

COMMISSION de SURVEILLANCE
du SECTEUR FINANCIER


CONFIDENTIALITY UNDERSTANDING

I am writing regarding the intentions of the Commission de Surveillance du Secteur Financier ("CSSF") of Luxembourg with respect to non-public information that the Securities and Futures Commission ("SFC") of Hong Kong may provide to the CSSF upon request. When the CSSF acquires non-public information from the SFC, the CSSF will treat such information as strictly confidential in that the CSSF will not use or permit the information to be used without the consent of the SFC for any purpose other than that stated in connection with the making of the request.

If the CSSF receives a legally enforceable demand to disclose non-public information provided by the SFC, it immediately will notify the SFC of the demand for disclosure. If requested by the SFC, and to the extent permitted by law, the CSSF will resist such disclosure, including through the assertion of such appropriate legal exemptions or privileges as may be available. In such circumstances, the CSSF will, if requested by the SFC, make appropriate representations on behalf of the SFC concerning the SFC's interest in maintaining the confidentiality of the information. Should disclosure of information provided by the SFC be required, the CSSF, to the extent permitted by law, will ensure that appropriate steps are taken to protect the confidentiality of the information, as far as this is practical in the circumstances of the case and taking account of the purpose for which disclosure is required.

Luxembourg, October 11, 1999

COMMISSION DE SURVEILLANCE DU SECTEUR FINANCIER



Jean-Nicolas SCHAUS
Directeur Général