

MEMORANDUM OF UNDERSTANDING

BETWEEN

THE SECURITIES AND FUTURES COMMISSION

**THE COMMISSIONE NAZIONALE PER LE SOCIETA' E LA BORSA
OF ITALY**

MEMORANDUM OF UNDERSTANDING

1. Purpose of the Memorandum of Understanding

1.1. The purpose of this Memorandum of Understanding ("Memorandum") is to

establish a system for mutual assistance between the administrative Authorities designated hereinafter in order to facilitate the performance of the functions they

are entrusted with any law or regulation, as that term is defined herein, including those which:

a) create and protect the rights of investors to obtain timely and accurate information regarding the issuers of securities;

2. Definitions

For the purposes of this Understanding:

a) the Securities and Futures Commission; or

b) the Commissione Nazionale per le Società e la Borsa;

2.2. Requested Authority: means an Authority to whom a request is made under this Memorandum;

of securities and derivative products; engaging for his own account, or for the account of investors, in the management of individual or collective securities and derivative products portfolios; or advising others in these matters; and,

2.12 Laws or Regulations: means the provision of the laws, regulations and other regulatory requirements applicable in Hong Kong and in Italy.

3. Scope of the Memorandum

3.1 The Authorities intend to ensure that the fullest mutual assistance is

provided within the terms of this Memorandum to the extent permitted by their domestic law and pursuant to their powers in order to facilitate the exchange of information relating to the facts in connection with investigations to determine whether any person has violated the laws and regulations of the jurisdiction of the requesting Authority.

This Memorandum does not modify or supersede any laws or regulations in force in, or applying in Hong Kong or in Italy.

investing public or the public interest;

b) the request is not in accordance with the provisions set forth in this Memorandum;

c) the information requested concerns facts that originated before the date of

the effect of this Memorandum;

d) a criminal proceeding has already been initiated in the jurisdiction 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 jurisdiction of the requested Authority unless the requesting Authority can demonstrate that the relief or sanctions sought in any such proceeding do not duplicate any relief or sanctions already obtained.

5. Requests for assistance

5.1. Requests for assistance must be made in writing and addressed to the requested Authority's contact officer listed in Appendix A.

5.2. The request for assistance shall specify the following:

a) the information sought by the requesting Authority;

b) a general description of both the matter that is the subject of the

request and the purpose for which the information is sought;

c) the persons or entities suspected by the requesting Authority of

6. Execution of Requests

6.1. Subject to paragraph 1, 2, 3, 4, and 5 the requested Authority will provide

to the requesting Authority the information requested in the request.

where the information provided must be disclosed in the course of its use pursuant

to paragraph 7 above and will not pass the said information to anybody else

without prior consent of the _____

11. Cost Sharing

in responding to a request for assistance under this Memorandum, the requested Authority and the requesting Authority will establish a cost sharing arrangement before continuing to respond to such a request for assistance.

12. Termination

12.1 This Memorandum shall remain in force unless terminated by either Authority upon 30 days written notice to the other Authority.