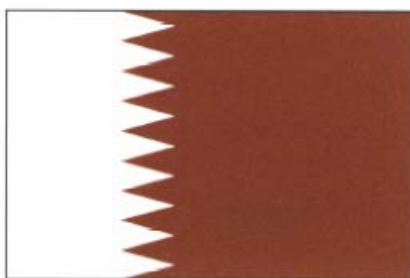


MEMORANDUM OF UNDERSTANDING



**The Qatar Financial
Centre Regulatory
Authority**



**The Financial Supervisory
Commission of
the Republic of Korea**

Memorandum of Understanding

between

**The Financial Supervisory Commission of
The Republic of Korea**

and

The Qatar Financial Centre Regulatory Authority

RECITALS

- A. The Financial Supervisory Commission of the Republic of Korea ("FSC") is vested by the Financial Supervisory Acts with the task of performing broad supervisory functions in financial supervision, mainly licensing financial business and revising and drafting financial regulations, and instruction and supervision of FSS (Financial Supervisory Service). The responsibilities of the FSS include the supervision and examination of all financial institutions in Korea. As the implementation body of the Financial Supervisory Commission by the laws relevant, the FSS of the Republic of Korea may accordingly participate in the implementation of this Memorandum.
- B. The Qatar Financial Centre Regulatory Authority ("QFC Regulatory Authority") was established under Qatar Financial Centre Law No. 7 of 2005 and is the independent financial services regulator of the Qatar Financial Centre (QFC). The QFC Regulatory Authority administers the QFC Financial Services Regulations No. 1 of 2005 and related QFC Regulatory Authority Rulebooks which provide, among other things, for the authorisation and supervision of all financial services providers in the QFC.
- C. The FSC and the QFC Regulatory Authority wish to enter into this Memorandum of Understanding (Memorandum) to provide a formal basis for co-operation, including the exchange of information and investigative assistance. The QFC Regulatory Authority and FSC believe such co-operation will enable them to more effectively perform their functions in particular to ensure compliance with, and enforcement of, their banking and insurance supervision laws and regulations.

OPERATIVE PART

Interpretation

Article 1

In this Memorandum, unless the context requires otherwise:

- a. "Authority" means the FSC or the QFC Regulatory Authority or together the "Authorities"
- b. "Applicable Laws" means any law or requirements applicable in the Republic of Korea and/or the QFC and administered by the FSC or the QFC Regulatory Authority, including any rule, direction, requirement, guidance or policy made or given by or to be taken into account by an Authority.
- c. "Requested Authority" means an Authority to whom a request is made under this Memorandum;
- d. "Requesting Authority" means an Authority making a request under this Memorandum;
- e. "Authorised Institution" means any institution authorised to carry on business by either or both Authorities;
- f. "Cross-Border Establishment" means a Branch or Subsidiary of an Authorised Institution within one jurisdiction which falls under the consolidated or group wide supervisory (or prospective supervisory) responsibility of the other jurisdiction. Cross-border establishments include those entities where the QFC Regulatory Authority and the FSC are host country supervisors;
- g. "Branch" means an organisational unit of an Authorised Institution incorporated in the QFC which has been granted a licence or an authorisation in the Republic of Korea or an organisational unit of an Authorised Institution incorporated in the Republic of Korea which has been granted a licence or an authorisation in the QFC;

- h. "Subsidiary" means an Authorised Institution incorporated in the QFC which is controlled by an Authorised Institution incorporated in the Republic of Korea or an Authorised Institution incorporated in the Republic of Korea which is controlled by an Authorised Institution incorporated in the QFC;
- i. "On-Site Inspection" means an official examination carried out at the premises of an Authorised Institution through duly authorised officers and/or commissioned auditors and/or examiners;
- j. "Permitted onward recipient" means an agency or authority responsible for prosecuting, regulating or enforcing Applicable Laws falling within the areas of responsibility of the Authorities;
- k. "Person" means a natural person, body corporate, partnership, or unincorporated association, government or government agency.

Purpose and Principles

Article 2

1. The purpose of this Memorandum is to support and develop a formal basis for co-operation between the two Authorities in the field of financial supervision with respect to the exchange of information and investigative assistance within the Applicable Laws of the two Authorities.
2. This Memorandum does not modify or supersede any laws or regulatory requirements in force in, or applying to, the Republic of Korea or the QFC or the State of Qatar. This Memorandum sets forth a statement of intent and accordingly neither creates any enforceable rights nor obligations by the parties hereto and third parties. This Memorandum does not affect any provisions or arrangement under other Memorandums.
3. This Memorandum does not authorise or prohibit an Authority from taking measures other than those identified in this Memorandum to obtain information necessary to ensure enforcement of, or compliance with, the Applicable Laws in its jurisdiction.

4. This Memorandum does not confer upon any Person not an Authority, the right or ability, directly or indirectly to obtain, suppress or exclude any information or to challenge the execution of a request for assistance under this Memorandum.
5. The Authorities acknowledge that they may only provide information under this Memorandum if permitted or not prevented under the Applicable Laws of the Republic of Korea or the QFC or the State of Qatar.

Scope of Co-operation

Article 3

In response to requests for co-operation, each Authority will use reasonable efforts to provide assistance to the other, subject to its Applicable Laws. The co-operation may include, in particular, the following forms:

- a. Supervision of Korean Authorised Institutions operating in the QFC and vice versa;
- b. Questioning or taking testimony of Persons designated by the Requesting Authority;
- c. High level dialogue;
- d. Discussion of trends or significant changes in the two countries' financial markets, supervision policies or in legislation where such trends or changes are relevant to the operation of this MOU;
- e. Exchanges of examination and supervision techniques and experts;
- f. Mutual co-operation in the international financial supervisory organizations; and
- g. Any other matters agreed upon by the Authorities.

Sharing of Information

Article 4

1. The Authorities intend to co-operate in the supervision of cross-border establishments of Authorised Institutions, including credit institutions and investment firms, as well as insurance companies, according to the Applicable Laws in the respective jurisdiction.
2. The scope of co-operation encompasses the licensing as well as the ongoing supervision of the Cross-Border Establishments.
3. The Authorities shall consult with each other before granting authorisation to a subsidiary or a branch of an Authorised Institution in the other country or assessing any acquisition of a holding in a domestic institution by an institution authorised in the other country.
4. The Authorities inform each other, in a timely manner and to the extent reasonable, about information that they have, including information about a financial group which may be relevant to the supervisory functions of the Authorities (whether they share a home-host relationship or host-host relationship) or has the potential to endanger the stability of institutions having Cross-Border Establishments in the respective other country.
5. The Authorities also notify each other on administrative penalties imposed on or any other punitive action taken against a Cross-Border Establishment by host supervisor or against the parent company or head office by home supervisor if the information in their judgement is deemed important to the Authorities.

Article 5

1. The Authorities discuss between each other any significant information on institutions having Cross-Border Establishments in the other country which might be relevant to the other Authority.
2. Relevant matters include the following:
 - a. financial soundness of an Authorised Institution or its group having a Cross-Border Establishment in the jurisdiction of the other Authority, (e.g. failure to meet capital

adequacy or other financial requirements, significant losses, rapid decline in profits or a deterioration in profitability);

- b. concerns relating to an Authorised Institution both on solo and consolidated basis;
- c. concerns relating to Persons associated with a Cross-Border Establishment, including directors, senior managers, auditors or actuaries;
- d. compliance with relevant laws and regulations or control procedures;
- e. any findings from supervisory visits, prudential interviews or reports from and communications with an institution or other regulatory body;
- f. late or inaccurate prudential returns; and
- g. any relevant issues arising from supervisory agreements with third countries.

Article 6

The Authorities will inform each other without delay if they learn of an incipient crisis relating to any Authorised Institution which has Cross-Border Establishments in the respective other country.

Procedure for Requests

Article 7

1. Requests for the provision of information or other assistance will be made in writing, or made orally and confirmed in writing within ten business days. In urgent circumstances, the response to the requests for assistance may be carried out by telephone, facsimile or e-mail, provided such communication is subsequently confirmed in writing.
2. To facilitate assistance, the Requesting Authority should endeavour to specify in any written request:
 - a. a general description of the information or other assistance requested (identity of persons, specific questions to be asked etc);

- b. if information is provided by the Requesting Authority for confirmation or verification, the information and the kind of confirmation or verification sought;
- c. the purpose for which the information or other assistance is sought;
- d. whether any other authority, governmental or non-governmental, is co-operating with the Requesting Authority or seeking information from the confidential files of the Requesting Authority;
- e. to whom, if anyone, onward disclosure of information provided to the Requesting Authority is likely to be necessary and, in relation to onward disclosure to a person who is not a Permitted Onward Recipient, the purpose such disclosure would serve;
- f. if the request for assistance is for the purpose of actual or possible enforcement action, the matters set out in paragraph 1 of Appendix 1;
- g. the Applicable Laws that may have been violated and that relate to the subject matter of the request;
- h. the urgency of the request and the desired period of time for the reply; and
- i. any other matters specified by the Requested Authority and by the Applicable Laws in relation to the Requested Authority.

Assessing Requests

Article 8

1. A request for assistance may be denied by the Requested Authority:
 - a. where the request does not substantially conform with this Memorandum;
 - b. where the request would require the Requested Authority to act in a manner that would violate Applicable Laws;
 - c. where a criminal proceeding has already been initiated in the jurisdiction of the Requested Authority based upon the same facts and against the same Persons, or

the same Persons have already been the subject of final punitive sanctions on the same charges by the competent authorities of the jurisdiction of the Requested Authority, unless the Requesting Authority can demonstrate that the relief or sanctions sought in any proceedings initiated by the Requesting Authority would not be of the same nature or duplicative of any relief or sanctions obtained in the jurisdiction of the Requested Authority;

- d. where it would be otherwise contrary to the public interest or the essential national interest of the Requested Authority's jurisdiction to give the assistance sought; or
 - e. where disclosure would interfere with an ongoing investigation.
2. The Authorities recognise that assistance may be denied in whole or in part for any of the reasons mentioned in paragraph 1(a)-(e) in the discretion of the Requested Authority. Assistance will not be denied because the type of conduct under investigation would not be a violation of the Applicable Laws of the Requested Authority.
3. Where a request for assistance is denied, the Requested Authority will provide the reasons for not granting the assistance and consult with the Requesting Authority whether there may be other assistance that can be given by itself or by any other authority in its jurisdiction.

Further Provisions

Article 9

The further provisions set out in Appendix 1 will apply in relation to actual or possible enforcement matters.

Examination

Article 10

1. The FSC will allow the QFC Regulatory Authority or the examiners commissioned by it, to carry out examinations of Korean branches and subsidiaries of Authorised Institutions incorporated in the QFC. In return, the QFC Regulatory Authority will allow the FSC or the examiners commissioned by it, to carry out examinations of QFC branches and subsidiaries of Authorised Institutions incorporated in the Republic in Korea.

2. The Authorities will notify each other, in advance, of any examination, giving information such as the purpose, scope, expected duration and names of the examiners.
3. The Authorities will allow each other to accompany one another or the examiners commissioned by the Authorities, when carrying out on-site examinations.
4. The Authorities will keep each other informed on the results of the examination to extent reasonable and in a timely manner.
5. If the parent institution has been examined along with its Cross-Border Establishments in the other country, the home-country Authority endeavours to provide the host-country Authority with a summary report on the findings which bear relevance to the Cross-Border Establishment.

Financial Crime

Article 11

1. The Authorities will co-operate closely when they identify suspected financial crime activities in Authorised Institutions, in particular, money laundering, unauthorised banking or investment businesses and any other violations of laws and regulations on financial markets.
2. The Authorities share information on financial crimes concerning the respective institutions which carry out cross-border activities in the other country or which could affect the other country to the extent allowed under their laws.
3. The Authorities may pass on this information, with prior consent, received from the other Authority for regulatory or law enforcement purposes, to other authorities in the national jurisdiction. However, when concerned information is to be used for criminal investigation or trials, the Authorities must acquire prior written consent from the other Authority.

High level Dialogue

Article 12

1. The high level dialogue (hereinafter referred to as the "Dialogue") will be held when convenient for both Authorities and the date should be decided at least one month prior to the meeting
2. The agenda of the Dialogue will be communicated and agreed upon one month prior to the Dialogue.
3. A full list of participants, headed by a senior member from each Authority, is to be made available to both Authorities no later than two weeks prior to the Dialogue. Disclosure of information on the participants shall be made upon request by either Authority.

Contact Points

Article 13

All communications between the Authorities should be between the principal points of contact listed in Appendix 2 unless otherwise agreed.

Expenses

Article 14

The requested Authority may, as a condition of agreeing that assistance is given under this 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.

Professional Secrecy, Confidentiality and Use of Information

Article 15

1. As a necessary condition for a successful co-operation between the Authorities, all working level officers who receive confidential information from the other Authority in the

course of their activities under this Memorandum should assume the obligation of professional secrecy.

2. The Authorities agree that any confidential information shared through these arrangements will be used only for lawful supervisory purposes.
3. To the extent permitted by law, the Authorities will maintain the confidentiality of all information received from each other and will not disclose any information without the prior consent from the other Authority.
4. Unless the request provides otherwise, the confidentiality provisions of this Memorandum shall not prevent the Authorities from informing other law enforcement or regulatory bodies within the jurisdictions of the Republic of Korea, the QFC and the State of Qatar of the request or of passing information received pursuant to a request to such bodies, provided that:
 - a. such agencies or bodies have responsibility for prosecuting, regulating or enforcing Applicable Laws;
 - b. the purpose of passing such information to such an agency or body that is responsible for prosecuting, regulating or enforcing Applicable Laws;
 - c. the requesting Authority has provided any such undertaking in relation to the information requested which is required by the Requested Authority; and
 - d. the Requested Authority has provided consent to the disclosure of such information.
5. The Authorities will, if either Authority receives any legally enforceable demand for information received from the other Authority or acquired in the course of an on-site examination in the other Authority's jurisdiction, promptly notify the other Authority and will co-operate in seeking to preserve the confidentiality of such information.

Return of Information

Article 16

1. In the event of termination of this agreement, all confidential information received hereunder by the requesting Authority shall be immediately returned to the requested Authority to the extent the requested Authority requests the return of such confidential information. The requesting Authority shall also, to the extent practicable, destroy any copies of the confidential information that the requesting Authority has requested be

returned. To the extent that there is any conflict with law which would affect the requested Authority's ability to comply with this provision, the requesting Authority agrees to advise the requested Authority as promptly as possible.

2. Without terminating this Memorandum, the requested Authority may, in its sole discretion, require the return of confidential information previously shared with respect a particular Person, transaction or request. Upon request by the Requested Authority, the Requesting Authority shall, to the extent practicable, destroy all copies of the returned documents. To the extent that there is any conflict with law which would affect the requested Authority's ability to comply with this provision, the requesting Authority agrees to advise the requested Authority as promptly as possible.

Interpretation and Implementation

Article 17

Any issues arising from the interpretation or implementation of this Memorandum will be settled through consultation between the Authorities.

Article 18

As the implementation body of the Financial Supervisory Commission by the laws relevant, the Financial Supervisory Service ("FSS") of the Republic of Korea may accordingly participate in the implementation of this Memorandum.

Article 19

1. This Memorandum will enter into effect upon signature by both Authorities.
2. This Memorandum will remain in effect for a period of five years and continue in effect thereafter in successive periods of five years. At any time, either Authority may notify the other Authority in writing, thirty days in advance, of its intention to terminate this Memorandum.
3. Any of the conditions of this Memorandum may be relaxed or waived by mutual agreement.

4. The termination of this Memorandum will not affect the validity or duration of projects under this Memorandum that are initiated prior to the termination.

Done in May on the 10th day of 2007, in duplicate in the English language.

For the
QFC Regulatory Authority

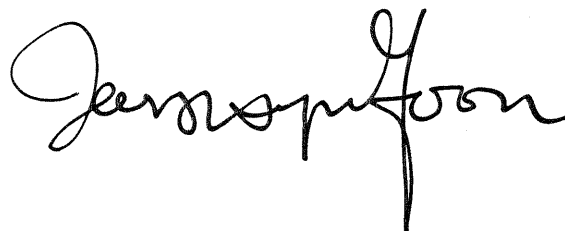
Phillip Thorpe



Chairman & CEO
Of the Qatar Financial Centre Regulatory
Authority

For the
Financial Supervisory Commission
of the Republic of Korea

Jeung-Hyun Yoon



Chairman of the Financial Supervisory
Commission,
Governor of the Financial Supervisory
Service

Appendix 1

Enforcement Matters

Further details to be contained in requests for assistance:

1. If a request for assistance as described in this MOU relates to actual or possible enforcement action, the following further details will be contained in the request:
 - a. a description of the conduct or suspected conduct which gives rise to the request;
 - b. details of the applicable law, regulation, or requirement to the administration of which the request is relevant;
 - c. the link between the specified rule or law and the regulatory functions of the requesting Authority;
 - d. the relevance of the requested assistance to the specified rule or law; and
 - e. whether it is desired that, to the extent permitted by the laws applying to the Requested Authority, any persons from the jurisdiction of the Requesting Authority should be present during, and participate in, interviews which form part of an investigation (see clause 3 below).

Request to sit in

2. If, following a request from the Requesting Authority, the Requested Authority conducts an interview of any person the Requested Authority may seek the consent of the person being interviewed for a representative of the Requesting Authority to attend such interview and to ask questions. Such requests will be in accordance with the legislation of the Requested Authority.

Joint Investigations

3. The Authorities acknowledge that, subject to secrecy and confidentiality issues, an investigation, where it concerns suspected breaches of the law of both jurisdictions, may be conducted more effectively by the establishment of a joint investigation involving members from both Authorities.
4. The Authority suggesting the joint investigation will advise the other Authority of the background to the request for a joint investigation, and liaise with the Authority to

determine the likely objectives of the joint investigation, the expected resources required and the approximate duration of the proposed joint investigation. Each Authority will advise the other as soon as possible as to whether it will agree to such an investigation.

5. If the Authorities agree to take part in a joint investigation, an agreed initial action plan will be prepared setting out, among other things, the objectives, expected duration, funding, publicity and accountability arrangements, management of the joint investigation, and allocation of responsibilities.

Article Rights of person preserved

6. Any Person providing testimony, information or documents as a result of a request made under this MOU will be entitled to all the rights and protections of the laws of the jurisdiction of the Requested Authority. Where assertions are made regarding other rights and privileges arising exclusively pursuant to the laws of the jurisdiction of the Requesting Authority, the Authorities will consult to determine the most appropriate way to proceed.

APPENDIX 2

Contacts

Financial Supervisory Commission

Director, International Affairs Division (intl@fsc.go.kr)

Financial Supervisory Commission

27, Yoido-Dong, Youngdeungpo-Gu, Seoul, 150-743, Korea

Tel: 82-2-3771-5091

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Financial Supervisory Service

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