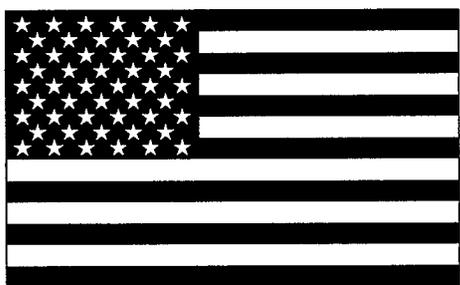
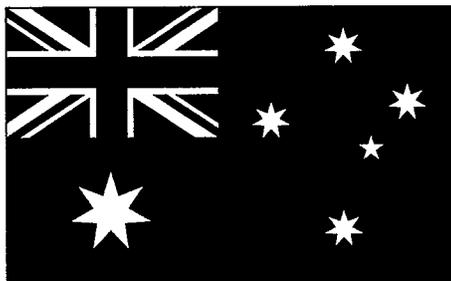


MUTUAL RECOGNITION ARRANGEMENT

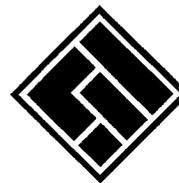
BETWEEN THE UNITED STATES SECURITIES AND EXCHANGE COMMISSION
AND THE AUSTRALIAN SECURITIES AND INVESTMENTS COMMISSION,
TOGETHER WITH THE AUSTRALIAN MINISTER FOR
SUPERANNUATION AND CORPORATE LAW



*The United States Securities
and Exchange Commission*



*The Australian Securities
and Investments Commission
and the Australian Minister for
Superannuation and Corporate Law*



ASIC

Australian Securities &
Investments Commission

**MUTUAL RECOGNITION ARRANGEMENT
BETWEEN**

**THE UNITED STATES SECURITIES AND EXCHANGE COMMISSION
AND
THE AUSTRALIAN SECURITIES AND INVESTMENTS COMMISSION, TOGETHER
WITH THE AUSTRALIAN MINISTER FOR SUPERANNUATION AND CORPORATE
LAW**

The U.S. Securities and Exchange Commission ("SEC") and the Australian Securities and Investments Commission ("ASIC"), together with the Australian Minister for Superannuation and Corporate Law;

Noting a common interest in protecting investors, fostering fair and orderly markets, and facilitating capital formation;

Recognizing the potential benefits that globalized markets and increased cross-border access may afford to investors, including broader investment choices, lower transaction costs resulting from increased competition and technology, increased efficiency of transactions, greater opportunity for diversification, and more access to information about foreign investment opportunities;

Desiring to enable investors to realize such benefits and accommodate the business and economic opportunities of increased cross-border trading, while recognizing, evaluating, and protecting against potential risks and maintaining appropriate standards for investor protection;

Acknowledging the importance of enhanced regulatory cooperation and increased efficiency with respect to markets and market participants operating on a cross-border basis;

Noting the potential for reducing the risk of duplicative costs and regulatory compliance burdens on markets and market participants operating on a cross-border basis and subject to overlapping regulatory requirements from different national securities laws and regulations; and

Recognizing the benefits resulting from a collaborative program to mutually recognize one another's regulatory systems for purposes of considering exemptive relief to certain markets or market participants in one another's jurisdictions;

Are entering into the following bilateral arrangement to further the mutual recognition program ("Arrangement").

ITEM ONE: DEFINITIONS

1. "Authority" means the SEC or ASIC and, where applicable, the Australian Minister for Superannuation and Corporate Law. Together, the SEC, ASIC and the Minister are "the Authorities."
2. "Minister" means the Minister for Superannuation and Corporate Law, and any subsequent Minister, in the Federal Government of Australia responsible for the Corporations Act of 2001 and the Australian Securities and Investments Commission Act of 2001. The Minister has certain responsibilities for the regulation of financial markets and clearing and settlement facilities operating in Australia.
3. "Laws and Regulations" means:
 - a. For the United States, the Securities Act of 1933; Securities Exchange Act of 1934; Trust Indenture Act of 1939; Investment Company Act of 1940; Investment Advisers Act of 1940; Sarbanes-Oxley Act of 2002; Securities Investor Protection Act of 1970; and the regulations promulgated thereunder;
 - b. For Australia, the Corporations Act of 2001, the Australian Securities and Investments Commission Act of 2001, and the regulations promulgated thereunder.
4. "Person" means a natural person, unincorporated association, partnership, trust, investment company or corporation.
5. "U.S. Qualified Investor" means a "qualified investor" as defined in Section 3(a)(54)(A) of the Securities Exchange Act of 1934, except that paragraph (xiii) is excluded and, with respect to the types of entities specified in paragraph (xi), it is contemplated that Australian Broker-Dealers will be able to do business with a broader range of such entities than that open to broker-dealers from other non-U.S. jurisdictions under Exchange Act Rule 15a-6(a)(3).
6. "Australian Wholesale Client" means a wholesale client as defined in Section 761G of the Corporations Act of 2001.
7. "Market" means:
 - a. For the United States, a national securities exchange registered under Section 6 of the Securities Exchange Act of 1934 ("U.S. Market");
 - b. For Australia, a financial market licensed under the Corporations Act of 2001.
8. "Broker-Dealer" means:
 - a. For the United States, a broker or dealer registered under Section 15(b) of the Securities Exchange Act of 1934, other than under paragraph 11 thereof ("U.S. Broker-Dealer").

- b. For Australia, holders of an Australian financial services license under the Corporations Act of 2001 that are participants of an Australian Market ("Australian Broker-Dealer").
9. "Market Rules" means rules promulgated, administered and/or enforced by the operator of a Market applicable to its participants or members. For U.S. Market(s), Market Rules include rules of the Financial Industry Regulatory Authority applicable to participants or members of a U.S. Market(s).
10. "Market Participant" means supplier of capital markets-related services, which include trading in securities, asset management, advisory, and settlement and clearing services for financial assets.
11. "Exempted Entity" means a Market Participant that is authorized by or registered with one Authority and which conducts financial services business in the jurisdiction of the other Authority pursuant to exemptive relief under the Laws and Regulations of that Authority.

ITEM TWO: PURPOSE

12. The purpose of this Arrangement is to continue expanding the benefits to investors of broader access to U.S. and Australian securities markets in a manner that ensures the significant protections afforded to investors under each nation's system are maintained and enhanced. To this end, the Authorities will consider applications for exemption made by certain Market Participants, as defined and limited in this Arrangement and subject to such terms and conditions as each Authority may find appropriate.

ITEM THREE: GENERAL PROVISIONS

13. Nothing in this Arrangement shall be construed to limit the ability of an Authority to determine, through its legislative, regulatory or other measures, the level of regulation it deems necessary for the protection of its investors and to maintain the integrity of the securities markets.
14. This Arrangement does not provide rights to any Person or alter the rights of any Person under the Laws and Regulations of the Authorities.
15. Except where there is written consent between the Authorities, commitments contained in a mutual recognition arrangement concluded by either Authority with a third party not a signatory to this Arrangement will have no force and effect with regard to this Arrangement.
16. Any differences regarding the interpretation or application of this Arrangement will be resolved by consultation between the Authorities.

ITEM FOUR: SCOPE

17. This Arrangement initially will be limited to:

For Markets:

- a. Australian Markets seeking to do business with U.S. investors, through U.S. Broker-Dealers, in Australian equity or debt securities listed on an Australian Market and subject to Australian Laws and Regulations and Market Rules.
 - i. The term Australian Market(s), as used in this Arrangement, is limited to a financial market operated by ASX ("Australian Market"), unless expanded in the future in accordance with paragraph 18.
- b. U.S. Markets seeking to do business with Australian investors, through Australian Broker-Dealers, in U.S. equity or debt securities listed on a U.S. Market and subject to U.S. Laws and Regulations and Market Rules.
 - i. The term Australian Broker-Dealer(s), as used in this Arrangement, is limited to holders of an Australian financial services license under the Corporations Act of 2001 that are participants of ASX, unless expanded in the future in accordance with paragraph 18.
- c. The Authorities will endeavor to ensure that Australian Markets will not unfairly discriminate in granting access to U.S. Broker-Dealers and, conversely, that U.S. Markets will not unfairly discriminate in granting access to Australian Broker-Dealers.
- d. An Australian Market seeking to do business with U.S. investors will provide U.S. investors, through U.S. Broker-Dealers, a risk disclosure statement designed to make such U.S. investors aware that they are conducting transactions with an Australian entity not subject to direct SEC oversight. The risk disclosure statement will note that the Australian Laws and Regulations and Market Rules are different from U.S. Laws and Regulations and Market Rules, and rights and remedies in case of a dispute may be different from those for transactions conducted on a U.S. Market.
- e. A U.S. Market seeking to do business with Australian investors will provide Australian investors, through Australian Broker-Dealers, a risk disclosure statement designed to make such Australian investors aware that they are conducting transactions with an U.S. entity not subject to direct ASIC oversight. The risk disclosure statement will note that the U.S. Laws and Regulations and Market Rules are different from Australian Laws and Regulations and Market Rules, and rights and remedies in case of a dispute may be different from those for transactions conducted on an Australian Market.

For Broker-Dealers:

- f. Australian Broker-Dealers seeking to do business with U.S. Qualified Investors in Australian equity or debt securities listed on an Australian Market and subject to Australian Laws and Regulations and Market Rules; and
 - g. U.S. Broker-Dealers seeking to do business with Australian Wholesale Clients in U.S. equity or debt securities listed on a U.S. Market and subject to U.S. Laws and Regulations and Market Rules.
 - h. An Australian Broker-Dealer seeking to do business with U.S. investors will provide U.S. investors a risk disclosure statement designed to make such U.S. investors aware that they are conducting transactions with an Australian entity not subject to direct SEC oversight. The risk disclosure statement will note that the Australian Laws and Regulations and Market Rules are different from U.S. Laws and Regulations and Market Rules, and rights and remedies in case of a dispute may be different from those for transactions conducted through a U.S. Broker-Dealer.
 - i. A U.S. Broker-Dealer seeking to do business with Australian investors will provide Australian investors a risk disclosure statement designed to make such Australian investors aware that they are conducting transactions with an U.S. entity not subject to direct ASIC oversight. The risk disclosure statement will note that the U.S. Laws and Regulations and Market Rules are different from Australian Laws and Regulations and Market Rules, and rights and remedies in case of a dispute may be different from those for transactions conducted through an Australian Broker-Dealer.
18. As the mutual recognition program moves forward, the Authorities may mutually agree to modify this Arrangement in the future, conduct additional staff assessments as appropriate, and extend its scope to cover other Market Participants.

ITEM FIVE: ASSESSMENT OF REGULATORY FRAMEWORKS

19. Staff of the SEC and ASIC have assessed certain aspects of one another's regulatory regimes. The staffs recognize that securities regulations may appropriately be tailored to the types of markets that have developed in particular jurisdictions and may reflect different regulatory philosophies. These differences may justify differences in regulation. Accordingly, in assessing the regulatory frameworks, the staff of the SEC and ASIC consider and analyze core securities regulatory principles and the manner these principles are given effect via regulation within each system.
20. Each Authority expects to take into account the SEC and ASIC staff assessments in considering exemptive relief, as permitted under each Authority's Laws and Regulations, to certain Market Participants as set forth in Item Four. Such

exemptive relief may be granted subject to such terms and conditions as each Authority may find appropriate. The terms and conditions must include, without limitation:

- a. Notice to investors in a jurisdiction from which exemptive relief is sought that the Exempted Entity generally is not regulated in that jurisdiction, but is subject to the Laws and Regulations of its home country; and
- b. An exemption afforded by an Authority to an Exempted Entity does not constitute a waiver of:
 - (i) the US anti-fraud protections and administrative proceeding authority; or
 - (ii) the Australian market misconduct provisions.

ITEM SIX: COOPERATION, CONSULTATION AND PERIODIC REVIEW

21. The Authorities recognize the importance of close communication and intend to consult regularly regarding developments and issues related to the operation of this Arrangement. Such consultation will include periodic meetings between the Chairmen of the SEC and ASIC.
22. The SEC and ASIC understand that changes to their respective Laws and Regulations, including relevant Market Rules, may affect the basis and scope of this Arrangement. Accordingly, the SEC and ASIC will keep each other informed of material changes within their regulatory systems. Also, upon notification of such changes by one Authority, the other Authority may request a meeting to consider whether changes to the Arrangement may be required.
23. Without prejudice to paragraph 22, the SEC and ASIC will review the staff assessments, in whole or in part as appropriate, and the operation of the Arrangement periodically, as necessary, but no less than every five years.
24. Recognizing the necessity of close cooperation in the areas of supervision of Market Participants, Market and Broker-Dealer oversight, and securities enforcement, the SEC and ASIC have entered into cooperative arrangements for regulatory and enforcement cooperation, which are attached as Annex 1. These arrangements establish frameworks for consultation, cooperation and the exchange of information, including assurances regarding the use and confidential treatment of non-public information.

ITEM SEVEN: ENTRY INTO FORCE, RENEWAL, AMENDMENT AND TERMINATION

25. This Arrangement will take effect upon signature and will continue for a period of five years from the date of signing. Upon completion of a periodic review pursuant to paragraph 23, the Authorities may mutually decide to modify and/or renew the

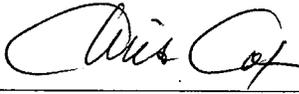
Arrangement, provided that the Arrangement, as amended, remains subject to periodic review and renewal every five years.

26. Without prejudice to paragraph 25, either Authority may terminate the Arrangement and such termination will be effected by sixty days written notification to the other Authority.

27. In the event that the Arrangement is terminated or not renewed, the Authorities will evaluate, under their respective Laws and Regulations, whether exemptive relief should be modified.

28. This Arrangement may be altered by the written consent of the Authorities.

Signed in Washington DC, this 25th day of August, 2008 in duplicate, in the English language.



Christopher Cox, Chairman
For the United States
Securities and Exchange Commission



Senator the Honorable Nick Sherry,
Minister for Superannuation and
Corporate Law, on behalf of the
Australian Government



Tony D'Aloisio, Chairman
For the Australian Securities and Investments
Commission