



Memorandum of Understanding

between the

**Federal Financial Markets Service
(Russian Federation)
(FFMS)**

and

**Financial Services and Markets Authority of the
Kingdom of Belgium (FSMA)**

2012

PREAMBLE

The Federal Financial Markets Service of the Russian Federation (FFMS) and Financial Services and Markets Authority of the Kingdom of Belgium (FSMA) (hereinafter – Parties),

Considering, in light of increasing internationalization of financial activities, the need for mutual cooperation and consultation in order to facilitate the performance of their functions in the areas mentioned hereinafter;

Considering, the importance of ensuring compliance with and enforcement of securities laws and regulations applicable in the Russian Federation and in Belgium;

Wishing to achieve the provision of the broadest mutual assistance, in order to enhance the performance of the supervisory functions and the effective enforcement of the laws and regulations governing financial markets;

Have reached the following Memorandum:

1. DEFINITIONS

“Authorised Entity” means any investment firm, collective investment scheme, corporate or trust service provider registered with the Parties, or any other person whose activity is supervised within the scope of competence of the Parties;

“Issuer” means a legal entity who issues or proposes to issue any security or seeks listing of a security;

“Law” means any laws or other regulatory requirements of states of the Parties;

“Requested Party” means the Party to whom a request is made under this Memorandum of Understanding;

“Requesting Party” means the Party that makes a request under this Memorandum of Understanding;

“Securities” means shares, bonds and other forms of securitized debts, futures and derivative products including commodity derivatives, units of undertakings in collective investment schemes and other financial products, including depository receipts in respect of these securities.

2. SCOPE

- 2.1 The Parties will provide each other with the fullest mutual assistance in any matters falling within the competence of the Parties, including in particular the following areas:
- a) assisting in the discovery of and taking of action against unauthorised business or fraudulent or prohibited practices in relation to activities that fall within the competence of the Parties;
 - b) investigations and enforcement in connection with applicable laws and regulations relating to insider dealing, market manipulation and other fraudulent or manipulative practices;
 - c) authorisation or licensing of entities within the scope of competence of the Parties;
 - d) regulation and supervision of Authorised Entities;
 - e) promoting and securing the fit and proper qualities of directors, managers and controllers of Authorised Entities and the promotion of high standards of fair dealing and integrity of their conduct of business;
 - f) the supervision of Financial Markets, including the clearing and settlement, the monitoring and surveillance of OTC-transactions in securities listed on regulated markets;
 - g) enforcing or monitoring compliance with applicable laws and regulations relating to the duties of issuers and offerors of securities in relation to the disclosure of information;
 - h) enforcing and monitoring compliance with applicable laws and regulations relating to the disclosure of interests in securities, takeover bids or the acquisition of influence over listed issuers;
 - i) any matters agreed upon between the Parties from time to time evidenced in writing.
- 2.2 Where the information may be maintained by, or available to, another authority within the state of the Requested Party, the Requested Party will endeavour to provide full assistance in obtaining the information requested, to the extent permitted by law. If necessary, the Requested Party will provide the Requesting Party with sufficient information to establish direct contact with the other authority.

3. REQUESTS FOR ASSISTANCE OR INFORMATION

- 3.1 This Memorandum of Understanding does not affect the ability of the Parties to obtain information from persons on a voluntary basis, provided that provided that existing procedures in the territory of each Party for the obtaining of such information are observed.
- 3.2 To facilitate communication and ensure continuity in the co-operation between the Parties, each Party will designate the contact officers set forth in Annex A hereto for communications under this Memorandum of Understanding.
- 3.3 A Requesting Party will make requests for assistance in writing addressed to the contact officer or officers of the Requested Party.
- 3.4 To the extent available to the Requesting Party, the request will include the following particulars:-
- a) description of the subject matter of the request and the purpose for which the information is sought and the reasons why this information will be of assistance;
 - b) the legal provisions or a brief description thereof concerning the matter that is the subject matter of the request;
 - c) a description of the specific information requested by the Requesting Party;
 - d) any information in the possession of the Requesting Party that might assist the Requested Party in identifying the persons, bodies or entities believed by the Requesting Party to possess the information sought, or the places where the Requested Party may obtain such information, in particular:
 - i) in so far as the request concerns information relating to transactions in specific securities:
 - a full description of the securities in question (including e.g. the securities code),
 - the names of the firm/s involved in the transactions,
 - the dates between which transactions are considered relevant for the purposes of the request,
 - the names of any persons on whose behalf relevant transactions are believed or suspected to have been entered into;
 - ii) in so far as the request relates to information concerning the business or activities of any person, such precise information as the Requesting Party is able to provide so as to enable such persons to be identified;
 - e) an indication of the sensitivity of the information contained in the request and whether the Requesting Party is content for the fact that it has made the request to be disclosed to persons whom the Requested Party may need to approach for information;

- f) any other authority whom the Requesting Party is aware has an active interest in the subject matter of the request;
- g) an indication of the urgency of the request, or the desired time period for reply.

3.5 In urgent circumstances, the Requested Party will accept a request by means of communication, other than the exchange of letters, and will expedite to the extent possible a reply thereto by summary procedures or by means of communication other than the exchange of letters. Such urgent communications will be confirmed in writing as prescribed above by the relevant contact person set out in Annex A within five business days.

4. UNSOLICITED INFORMATION

A Party may provide, or arrange for the provision of, information that it believes will assist the other Party in the performance of its regulatory functions, on a voluntary basis even though the other Party has made no request. The terms and conditions of this Memorandum of Understanding will apply if the providing Party specifies that it is passing the information under this Memorandum of Understanding.

5. PERMISSIBLE USES OF INFORMATION AND CONFIDENTIALITY

- 5.1 Any assistance or information provided in terms of the Memorandum of Understanding should be used by the recipient only for the purpose of performing its regulatory and supervisory functions specified in the request.
- 5.2 If the Requesting Party wants to use the information obtained for any other purpose, the Requesting Party will seek and obtain the consent in writing of the Requested Party prior to the use of such information.

6. RIGHTS OF REQUESTED PARTY

- 6.1 The Requested Party may deny requests for assistance:-
 - a) where the request would require the Requested Party to act in a way that would violate the laws of the state of the Requested Party;
 - b) where the request is not in accordance with the provisions of this Memorandum of Understanding;
 - c) where judicial proceedings for the imposition of criminal penalties have already been initiated in the territory of the Requested Party, in respect of

the actions or against the persons or criminal investigation is already underway;

- d) where final judgment has already been passed or sanctions have already been applied by the competent Parties, in the territory of the Requested Party, in respect of the same actions or against the same persons; or
- e) on grounds of public interest, national security or essential national interest.

6.2 The Parties recognise that this present Memorandum of Understanding should not be considered as limiting or enhancing the powers of the Parties under the laws to investigate or gather information or to take measures otherwise than as provided in the Memorandum of Understanding to obtain information, whether or not concerning a request under the Memorandum of Understanding.

7. CONSULTATION

7.1 The Parties will inform one another of the adoption of domestic measures that may affect their respective Party's ability to provide assistance under this Memorandum of Understanding.

7.2 The Parties may take practical measures as may be necessary to facilitate the implementation of the Memorandum of Understanding. As such, the Parties may amend, relax or waive any of the terms of the Memorandum of Understanding.

8. COSTS OF INVESTIGATION

If it appears that the Requested Party may incur substantial costs in responding to a request for assistance under this Memorandum of Understanding, the Parties will consult with a view to establishing an appropriate and equitable cost-sharing arrangement before proceeding with such a request for assistance.

9. TERMINATION OF IMPLEMENTATION THE MEMORANDUM OF UNDERSTANDING

This Memorandum of Understanding will continue in effect for an indefinite period but will terminate upon the expiration of thirty days after either Party gives written notice to the other Party of its intention to terminate the implementation of the Memorandum of Understanding. If either Party gives such notice, the implementation of this Memorandum of Understanding will continue to have effect with respect to all requests for assistance that either Party had made before the effective date of notification until the Requesting Party terminates the matter for which it requested assistance.

10. Publication

The Parties agree that this Memorandum of Understanding may be published.

- 11.** This Memorandum is not an international treaty and doesn't establish rights or obligations regulated by the international law.

12. ENTRY INTO EFFECT

This Memorandum will be effected since the day of signing by the Parties.

SIGNED ON THIS 27 DAY OF November 2012 IN DUPLICATE IN
RUSSIAN AND ENGLISH LANGUAGES.

**FOR THE
Federal Financial Markets Service
of Russia (the FFMS)**



**Dmitry Pankin
Head**

*N 12-2/M-3e
05.12.2012*

**FOR THE
Financial Services and Markets
Authority (FSMA)**



**Jean-Paul Servais
Chairman**

ANNEX A

DESIGNATED CONTACT OFFICERS

Federal Financial Markets Service (Russian Federation)

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Financial Services and Markets Authority

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