

**Memorandum of Understanding
Concerning Consultation, Cooperation and the Exchange of Information
Related to the Supervision and Oversight of Certain
Cross-Border Over-the-Counter Derivatives Entities
In Connection with the Use of Substituted Compliance by Such Entities**

The United States Securities and Exchange Commission (“SEC”), the United Kingdom Financial Conduct Authority (“FCA”) and the Bank of England (the “Bank”) (including in its capacity as the Prudential Regulation Authority¹ (hereinafter the “PRA”)), are entering into this Memorandum of Understanding (“MOU”), regarding consultation, cooperation and the exchange of information in the supervision and oversight of certain over-the-counter derivatives entities that operate on a cross-border basis in the United States and the United Kingdom (Covered Firms, as defined below). Through this MOU, the Authorities intend to cooperate with each other to support the facilitation, where applicable, of the ability of certain entities to comply with particular U.S. requirements through substituted compliance with certain provisions under the laws of the UK and supervision and enforcement by the SEC of its laws and regulations, including as contemplated under substituted compliance. This MOU is intended to advance the Authorities’ interests in fulfilling their respective regulatory mandates, particularly in the areas of: investor protection; maintenance of fair, orderly and efficient over-the-counter derivatives markets; capital formation; and mitigation of systemic risk.

Pursuant to Rule 3a71-6 under the Securities Exchange Act of 1934 (“Exchange Act”), the SEC may, conditionally or unconditionally, issue an order with respect to the financial regulatory system of the UK determining that an SEC-registered security-based swap dealer or major security-based swap participant, or class thereof, may comply with specified UK requirements in order to satisfy specified U.S. requirements. Before the SEC may issue such an order, the SEC must determine that specified UK requirements applicable to a Covered Firm or its activities are comparable to specified U.S. requirements, after taking into account factors such as the scope and objectives of UK requirements and the effectiveness of the supervisory compliance program administered, and enforcement authority exercised by, authorities in the UK

Further, prior to issuing an order permitting substituted compliance with respect to UK requirements, the SEC must have entered into a memorandum of understanding or other arrangement with the relevant UK financial regulatory authority or authorities that addresses supervisory and enforcement cooperation and other matters arising under the substituted compliance determination. Accordingly, the purpose of this MOU is to: (i) address the requirements of Exchange Act Rule 3a71-6 for an MOU; and (ii) provide the SEC with the necessary tools to monitor and enforce on-going compliance by Covered Firms with any substituted compliance order and with applicable U.S. federal securities laws and regulations.

¹ The PRA operates in the Bank’s headquarters at Threadneedle Street, London EC2R 8AH, United Kingdom and carries out its functions largely from the Bank’s premises at 20 Moorgate, London EC2R 6DA, United Kingdom.

Article I: Definitions

For purposes of this MOU:

1. “Authority” means:
 - a. In the United States, the SEC; and
 - b. In the United Kingdom, the FCA or the PRA, (together the “UK Authorities”, and individually, a “UK Authority”).
2. “Books and Records” means documents, electronic media, and books and records within the possession, custody, and control of, and other information about, a Covered Firm, and which may include personal data.
3. “Covered Activities” means all services, activities and conduct of a Covered Firm related to security-based swaps and/or security-based swap agreements (as those terms are defined by the Exchange Act) that are part of the U.S. business of the Covered Firm and are governed by Laws and Regulations.
4. “Covered Firm” means an SEC Security-Based Swap Entity that is also a UK Firm.
5. “Emergency Situation” means the occurrence of an event that could materially impair the financial or operational condition of a Covered Firm.
6. “Enforcement Program” refers to a UK Authority’s investigation and enforcement of possible violations of UK Laws and Regulations by Persons, including Covered Firms. The Enforcement Program includes, but is not limited to: (i) the UK Laws and Regulations; (ii) a UK Authority’s powers, resources and capacity to conduct investigations, charge Persons in an administrative or judicial tribunal for violations of UK Laws and Regulations, and resolve enforcement claims; (iii) internal policies and procedures pursuant to which a UK Authority conducts its investigations, enforcement actions and resolutions; and (iv) the UK Authority’s staff that conducts the investigations, enforcement actions, and resolutions.
7. “FCA Handbook Glossary” means the Glossary part of the FCA’s Handbook of rules and guidance, as amended from time to time.
8. “Firm Information” means (i) regulatory information and filings that a Covered Firm is required to submit, or has otherwise provided, to a UK Authority, including, for example, interim and annual financial statements and early warning notices; (ii) regulatory or supervisory reports prepared by a UK Authority, as well as any information needed for effective supervision, that fall into the categories set forth in Annex B hereto; (iii) information in the possession of a UK Authority about any material event that would impact the financial or operational stability of a Covered Firm or impair its ability to conduct Covered Activities, including (A) the failure of a Covered Firm to satisfy any of its requirements for continued registration as a SEC Security-Based Swap Entity or continued

authorization as a UK Firm, where that failure could have an adverse effect in the jurisdiction of any Authority; and (B) any known material change in the ownership, operating environment, operations, financial resources, management or systems and controls of a Covered Firm impairing its ability to conduct the Covered Activities or impacting its financial or operational stability; or (iv) information relating to substantial steps taken by a UK Authority in connection with any administrative, civil or criminal enforcement or judicial action or sanction or significant regulatory action concerning a Covered Firm; or (v) information in the possession of a UK Authority relating to any other announced, completed or terminated administrative, civil or criminal enforcement or judicial actions or sanctions or significant regulatory actions by any other authority, including the revocation, suspension, or modification of registration or authorization, concerning a Covered Firm and/or any individual involved in the Covered Activities of a Covered Firm.

9. "FSMA" means the UK's Financial Services and Markets Act 2000, as amended from time to time.
10. "Governmental Entity" means:
 - a. the U.S. Commodity Futures Trading Commission, the Board of Governors of the Federal Reserve System, the Office of the Comptroller of the Currency, the Department of Justice, or the Financial Stability Oversight Council, if the Requesting Authority is the SEC.
 - b. Her Majesty's Treasury, if the Requesting Authority is a UK Authority.
11. "Laws and Regulations" means the U.S. Laws and Regulations applicable to the SEC and the UK Laws and Regulations applicable to the UK Authorities.
12. "On-Site Visit" means any regulatory visit to the premises of a Covered Firm (as described in Article V) for the purposes of ongoing supervision and oversight of its Covered Activities, including the inspection of Books and Records.
13. "Person" means a natural person or an entity, including but not limited to, an unincorporated association, partnership, trust, investment company, or corporation. This definition includes Covered Firms.
14. "Regulatory Change Information" means information about any material draft, proposed, or final change in law, regulation, or order of the jurisdiction of a UK Authority that may have a material impact on the operations, reputation, rules, or procedures of a Covered Firm with respect to its Covered Activities, including a change in a UK Authority's supervisory or enforcement jurisdiction over a Covered Firm or a material change in approach, priority, or resources for the UK Authorities' Supervision Programs or Enforcement Programs for the Covered Firms.

15. “Requested Authority” means the Authority to which a request is made or which provided information pursuant to this MOU.
16. “Requesting Authority” means the Authority that made a request or received information pursuant to this MOU.
17. “SEC Security-Based Swap Entity” means either (i) a security-based swap dealer or (ii) a major security-based swap participant, in each case that is, or has applied to be, registered as such with the SEC under the Exchange Act.
18. “Substituted Compliance Order” means an order, whether conditional or unconditional, of the SEC determining that compliance with specified requirements of the laws of the UK by an SEC Security-Based Swap Entity, or class thereof, may satisfy corresponding requirements of the Exchange Act, and rules and regulations thereunder, identified in such order that would otherwise apply to such SEC Security-Based Swap Entity, or class thereof.
19. “Supervision Program” refers to a UK Authority’s oversight and examination of its regulated entities including the Covered Firms’ compliance with the UK Laws and Regulations. The Supervision Program includes: (i) the UK Laws and Regulations, (ii) internal policies and procedures that govern a UK Authority’s oversight and examinations of Covered Firms regulated by such UK Authority; (iii) the UK Authority’s staff that conducts and coordinates the oversight and examinations of Covered Firms and related supervisory resources; and (iv) the oversight activities and examinations conducted by the UK Authority’s staff.
20. “UK Data Protection Legislation” means all applicable data protection and privacy legislation in force from time to time in the United Kingdom including the retained EU law version of the General Data Protection Regulation ((EU) 2016/679) (“UK GDPR”), the retained EU law version of the Law Enforcement Directive (Directive (EU) 2016/680), and the Data Protection Act 2018 (“DPA 2018”) (and regulations made thereunder) and the guidance and codes of practice issued by the United Kingdom Information Commissioner’s Office (“ICO”)² or other relevant regulatory authority.
21. “UK Firm” means an entity that is not a “U.S. Person,” as that term is defined in Rule 3a71-3(a)(4) under the Exchange Act, that is or has applied to be a “MiFID investment firm” or “third country investment firm,” as such terms are defined in the FCA Handbook Glossary, that has permission from a UK Authority under Part 4A of FSMA to carry on regulated activities relating to investment services and activities in the UK.
22. “UK Laws and Regulations” means all of the provisions of UK laws, regulations and guidance cited in one or more Substituted Compliance Orders, including, but not limited to,

² For example, the ICO published its analysis of the impact of UK data protection law on transfers of personal data from certain UK-based firms to the SEC in a letter to SEC staff. In that letter, the ICO concluded that the UK GDPR does not impose legal barriers to the transfer of personal data from these entities directly to the SEC for regulatory or enforcement purposes and that SEC regulated UK firms will be able to rely on the Art. 49.1(d) “public interest” derogation (on the basis set out in the letter). See <https://ico.org.uk/media/2619110/sec-letter-20200911.pdf>.

UK Data Protection Legislation and any other law, regulation or requirement applicable in the United Kingdom and any rule, direction, requirement, guidance or policy made or given by or to be taken into account by a UK Authority, in each case as applicable to activity and conduct of UK Firms in instruments that would be security-based swaps and/or security-based swap agreements.

23. “U.S. Laws and Regulations” means the Securities Act of 1933, the Exchange Act, the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010, SEC rules and regulations, and other relevant requirements in the United States, in each case as applicable to activity and conduct of SEC Security-Based Swap Entities in security-based swaps and/or security-based swap agreements (as those terms are defined by the Exchange Act).

Article II: General Provisions

24. This MOU is a statement of intent to consult, cooperate, and exchange information in connection with the supervision, enforcement, and oversight of Covered Firms and their Covered Activities, in a manner that is permitted by, and consistent with, the laws and requirements that govern each Authority. The Authorities anticipate that cooperation primarily will be achieved through ongoing informal consultations and exchanges of information related to Covered Firms with respect to their Covered Activities, supplemented by formal cooperation. The provisions of this MOU are intended to support informal consultations and formal cooperation, and to facilitate the written exchange of non-public information in accordance with applicable laws. A primary goal of this MOU is to foster cooperation and the exchange of information among the Authorities to the benefit of oversight of the Covered Firms.
25. With respect to cooperation pursuant to this MOU, at the date this MOU is executed, each Authority represents that there are no domestic secrecy, blocking or data privacy laws, or other regulations or legal barriers, which should prevent that Authority from providing assistance to the other Authority pursuant to this MOU, or otherwise materially adversely affect or hinder the operation of this MOU. The transfer of personal data is subject to the applicable data protection laws. With respect to the transfer of personal data:
- a. Any transfer, onward transfer, processing or sharing of personal data between the FCA and the SEC will be carried out under the terms of the *Administrative Arrangement for the transfer of personal data* between the SEC and the FCA (dated April 29, 2020), as may be amended from time to time (“Administrative Arrangement”).
 - b. The UK Data Protection Legislation also includes mechanisms that permit the transfer of personal data from the PRA to third country public authorities, such as the SEC, in the absence of an adequacy regulation pursuant to sections 17A or 74A of the DPA 2018. In the absence of an adequacy determination, the PRA will ensure that a transfer of personal data from the PRA to the SEC under this MOU will be made in reliance on appropriate safeguards or derogations (*e.g.*, where the transfer of personal data is necessary for important reasons of public interest).

- c. When available, the Authorities may transfer personal data pursuant to an applicable adequacy regulation (sections 17A or 74A of the DPA 2018).
26. This MOU does not create any legally binding obligations, confer any rights or supersede domestic laws. This MOU does not confer upon any Person the right or ability, directly or indirectly, to obtain, suppress, or exclude any information or to challenge the exchange of information under this MOU.
27. The Authorities will, within the framework of this MOU, provide each other with the fullest cooperation permissible under the law in relation to the supervision and oversight of Covered Firms and the operation of the Substituted Compliance Order.
28. This MOU does not limit the ability of an Authority to take measures not described in this MOU. In particular, this MOU does not limit any right of either Authority to communicate with, conduct an On-Site Visit of (subject to the procedures described in Article V), or obtain information or documents from, any Person subject to its jurisdiction that may be physically located in the jurisdiction of another Authority.
29. This MOU complements, but does not supersede or alter the terms and conditions of (i) the *Enhanced Multilateral Memorandum of Understanding Concerning Consultation and Cooperation and the Exchange of Information* (“IOSCO EMMOU”), to which the SEC and the FCA are signatories; (ii) the *Multilateral Memorandum of Understanding Concerning Consultation and Cooperation and the Exchange of Information* between (among others) the SEC and the FCA (iii) the *Memorandum of Understanding on Mutual Assistance and the Exchange of Information* between (among others) the SEC and the UK Authorities (September 25, 1991, as amended) which covers primarily information-sharing in the context of enforcement investigations; (iv) the *Memorandum of Understanding* between (among others) the SEC and the Bank (October 27, 1997); (v) the *MoU concerning consultation, cooperation and the exchange of information related to the supervision of Covered Entities in the alternative investment fund industry* between the SEC and the FCA (March 29, 2019); (vi) the *Amended and Restated Memorandum of Understanding Concerning Consultation, Cooperation and the Exchange of Information Related to Market Oversight and the Supervision of Financial Services Firms* between the SEC and the FCA (March 29, 2019) (“Supervisory Cooperation MOU”); (vii) the *Administrative Arrangement*; or (viii) any other existing arrangements concerning cooperation in securities matters to which the Authorities are signatories.
30. To facilitate communication and cooperation under this MOU, the Authorities hereby designate contact persons as set forth in Annex A, which may be amended from time to time by an Authority transmitting revised contact information in writing to the other Authority.

31. Nothing in this MOU shall be construed to limit an Authority in the discharge of its regulatory responsibilities pursuant to applicable laws and regulations, including with respect to an Authority's ability to enforce a Substituted Compliance Order.

Article III: Scope of Consultation, Cooperation, and Exchange of Information

General

32. The Authorities recognize the importance of close communication and cooperation concerning Covered Firms and intend to consult regularly, as appropriate, regarding:

- a. General supervisory issues, including regulatory, oversight or other related developments;
- b. Issues relevant to the operations, activities, and regulation of Covered Firms;
- c. The operation of a Substituted Compliance Order and this MOU, including the Authorities' monitoring of:
 - i. the ongoing comparability of Laws and Regulations;
 - ii. the effectiveness of the Enforcement Program and Supervision Program for Covered Firms and general supervisory, enforcement or other developments concerning Covered Firms; and
 - iii. the ongoing compliance of Covered Firms with the terms of a Substituted Compliance Order and Laws and Regulations; and
- d. Any other areas of mutual interest.

33. The Authorities intend to cooperate in the event that a Covered Firm, particularly one whose failure would likely be of systemic importance, experiences, or is threatened by, a potential financial crisis or any other Emergency Situation.

Ongoing Information Sharing

34. The SEC requests (such request making it a Requesting Authority for this purpose) from the UK Authorities, and the UK Authorities intend to provide to the SEC on an ongoing basis without the need for further requests for assistance (i) Firm Information for each SEC-registered Covered Firm identified by the SEC pursuant to Paragraph 57 and (ii) Regulatory Change Information, as follows:

- a. In the case of information within paragraphs (i) and (ii) of the definition of Firm Information, promptly after the UK Authority receives or creates such information or as set forth in Annex B, as applicable.

- b. In the case of information within paragraph (iii) of the definition of Firm Information, promptly after the UK Authority concludes that the material event would impact the financial or operational stability of a relevant Covered Firm or impair its ability to conduct Covered Activities.
- c. In the case of information within paragraph (iv) of the definition of Firm Information, where practicable prior to the action, sanction or significant regulatory action and, where impracticable, no later than promptly after the UK Authority commences such relevant action or sanction.
- d. In the case of information within paragraph (v) of the definition of Firm Information, where practicable prior to the action, sanction or significant regulatory action and, where impracticable, no later than promptly after the UK Authority receives such information.
- e. In the case of Regulatory Change Information, no later than promptly upon publication of any draft, proposed or final change in applicable UK Laws and Regulations. Where appropriate and practicable, the UK Authority may also provide the Regulatory Change Information to the SEC prior to publication of the relevant change.

Request-Based Information Sharing

- 35. To the extent necessary to supplement informal consultations, the Authorities intend to provide assistance to the Requesting Authority for the purposes of supervision and oversight of Covered Firms with respect to Covered Activities, as well as assistance in obtaining and interpreting information that is relevant to compliance with, investigations concerning and enforcement of the Laws and Regulations of the Requesting Authority. Such information may include information relevant to the financial and operational condition of a Covered Firm, including Firm Information, as well as, for example, financial resources, risk management, internal control procedures, capital structure, liquidity and funding profiles, reports of capital reserves, and corporate information. It is anticipated that such requests for assistance generally will relate to information that is not otherwise available to the Requesting Authority directly from the Covered Firm or from other sources.
- 36. To the extent possible, a request for assistance pursuant to Paragraph 35 should be made in writing (which may be transmitted electronically), and addressed to the relevant contact person(s) identified in Annex A. A request generally should specify:
 - a. The information sought by the Requesting Authority;
 - b. A general description of the matter that is the subject of the request;
 - c. The purpose for which the information is sought; and
 - d. The requested time period for reply and, where appropriate, the urgency thereof.
- 37. The Authorities will make their reasonable best efforts to handle requests for assistance under Paragraph 35 in a timely manner.

38. In Emergency Situations, the Authorities will endeavor to notify each other as soon as practicable of the Emergency Situation and will cooperate as appropriate in the particular circumstances, taking into account all relevant factors, including the status of efforts to address the Emergency Situation. During Emergency Situations, requests for information and responses may be made in any form, including orally, provided such communication is confirmed in writing promptly following each request.

Periodic Consultations

39. Representatives of the Authorities may consult periodically, as appropriate, to update each other on their respective functions and regulatory oversight programs and to discuss issues of common interest relating to the supervision of Covered Firms and effectiveness of their Enforcement Programs and Supervision Programs, including, but not limited to: contingency planning and crisis management, potential systemic risks, the adequacy of existing cooperation arrangements, and enhancing cooperation and coordination between the Authorities.

Provision of Unsolicited Information

40. Where an Authority has information which will assist or enable another Authority in the performance of its regulatory functions, the Authority may provide such information, or arrange for such information to be provided, on a voluntary basis although no request has been made by the other Authority. The terms and conditions of this MOU will apply to such information if the providing Authority specifies it is provided under this MOU.

Article IV: Direct Requests Made to Covered Firms

41. The SEC has informed the UK Authorities that, as a condition of registration and maintaining its status as an SEC Security-Based Swap Entity, a Covered Firm must commit, among other things, that its Books and Records are subject at all times to inspection and copying by the SEC and will be made available and supplied directly by the Covered Firm to the SEC promptly in response to the SEC's request, including in connection with an On-Site Visit.

42. The SEC may directly request from a Covered Firm the Books and Records when necessary to fulfill the SEC's regulatory mandate. In addition, SEC staff may conduct interviews with employees of a Covered Firm during examinations, including during On-Site Visits, and maintain any written records of such interviews. The Books and Records of Covered Firms received by the SEC pursuant to this paragraph or in connection with an On-Site Visit under Article V of this MOU may be used by the SEC for the legitimate and specific purpose of assisting the SEC in fulfilling its regulatory mandate and responsibilities.

Article V: On-Site Visits

43. Where necessary in order to fulfill its supervisory and oversight responsibilities, and to review compliance with its Laws and Regulations, an Authority may conduct On-Site Visits of Covered Firms located in the territory of the other Authority, including to inspect, examine, and obtain Books and Records of a Covered Firm directly through such On-Site

Visit. The provisions of Article Five of the Supervisory Cooperation MOU shall apply to On-Site Visits of Covered Firms located in the territory of the other Authority.

44. The SEC's examinations of Covered Activities of a Covered Firm may include, among other things, the review of the Covered Firm's enterprise-wide internal controls with respect to capital, margin, risk management and conflicts of interest applicable to the Covered Activities.
45. The UK Authorities will notify the SEC in advance of any planned On-Site Visit of a Covered Firm in the UK where a UK Authority reasonably believes such visit would be material to the SEC in fulfilling its supervisory mandate and responsibilities in connection with its oversight of Covered Activities of Covered Firms. The SEC may, at its discretion, accompany the relevant UK Authority during such On-Site Visit.

Article VI: Permissible Uses of Information

46. The Requesting Authority may use non-public information obtained from the Requested Authority under Article III of this MOU for supervision and oversight of Covered Firms and OTC derivatives markets generally and to seek to ensure compliance with the Laws and Regulations and orders of the jurisdiction of the Requesting Authority with respect to Covered Activities of Covered Firms.
47. To the extent a Requesting Authority subsequently determines that non-public information obtained from the Requested Authority under Article III of this MOU needs to be used for enforcement purposes, the Requesting Authority will notify the Requested Authority before using the non-public information for enforcement purposes and may use such information consistent with its regulatory mandate and responsibilities, and in accordance with the terms and conditions of the IOSCO EMMOU as if such information were collected pursuant to a request for assistance under the IOSCO EMMOU. Nothing in this MOU, however, shall impede the Requesting Authority's ability to enforce its Laws and Regulations, including as contemplated under a Substituted Compliance Order.
48. The Requesting Authority may use information obtained from a Covered Firm under Articles IV and/or V of this MOU for the legitimate and specific purpose of assisting it in fulfilling its regulatory mandate and responsibilities. To the extent a Requesting Authority determines that non-public information obtained from a Covered Firm under this MOU needs to be used for enforcement purposes, the Requesting Authority will notify the Requested Authority where practicable.

Article VII: Confidentiality of Information and Onward Sharing

49. Except for disclosures in accordance with this MOU, including permissible uses of information under Article VI, each Authority will keep confidential, to the extent permitted by law, non-public information shared with it by the other Authority pursuant to Article III of this MOU, including requests made under this MOU, the contents of such requests, responses and related communications or consultations between Authorities, and any other matters arising under this MOU and, except as provided in Article VI and Paragraphs 50-52 and 54,

will not disclose non-public information received from the other Authority under Article III of this MOU to any third party for any purpose unless the Requesting Authority has obtained the prior written consent of the Requested Authority. The Requested Authority will take into account the urgency of the request to provide such consent in a timely manner.

50. During an Emergency Situation, consent may be obtained in any form, including orally, provided such communication is confirmed in writing as promptly as possible following such notification. If consent is denied by the Requested Authority, the Authorities will consult to discuss the reasons for withholding consent and the circumstances, if any, under which the intended disclosure by the Requesting Authority might be allowed.
51. Each UK Authority may share non-public information obtained from the SEC under this MOU with the other UK Authority so long as that other UK Authority uses and treats such information in accordance with the terms of this MOU.
52. In certain circumstances, it may become necessary for a Requesting Authority to share non-public information obtained from the Requested Authority under Article III of this MOU with a Governmental Entity. In these circumstances and to the extent permitted by law:
 - a. The Requesting Authority seeking to share information with a Governmental Entity will notify the Requested Authority; and
 - b. Prior to passing on the non-public information, the Requesting Authority will receive adequate assurances concerning the Governmental Entity's use and confidential treatment of the information, including, as necessary, assurances that:
 - i. the Governmental Entity has confirmed that it performs a function similar to a function of the Requested Authority or regulates, supervises or investigates securities, derivatives, banking, insurance or other financial services;
 - ii. the Governmental Entity will maintain a level of confidentiality in respect of the non-public information it has received at least equivalent to that which the Requesting Authority is subject to pursuant to this MOU (including, where relevant, restrictions or conditions imposed on it by the Requested Authority);
 - iii. the non-public information will be used for supervisory and oversight purposes in a manner consistent with this Article VII; and
 - iv. to the extent permitted by law, the non-public information will not be shared by the Governmental Entity with other parties without getting the prior written consent of the Requested Authority.
53. The Authorities intend that, to the extent permitted by law, the sharing or disclosure of non-public information, including but not limited to deliberative and consultative materials, such as written analysis, opinions or recommendations relating to non-public information that is

prepared by or on behalf of an Authority, pursuant to Article III of this MOU, will not constitute a waiver of privilege or confidentiality of such information.

54. To the extent possible, the Requesting Authority will notify the Requested Authority of any legally enforceable demand for non-public information furnished under Article III this MOU. Prior to compliance with the demand, the Requesting Authority shall assist in preserving the confidentiality of the information by taking all appropriate legal measures including asserting all appropriate legal exemptions or privileges with respect to such information as may be available and, where possible, will consult with the Requested Authority in any actions or proceedings which seek to safeguard the confidentiality of the information.
55. The Requesting Authority will establish and maintain such safeguards as are necessary and appropriate, including appropriate administrative, technical, and physical safeguards, to protect the confidentiality, data security, and integrity of any non-public information obtained from the Requested Authority. Such safeguards will include restricting access to non-public information from the Requested Authority to only those staff and contractors of the Requesting Authority who have a need to know the information in the performance of their official work duties except as authorized pursuant to this MOU.
56. The Requesting Authority will promptly notify the Requested Authority in the event of an unauthorized disclosure of nonpublic information obtained from the Requested Authority, including, where possible, identifying the recipient(s) of information.

Article VIII: Notices Regarding Covered Firms

57. Promptly after the issuance of a Substituted Compliance Order, or amendment thereto or revocation thereof, the SEC intends to provide the UK Authorities notice of such issuance, amendment, or revocation, including identifying the Covered Firms that are eligible for substituted compliance under a Substituted Compliance Order. The SEC may notify the UK Authorities from time to time of any Covered Firm that the SEC becomes aware will or may utilize substituted compliance pursuant to such Substituted Compliance Order, and any such entity thereafter shall be included in the ongoing information sharing provisions of Paragraph 34. The SEC may notify the UK Authorities from time to time of any Covered Firm that it believes will no longer qualify for substituted compliance pursuant to such Substituted Compliance Order, and any such entity thereafter shall not be included in the ongoing information sharing provisions of Paragraph 34.
58. In the event of (i) the suspension of authorization, designation, qualification, or registration of a Covered Firm by the UK Authorities; or (ii) the determination by the SEC that a Covered Firm does not comply with, or is otherwise no longer subject to, the Substituted Compliance Order, such Covered Firm will no longer be eligible for substituted compliance under the terms of the Substituted Compliance Order or this MOU.

Article IX: Amendments

59. This MOU may be amended by the written consent of the Authorities.

60. The Authorities will periodically review the functioning and effectiveness of this MOU with a view to, among other purposes, expanding or altering the scope or operation of this MOU as necessary.

Article X: Execution

61. Cooperation in accordance with this MOU will become effective on the date this MOU is signed by the Authorities.

Article XI: Termination

62. Either Authority may terminate this MOU by delivering written notice to the other Authority of its intention to terminate. An Authority that delivers such a notice may withdraw it by written notice to the other Authority delivered not more than 30 days after delivery of the termination notice.

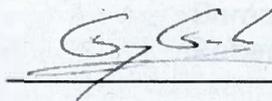
63. If an Authority gives and does not withdraw notice pursuant to Paragraph 62 above, (i) this MOU will terminate nine months after the expiration of 30 days following delivery of such notice (the "Transition Period"), and (ii) cooperation will continue with respect to all requests for assistance that were made under this MOU before the expiration of the Transition Period until the Requesting Authority terminates the matter for which assistance was requested. In the event of termination of this MOU, information obtained under this MOU will continue to be treated in the manner prescribed under Articles VI and VII.

64. The termination of the Supervisory Cooperation MOU will result in automatic termination of this MOU effective as of the termination date of the Supervisory Cooperation MOU.

Signed this 30th day of July, 2021.



Nikhil Rathi, Chief Executive Officer
UK Financial Conduct Authority



Gary Gensler, Chair
U.S. Securities and Exchange Commission



Sam Woods, Chief Executive Officer
UK Prudential Regulatory Authority

Annex A: Contact Persons

Redacted

Annex B: UK Authorities' Supervisory/Examination Reports (including information regarding timing of such reports)

To assist the SEC in its supervision and oversight of Covered Firms, the UK Authorities will send to the SEC, on at least a quarterly basis, the following information that relates to compliance with the areas of law where substituted compliance has been granted: (a) annual supervisory letters sent to Covered Firms, (b) results of skilled person reviews, (c) results of deep dives, (d) results of cross-firm reviews, (e) results of multi-firm work, and (f) results of thematic reviews.