MEMORANDUM OF UNDERSTANDING

BETWEEN

COMISSÃO DE VALORES MOBILIÁRIOS

AND

SECURITIES AND FUTURES COMMISSION

1. INTRODUCTION

The Comissão de Valores Mobiliários of Brazil ("CVM") and the Securities and Futures Commission of Hong Kong ("SFC") (thereafter refer as "the [illegible]

Authorities"), recognizing the increasingly international activity between the financial markets and financial services [illegible]

2. FUNCTIONS OF EACH AUTHORITY

[redacted]

The CVM is responsible for regulation of the corporate securities market. Its functions include registration of companies open to public subscription; registration of public issues; registration of portfolio administrators; authorizing establishment of stock exchanges and brokerage houses and over-the-counter dealers; suspending or canceling registration accreditations or permits; suspending the issue, distribution or [redacted] leveraged foreign exchange trading in Hong Kong. The functions of the SFC include administering securities, futures and leveraged foreign exchange trading legislation for the protection of investors and maintenance of the [illegible]

full disclosure to and fair treatment of public shareholders and investors; supervising and monitoring the activities of the Exchange Companies and clearing houses of Hong Kong to ensure that they discharge their responsibilities in a professional and impartial manner; regulating dealers, leveraged foreign exchange traders, investment advisers and other registered persons; and encouraging the development of securities and futures markets in Hong Kong and the increased use of such markets by investors in Hong Kong and elsewhere.

3. SCOPE

(b) enforcement of the laws and regulatory requirements relating to dealing in, arranging deals in, managing and advising on securities, futures contracts, and other investment products;

(c) enforcement of the laws and regulatory requirements relating to leveraged foreign exchange trading;

(d) promoting and securing the fitness and properness of dealers, investment advisers, leveraged foreign exchange traders and other financial market practitioners, promoting high standards of fair dealing and integrity in their conduct of business;

(h) disclosure of interest in the securities of companies;

(i) breaches of companies legislation; and

(j) any other matters agreed upon by all Authorities, to the extent permitted by the applicable laws and practices.

4. <u>PRINCIPLES</u>

(a) This Memorandum sets forth a statement of intent of the Authorities to enhance the protection of investors and to promote the integrity of the securities and futures markets and leveraged foreign exchange trading suspicion of a breach, or anticipated breach, of the regulatory requirements or laws administered by the other Authority.

[redacted]

(a) The Authorities may consult at any time about a request or proposed [redacted]

(iv) the link between the specified laws or regulatory requirements and the regulatory function of the requesting Authority;

(ii) whether it would be contrary to the public interest to give the assistance sought.

(f) The requested Authority may, as a condition of agreeing that assistance is given under the Memorandum, require the requesting Authority to make a contribution to costs. Such a contribution may, in particular, be required where the cost of a request is substantial or where a substantial imbalance has arisen in the cumulative costs incurred.

(g) Any documents or other materials provided under this Memorandum and any copies thereof must be returned on request, to the extent permitted by law.

6. UNSOLICITED INFORMATION

Where one Authority has information which will assist the other Authority in the performance of its regulatory functions, the former may provide such information, or arrange such information to be provided, to the extent permitted by law, on a voluntary basis even though no request has been made by the other Authority. The terms and conditions of this Memorandum will apply if the providing Authority specifies that the information is passed under this Memorandum.

7. CONFIDENTIALITY AND USE OF INFORMATION

(a) Assistance or information will be provided by an Authority only for the [redacted]

purposes of assisting the other Authority to this Memorandum in the performance of its regulatory functions. Any assistance or information provided under this Memorandum should be used by the recipient [redacted]

9. ENTRY INTO EFFECT

This Memorandum will come into operation from the date of signature by the CVM and the SFC.

[illegible]

COMISSÃO DE VALORES MOBILIÁRIOS	SECURITIES AND FUTURES COMMISSION
Francisco Costa e Silva	Anthony Neoh
Chairman	Chairman