITY

Rue du Congrès /Congresstraat 12-14

1000 BRUSSELS

Represented by:

Mr. Jean-Paul SERVAIS

The Chairman

2. THE NATIONAL BANK OF GEORGIA

P.O Box : 2 Sanapiro str., 0105 Tbilisi

Represented by:

Mr. Giorgi KADAGIDZE

The Governor

• **Financial Services and Markets Authority (FSMA)**

The Financial Services and Markets Authority (FSMA) of the Kingdom of Belgium is responsible for supervising the financial markets and listed companies, authorising and supervising certain categories of financial institutions, overseeing compliance by financial intermediaries with conduct of business rules and supervising the distribution of investment products to the general public. The FSMA is also tasked to contribute towards compliance with the rules aimed at protecting savers and investors against the illegal offer or supply of financial products or services and with contributing to the financial education of savers and investors.

The status of the FSMA is laid down in the Law of 2 August 2002 on the supervision of the financial sector and on financial services.

• **The National Bank of Georgia (NBG)**

The National Bank of Georgia was established by virtue of Articles No. 95-96 of the Constitution in order to supervise and control the activities of banks and non-bank financial institutions in Georgia.

The Financial Services and Markets Authority and the National Bank of Georgia, hereinafter referred to as the "Parties", having declared their will to develop and strengthen bilateral co-operation between them in the field of their statutory competence, have agreed as follows:

Article 1

The Parties shall cooperate and exchange information to ensure compliance with and enforce their respective laws or regulatory requirements, and shall contribute to transfer of experience as well as solving problems in the area of financial sector supervision.

Article 2

2.1. The Parties unanimously declare that the co-operation shall consist of:

- a. Exchange of information concerning the stability and development of the financial system.
- b. The parties intend to co-operate closely and exchange information when they identify suspected financial crime activities and breaches in supervised financial institutions and in financial markets. For the purposes of this Memorandum of Understanding, financial crimes and breaches include in particular: the legalization (laundering) of illegally obtained proceeds of crime, the financing of terrorism and all violations of law on financial markets and financial services. This also includes unauthorized banking, investment, forex or financial services business. The parties will endeavour to share information on financial crime and breaches concerning the respective financial institutions and financial markets.
- c. Exchange of information concerning regulations related to the financial market and sharing experiences related to this topic.
- d. Exchange of information and experiences concerning other areas of financial supervisor's activities.
- e. Organization of consultations, seminars, workshops, internship, study visits and experts' visits covering areas within the competence of both institutions.
- f. Cooperation in the area of academic research.

Upon request, the requested authority will, in a timely manner taking into account the complexity and nature of the assistance sought by the requesting authority:

- (a) provide information held in its files;
- (b) take all reasonable actions to require the production of information requested by the requesting authority from: (i) any person designated by the requesting authority, or (ii) any other person who may possess the requested information;
- (c) take all reasonable actions to obtain and provide other information relevant to the request.

2.2. The costs incurred in connection with the execution of projects referred to in Article 2, section 1, item e) above, their settlement and payment terms shall be agreed by the Parties for each project separately.

- 2.3. The Parties have agreed that they shall have the right to refuse disclosure of any information (material) or take any action for the purpose of this Memorandum of Understanding, if this is justified by the reasons of national security, binding legal regulations or in the case when disclosed information would be sensitive, from the point of view, to the stability of the domestic financial system.
- 2.4. Non-public information furnished in response to a request for information or unsolicited information provided under this Memorandum may be used solely for:
- the purposes set forth in the request for assistance or in the transmission, including ensuring compliance with and enforcing the laws related to the request or transmission;
 - initiating, conducting or assisting in criminal, administrative or civil proceedings resulting from the breach of the laws related to the request or transmission.

If a requesting party intends to use or disclose such information for any purpose other than those mentioned above, it must obtain the prior written consent of the requested party, which may subject its consent to any conditions.

Each authority will keep confidential requests and any matter arising in the course of the execution of the request. However, the requested authority may disclose the fact that a requesting authority has made a request with the written consent of the requesting authority.

Article 3

- 3.1. The Parties shall designate units and individuals responsible for the implementation of this Memorandum of Understanding.
- 3.2. The Parties hereto do not anticipate establishing any specific procedure to implement this Memorandum of Understanding. The Parties shall, in the first place, be bound by national laws, with particular emphasis on provisions governing state, professional and banking secrecy.

Article 4

- 4.1. Any amendments or supplements to this Memorandum of Understanding shall be made in writing in the form of annexes forming an integral part hereof.
- 4.2. This Memorandum of Understanding shall be concluded for an unspecified period of time and shall expire after two months from the date on which either Party shall have received a written notice of termination from the other Party. The execution of projects under covenants (contracts) concluded during the term of this Memorandum of Understanding, until their full completion, shall not be affected by the termination of this Memorandum of Understanding.

Article 5

The present Memorandum of Understanding is a statement of intent and does not, and is not intended to create any legally binding obligations on either party according to international law. Any dispute or difference of opinions between the Parties concerning the interpretation or execution of this Memorandum of Understanding shall be resolved by means of mutual consultations and negotiations between the Parties' representatives.

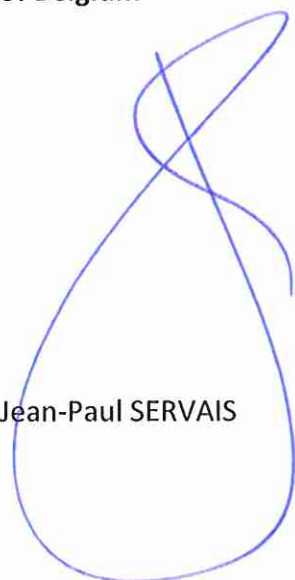
Article 6

This Memorandum of Understanding shall become effective as of its signing date and if Parties sign it on different dates, the later date shall be binding.

This Memorandum of Understanding was drawn up on 10 November 2015 in English language with one copy to each party.

**Financial Services and Markets Authority
of Belgium**

Jean-Paul SERVAIS



The National Bank of Georgia

Giorgi KADAGIDZE

