

INTERNATIONAL INFORMATION SHARING MEMORANDUM OF UNDERSTANDING

This INTERNATIONAL INFORMATION SHARING MEMORANDUM OF UNDERSTANDING (this “**MOU**”), effective as of 25 July 2012 (the “**Effective Date**”), is entered into by and between the Financial Industry Regulatory Authority, Inc., whose principal offices are located at 1735 K Street, NW, Washington, D.C. 20006 (together with its subsidiaries and affiliates existing on or after the Effective Date, “**FINRA**”), and the Alberta Securities Commission, whose principal offices are located at Suite 600, 250-5th Street SW, Calgary, AB, T2P OR4, Canada (together with its subsidiaries and affiliates existing on or after the Effective Date, “**ASC**”) (each of FINRA and ASC, an “**Authority**” and together, the “**Authorities**”).

This MOU does not modify or supersede any Laws in force and applying to the Authorities. This MOU sets forth a statement of intent and accordingly does not create any enforceable rights, any legally binding obligations or agreement. However, the provisions set forth in Articles 2 and 3 shall be binding upon the Authorities and survive the termination of the MOU.

RECITALS and BACKGROUND

FINRA is the largest independent regulator for all securities firms doing business in the United States. FINRA is dedicated to investor protection and market integrity through effective and efficient regulation.

The ASC, the regulatory agency responsible for administering Alberta’s securities laws, is entrusted to foster a fair and efficient capital market in Alberta and to protect investors.

FINRA and the ASC have a common interest in assisting each other by sharing confidential information relevant to each of their respective regulatory programs and underlying missions.

The Authorities desire to enter into this MOU to set forth the terms under which each Authority will share confidential information while preserving the confidentiality of the other Authority’s confidential information.

NOW, THEREFORE, the Authorities agree as follows:

ARTICLE 1 **ASSISTANCE**

1. The Authorities, within the framework of this MOU, will provide each other with the fullest assistance permissible to secure compliance with the respective Laws of the Authorities.

Requested Assistance

2. Either Authority (the “**Requesting Authority**”) may request the other Authority to provide assistance, including in particular the provision of Confidential Information (as defined in Article 2 below), with respect to any case or issue. Upon receipt of a request for assistance, the Authority receiving the request (the “**Requested Authority**”) may provide assistance, refuse to provide assistance, or refer the request to another entity or organization which may be able to provide assistance.

Scope of Assistance

3. If a request for assistance is made, each Authority will use reasonable efforts to provide assistance to the other, subject to the laws, jurisdictional limits, and paragraph 6 of this MOU. Assistance may include, but is not limited to:
 - a. providing Confidential Information in the possession of the Requested Authority;
 - b. obtaining specified Confidential Information from persons designated by the Requesting Authority or any third party who may possess the requested Confidential Information;
 - c. obtaining other related Confidential Information relevant to the request;
 - d. seeking responses to questions and/or a statement (or where permissible, testimony under oath) from persons designated by the Requesting Authority, or from any third party who is in possession of Confidential Information that may assist in the execution of the request;
 - e. confirming or verifying Confidential Information provided for that purpose by the Requested Authority; and
 - f. exchanging Confidential Information on or discussing issues of mutual interest.
4. In the event that the Requesting Authority seeks additional Confidential Information or other assistance, beyond that set out in subparagraphs 3(a)-(f) above, the Authorities will discuss the request on a case by case basis and may take additional steps provided that they are in compliance and furtherance of the Authorities’ respective regulatory purposes.
5. Where the specific conduct set out in the request for assistance may constitute a breach of laws, rules, regulations, rulings, orders, and approvals of any federal, state or local government (including any government agency, department or authority) or court (collectively, “**Laws**”), in each Authority’s jurisdiction, the Authorities will consult to determine the most appropriate means for each Authority to provide assistance.

Denied Assistance

6. Assistance by the Requested Authority may be denied in whole or part for the following reasons:

- a. where the request would require the Requested Authority to act in a manner that would violate Laws;
 - b. 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 the final punitive sanctions on the same charges by the competent authorities of the jurisdiction of the Requesting 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;
 - c. where the request is not made in accordance with the provisions of this MOU;
 - d. where the provision of assistance would be too burdensome so as to disrupt the proper performance of the Requested Authority's functions;
 - e. where compliance with the request may otherwise be prejudicial to the performance by the Requested Authority of its functions or business objectives;
 - f. on grounds of public interest or essential national or provincial interest; or
 - g. where the Authorities, after consultation, mutually agree that compliance with the request would not be in the best interests of either or both Authorities.
7. The Requested Authority may not deny assistance to the Requesting Authority based solely on the fact that the type of conduct under investigation would be a violation of the laws of the Requested Authority.
 8. If a request for assistance is denied, the Requested Authority will provide reasons for the denial.

Procedure for Requesting and Providing Assistance

9. Unless otherwise arranged by the Authorities, Confidential Information requested under this MOU will be gathered in accordance with the procedures applicable in the jurisdiction of the Requested Authority.
10. Requests for assistance shall be made in writing (by letter, email or facsimile from an authorized representative of the Requesting Authority), except in instances of urgent circumstances or as otherwise agreed for special circumstances on a case-by-case basis. Requests shall be made to:

- a. In the case of FINRA:

Paul P. Andrews
Vice President & Managing Director
FINRA International
1735 K Street, NW
Washington, DC 20006

United States of America
Ph: 202-728-8235
Fax: 202-303-3918
Email: *Paul.Andrews@finra.org*

- b. In the case of the ASC:

David Linder, QC
Executive Director
Alberta Securities Commission
Suite 600, 250 – 5th Street SW
Calgary, Alberta T2P 0R4
Canada
Ph: 403-297-6454
Fax: 403-297-6156
Email: *David.Linder@asc.ca*

(Or as otherwise directed from time to time in writing by the Executive Director)

11. To facilitate assistance, the Requesting Authority should specify in any request:

- a. the specific Confidential Information or other regulatory assistance requested, which should include reference to relevant laws and/or a description of the supervisory review and/or the facts underlying the investigation that are subject of the request and the purpose for which the assistance is sought;
- b. any Confidential Information known to, or in the possession of, the Requested Authority that might assist the Requesting Authority in identifying either the persons believed to possess the Confidential Information or documents sought or the places where such Confidential Information may be obtained;
- c. if Confidential Information is provided by the Requested Authority for confirmation or verification, the Confidential Information and the kind of confirmation or verification sought;
- d. how the Confidential Information is likely to be used, including the details of any possible onward disclosure of Confidential Information provided to the Requesting Authority, and including to whom such disclosure would be made and the purpose such disclosure would serve.

12. Each request for assistance will be assessed on a case-by-case basis by the Requested Authority to determine whether assistance can be provided under the terms of this MOU and pursuant to any and all applicable Laws.

Permissible Uses of Confidential Information

13. The Requesting Authority may use Confidential Information furnished in response to a request for assistance under this MOU solely for:

- a. the purposes set forth in the request for assistance, including ensuring compliance with the Laws related to the request;
 - b. a purpose within the general framework of the use stated in the request for assistance, including conducting an investigation or enforcement proceeding, or assisting in a self-regulatory organization's surveillance or enforcement activities (insofar as it is involved in the supervision of trading or conduct that is the subject of the request).
14. If a Requesting Authority intends to use Confidential Information furnished under this MOU for any purpose other than those stated in paragraph 13 above, it must obtain the prior written consent of the Requested Authority.
 15. The Requested Authority shall endeavor to assist the Requesting Authority, through reasonable measures, in correcting inaccurate Confidential Information if such assistance is requested by the Requesting Authority.

Provision of Unsolicited Confidential Information

16. The Authorities may provide to each other or arrange to be provided, to the extent permitted by the Authorities' respective laws and procedures, without prior request and solely on a voluntary basis, Confidential Information which they believe to be helpful to the other Authority for the discharge of its functions and for the purposes which they may specify in the communication.

ARTICLE 2 **PRESERVATION OF CONFIDENTIALITY**

Confidential Information Defined

17. For the purposes of this MOU, "**Confidential Information**" of an Authority means any and all confidential, proprietary, non-public, or competitively sensitive information in the possession of or accessible by that Authority or its employees, officers, directors, members, agents, licensors, contractors, systems or customers, whether in verbal, written, electronic, graphic or other form. It includes but is not limited to, information relating to matters being investigated or proceeded with by way of regulatory action, as well as information relating to the activities, regulatory or registration status, history, and other information regarding the individuals and organizations regulated and supervised by the Authorities.
18. For the purposes of this MOU, Confidential Information does not include information the Requested Authority discloses to the Requesting Authority, where:
 - a. at the time of disclosure the information was in, or thereafter enters, the public domain, other than as a result of the Requesting Authority's actions or the actions of its Authorized Persons;
 - b. the Requesting Authority possessed the information prior to the time of disclosure without a duty of confidentiality with respect to the information;

- c. the Requesting Authority received the information on an unrestricted basis from a source unrelated to either Authority and not under a duty of confidentiality with respect to the information; or
- d. the Requesting Authority developed the information independently of the disclosure; provided that the Requesting Authority must provide documentary evidence maintained contemporaneously with the independent development that verifies that independent development.

Maintaining Confidentiality of Confidential Information

- 19. Each Authority will maintain in confidence all Confidential Information provided by the other Authority under this MOU, exercising at least the same degree of care as the Requested Authority exercises with regard to its own confidential information, but in no event less than a reasonable degree of care.
- 20. An Authority may not, without the prior written approval of the other Authority:
 - a. use or copy information provided by the other Authority except to the extent necessary to fulfill its obligations in connection with this MOU,
 - b. disclose information provided by the other Authority to any person or entity, except to the Requesting Authority's employees, officers, directors, agents, contractors, attorneys, and accountants who require the information to act on the Requesting Authority's behalf in connection with this MOU ("**Authorized Persons**"); or
 - c. disclose to any person or entity, other than an Authorized Person, that a request for assistance has been or will be made, or the contents of any request for assistance.
- 21. Each Authority:
 - a. will ensure that each of its Authorized Persons complies with this MOU as if a party to this MOU, and
 - b. agrees that any violation of this MOU by its Authorized Persons is a breach of this MOU by the Requesting Authority.
- 22. The Requested Authority will mark as "Confidential" all copies of the Requested Authority's Confidential Information provided to the Requesting Authority. The Requested Authority shall include on those copies any copyright, trademark and other proprietary notices that appear on the original versions.

Injunctive Relief

- 23. The Authorities agree that each Authority's Confidential Information is valuable beyond monetary terms and that any unauthorized use, loss or disclosure of the other Authority's Confidential Information ("**Unauthorized Use**") risks harm that is not readily susceptible to being measured in

monetary terms. The Authorities agree that, in the event of an actual or threatened breach of the Confidentiality provisions of this MOU, the Authority that has not breached or threatened to breach such provisions may pursue injunctive relief with respect thereto.

24. Each Authority will notify the other Authority immediately upon discovery of any actual or threatened Unauthorized Use of Confidential Information provided by the other Authority, and will cooperate with the other Authority to help regain possession of that Confidential Information and to prevent any further Unauthorized Use. Nothing in this paragraph 24 limits either Authority's remedies at law or in equity in the event of an Unauthorized Use or either Authority's breach of this MOU.

Required Disclosure

25. If an order, law or regulation of a governmental agency or court of competent jurisdiction requests or requires the Requesting Authority to disclose the Requested Authority's Confidential Information, the Requesting Authority will:
- a. immediately notify the Requested Authority of that request or requirement,
 - b. use reasonable efforts to allow the Requested Authority an opportunity to seek injunctive relief from, or a protective order with respect to, the contemplated disclosure.
26. If injunctive relief or a protective order is not obtained the Requesting Authority will:
- a. disclose only that portion of the Requested Authority's information that the Requesting Authority's counsel advises is required to be disclosed and is not subject to privilege, and
 - b. cooperate with the Requested Authority and otherwise use reasonable efforts to ensure that the disclosed Confidential Information receives confidential treatment following disclosure.

Return of Information

27. At the Requested Authority's request and direction, the Requesting Authority will:
- a. stop using and copying the Requested Authority's Confidential Information,
 - b. return to the Requested Authority all of the Requested Authority's Confidential Information in the Requesting Authority's possession or control, or destroy that Confidential Information, in all forms and media, and
 - c. provide the Requested Authority with a certificate of return or destruction (as applicable) that includes the date(s), manner and facts concerning the return or destruction of the Requested Authority's Confidential Information and is signed by an officer of the Requesting Authority.

28. Notwithstanding any other provision of this MOU, the Requesting Authority has no obligation to return or destroy any of the Requested Authority's Confidential Information backed-up from a computer system in the ordinary course of the Requesting Authority's business or operations, and that Confidential Information remains subject to all applicable obligations of confidentiality contained in this MOU.

ARTICLE 3
OWNERSHIP, USE, AND APPLICATION

License

29. Subject to the terms and conditions of this MOU, the Requested Authority hereby grants to the Requesting Authority, a revocable, non-transferable, non-exclusive, royalty-free license (without the right to grant sublicenses) under the Requested Authority's rights in and to the Requested Authority's Confidential Information to use the Confidential Information in the manner described within the terms of this MOU. The Requested Authority hereby reserves all rights in and to the Requested Authority's Confidential Information that are not expressly granted to the Requesting Authority in this MOU.

Limitation of Liability

30. The Authorities agree to provide Confidential Information under this MOU "as is", and make no representations or warranties, express or implied, regarding such information, including, without limitation, any warranties as to merchantability, fitness for a particular purpose, non-infringement, data accuracy, accuracy of informational content, or otherwise.
31. Neither Authority will be liable to the other for any losses and/or damages, including but not limited to indirect, special, incidental, punitive or consequential damages arising out of or in connection with this MOU. Nothing in this provision is intended to limit the Authorities' right to pursue injunctive relief with respect to any actual or threatened Unauthorized Use of Confidential Information.

Intellectual Property Ownership

32. The Authorities agree that, as between the Authorities, the Requested Authority is and remains the exclusive owner of all proprietary and intellectual property rights, including but not limited to, any improvements, derivative works, enhancements or modifications, which it holds (including, but not limited to, patents, trade secrets, trademarks, trade dress, moral rights, and copyrights) ("**IP Rights**") in and to any Confidential Information provided by the Requested Authority. Except as contemplated in paragraph 29, nothing in this MOU grants any express or implied license of IP Rights to the Requested Authority.

Trademarks

33. Neither Authority may use the name of the other Authority or its affiliates or any of their directors, officers, managers, employees, consultants or agents or any trade name, trademark, service mark, logo, trade dress, symbol, domain name or copyright, whether any of the above are registered or

unregistered, of the other Authority or its affiliates, except with the prior written consent of the other Authority.

Assignment

34. Neither Authority may assign, delegate or otherwise transfer this MOU, or any of its rights or obligations under this MOU, without the prior written consent of the other Authority, which consent may be granted or withheld in that other Authority's sole discretion. Any assignment, delegation or other transfer by either Authority in contravention of this paragraph 36 is null and void.

Application, Entire Agreement, Amendments and Severability

35. This MOU sets forth a statement of intent and accordingly does not create any enforceable rights, any legally binding obligations or agreement. Further, this MOU does not modify or supersede any laws in force and applying to the Authorities.
36. This MOU constitutes the entire agreement, and supersedes any prior or contemporaneous agreements and understandings, between the Authorities with respect to the subject matter of this MOU.
37. Amendments to this MOU may only be made in by a written instrument signed by authorized representatives of the Authorities.
38. If any term or condition of this MOU is invalid, illegal or incapable of being enforced by virtue of any law or public policy, all other terms and conditions of this MOU will remain in full force and effect so long as the substance of the information sharing contemplated by this MOU is not affected in any manner materially adverse to either Authority.

ARTICLE 4 **MISCELLANEOUS**

Costs

39. If the cost of fulfilling a request is likely to be substantial (i.e., entail extraordinary efforts, or is outside the ordinary course of business), the Requesting Authority may, as a condition of agreeing to give assistance under this MOU, require the Requested Authority to make a contribution to costs.

Ongoing Consultation

40. The authorized representatives of the Authorities will consult periodically with each other regarding this MOU about matters of common concern with a view to improving its operation and resolving any issues that may arise. In particular, the Authorities will consult in the event of:
 - a. a significant change in market or business conditions or in legislation where such change is relevant to the operation of this MOU;

- b. a demonstrated change in the willingness or ability of an Authority to meet the provisions of this MOU; and
- c. any other circumstance that makes it necessary or appropriate to consult, amend or extend this MOU in order to achieve its purposes.

Commencement and Termination

41. This MOU will take effect after both Authorities have signed it and will continue to have effect until terminated by either Authority giving thirty (30) days advance written notice to the other Authority.

IN WITNESS WHEREOF, the Authorities have caused this MOU to be executed as of the date first written above by their respective duly authorized representatives.

**FINANCIAL INDUSTRY REGULATORY AUTHORITY, ALBERTA SECURITIES COMMISSION
INC.**

Per: Stephen Luparello
Vice Chairman
1735 K Street, NW
Washington, DC 20006
United States of America
Facsimile: (202) 303-3918

Per: William S. Rice, QC
Chairman and Chief Executive Officer
Suite 600, 250, 5th Street SW
Calgary, Alberta T2P 0R4
Canada
Facsimile: (403) 297-4486

“Stephen Luparello”

“William S. Rice”
