

**MUTUAL ASSISTANCE
ARRANGEMENT**

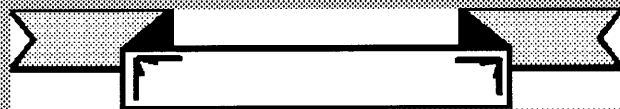
AUSTRALIA

**Australian Securities
Commission**

ISLE OF MAN

**Isle of Man
Financial Supervision
Commission**

5 August 1996



Arrangement for Mutual Assistance between the Australian Securities Commission and the Isle of Man Financial Supervision Commission regarding authorised schemes

This Arrangement shall be deemed to be a mutual assistance agreement under section 17 of the Isle of Man Investment Business Act 1991. Any provisions of this Arrangement shall only be exercised in accordance with the conditions contained in section 17 of that Act.

1. The Australian Securities Commission (ASC) has approved Isle of Man authorised collective investment schemes under its policy on Foreign Collective Investment Schemes (schemes). As part of this policy, the ASC has reached an understanding with the Isle of Man Financial Supervision Commission (FSC)(IOM) for co-operation and the exchange of information regarding these schemes.

2. In the recognition of authorised schemes regulated in the Isle of Man, the ASC has particularly focussed on:
 - * the comparability of investor protection;
 - * the role and functions of the FSC(IOM) as the regulator of such schemes, including it's ability to verify information provided to the ASC by those schemes and to notify the ASC of any serious adverse event which might justify the ASC's withdrawing a scheme's recognised status;
 - * information provided directly to it by scheme managers.

3. Accordingly, regarding Isle of Man authorised schemes, the FSC(IOM) will:
 - (a) respond to all reasonable requests made by the ASC for information regarding the relevant scheme to the extent that such information is available and can be disclosed;
 - (b) to the extent to which it is aware, notify the ASC of:
 - (i) the conduct and nature of any enquiry or investigation into suspected significant or material* breaches of the law affecting the scheme;
 - (ii) any suspension of the right of investors to redeem or repurchase securities of the scheme;

- (iii) any failure by the scheme to comply with the applicable laws or rules of conduct which in the opinion of the FSC(IOM) may have a serious adverse affect on investors;
 - (iv) criminal charges that have been laid regarding money related matters, or that any regulatory action has been taken in the Isle of Man (or other jurisdictions) against the scheme, its directors, executive officers, trustee or manager;
 - (v) the outcome of any action referred to in subparagraphs (i)-(iv) above;
- (c) report to the ASC on the outcome of supervision visits on managers and trustees of authorised schemes which are recognised by the ASC and in particular cases, where the ASC has requested a surveillance visit, assist the ASC by conducting such a visit;
- (d) prevent disclosure of information provided to it by the ASC unless such disclosure is in accordance with Isle of Man law, and until the ASC has been informed of the matter and its views about the contemplated disclosure obtained.
4. The ASC will, subject to section 127 of the ASC Law:
- (a) where a scheme has applied for relief from the various provisions of the Corporations Law, notify the FSC(IOM) of the application and seek verification of information provided by the scheme manager. This may include verification of a scheme's authorised status; its constituent documents; parties to the scheme (including trustee and manager) and any other material information;
 - (b) to the extent to which it is aware, notify the FSC(IOM) of :
 - (i) the conduct and nature of any enquiry or investigation into suspected significant or material* breaches of the law affecting the scheme;
 - (ii) any suspension of the right of investors to redeem or repurchase securities of the scheme;
 - (iii) any failure by the scheme to comply with the applicable laws or rules of conduct which in the opinion of the ASC may have a serious adverse affect on investors;
 - (iv) criminal charges that have been laid regarding money related matters, or that any regulatory action has been taken in Australia (or other jurisdictions) against the scheme, its directors, executive officers, trustee or manager;

- (v) the outcome of any action referred to in subparagraphs (i)-(iv) above;
 - (c) not disclose information provided to it by the FSC(IOM) unless such disclosure is in accordance with the ASC Law and until the FSC(IOM) has been informed of the matter and its views about the contemplated disclosure obtained.
5. For any matters which arise under this Arrangement, the following contact persons have been nominated:

Director, Regulatory Policy Branch
Office of the Chairman
Australian Securities Commission,
Level 16 The Chifley Tower
2 Chifley Square
SYDNEY 2000 AUSTRALIA

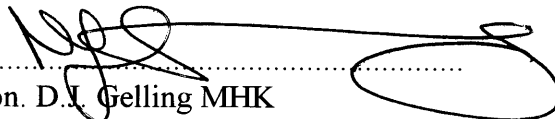
Head of Financial Services
Isle of Man
Financial Supervision Commission
PO Box 58
1-4 Goldie Terrace
Upper Church Street
DOUGLAS
ISLE OF MAN IM99 1DT

* significant or material breaches shall be defined as those which adversely affect the interests of investors in the scheme or those breaches which are less serious but are recurring.

Dated: 5 August 1996



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Alan Cameron
Chairman
Australian Securities Commission



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Hon. D.J. Gelling MHK
Chairman
Isle Of Man Financial Supervision Commission