

MEMORANDUM OF UNDERSTANDING

between the

STATE BANK OF PAKISTAN

and the

**POLISH FINANCIAL SUPERVISION AUTHORITY
(Komisja Nadzoru Finansowego)**

The State Bank of Pakistan (the “SBP”) and the Polish Financial Supervision Authority (Komisja Nadzoru Finansowego – the “KNF”) express, through this Memorandum of Understanding (“MoU”), their willingness to cooperate with each other on the basis of mutual trust and understanding, in particular through establishing and promoting bilateral ties by sharing information on material developments in the financial markets of their respective jurisdictions, as well as, co-operating by sharing views on regulatory and supervisory issues:

Article I **Definitions**

For the purposes of this Memorandum:

1. “Authority” or “Party” shall mean in the Islamic Republic of Pakistan, State Bank of Pakistan (the “SBP”), and shall mean in the Republic of Poland, the Polish Financial Supervision Authority (Komisja Nadzoru Finansowego – the “KNF”).
2. “Supervised institutions” shall mean entities over which the Authority performs public supervision, pursuant to relevant legal regulations.
3. “Legal regulations” shall mean the provisions laid down by acts, ordinances or other sources of law, binding in the Islamic Republic of Pakistan and/or in the Republic of Poland, which specify in particular the rights and obligations of the Authorities.

Article II **Competent Authorities**

1. The SBP supervises banks and financial institutions as referred to in the Laws of the Islamic Republic of Pakistan.
2. The KNF supervises banks and financial institutions in the Republic of Poland.

Article III **Sharing of Information and Scope of Assistance**

1. The Authorities shall, subject to the laws and regulations, including relevant policies and guidelines, applicable in the Islamic Republic of Pakistan and in the Republic of Poland, cooperate by sharing information on material developments affecting either the Islamic Republic of Pakistan’s financial market or Polish financial market, as well as views on regulatory and supervisory issues. The cooperation between the

Parties may consist, inter alia, in exchanging information on legal regulations on financial market in the Islamic Republic of Pakistan or in the Republic of Poland, on the approved standards of activity performed by the supervised entities, on the standards of supervision over those entities.

2. All the information exchanged for the purpose of this MoU shall be in English.
3. On written request from either side, the Authority may:
 - (a) exchange copies of applicable banking legislation and other documents governing Authorities' activity in the areas stated in paragraph 1, and provide information on any major changes in them;
 - (b) organize periodically joint research projects, seminars, conferences, study tours and working meetings on issues interesting to the Parties;
 - (c) assist each other in training specialists, and
 - (d) assist each other in the establishment of contacts with financial institutions of the two countries.
4. The Authority sending or receiving a request should do so by mail, fax or e-mail and also acknowledge receipt, as soon as possible by mail, fax or e-mail and, to the extent possible, specify the estimated time period to provide a written response. The particulars of contact of each Party are provided in Annex I to this MoU.
5. A request should generally specify the following:
 - (a) information sought by the requesting Authority;
 - (b) a general description of the matter that is the subject of the request and the purpose for which the information is sought; and
 - (c) the desired time period for a reply.

Article IV **Protection of Information**

1. The information will be shared to the extent reasonable and subject to relevant statutory provisions, including those restricting disclosure.
2. Any request for information may be denied, wholly or partially, on grounds of legal regulations. In such an event, the requesting Authority shall be notified about the denial, supported by reasons in writing.
3. The Authorities shall endeavour to provide a prompt and complete reply and shall notify one another about the reasons for any delay in the fulfillment of a request pursuant to this MoU.
4. Any information received from the other Authority shall be used exclusively for lawful supervisory purposes. To the extent permitted by law, each Authority shall hold confidential all information obtained and shall not disclose such information.
5. In the case where the authority is legally compelled to disclose information received under this MoU, the Authority may notify in advance the Authority from which the information originated, about such a

compulsion, and may cooperate in seeking to preserve the confidentiality of the information to the extent permitted by law.

6. In cases where an Authority receives a request for information from a third party, but disclosure is not legally compelled, or necessary to carry out the Authority's lawful supervisory responsibilities, the Authority receiving the request shall consult and obtain the prior consent of the Authority that provided the information in order to release it.

Article V

Financial Matters

Each Party shall independently bear its own expenses involved in the implementation of this MoU or as may be mutually agreed by the Parties.

Article VI

Legal Status

This MoU does not create any legally binding obligations, confer any rights for either of the Parties or supersedes domestic Laws, except for the provisions of Article IV and IX of this MoU.

Article VII

Amendment or Modification

No amendment or modification in the MoU shall be effective unless made in writing and signed by the Authorities or their respective representatives, who are duly authorized for the purpose. The amendment or modification shall enter into force in the like manner as provided in the Article IX of this MoU.

Article VIII

Settlement of Disputes

All disputes arising from, or in connection with the application or the interpretation of this MoU, shall be settled amicably through mutual consultations between the Authorities.

Article IX

Ongoing Coordination

1. This MoU shall enter into force on the date on which it is signed by the authorized representatives of the Parties. It shall remain valid until terminated.
2. Either Party may terminate this MoU at any time by giving a notice of thirty (30) days to the other Party of its intention to terminate this MoU.
3. The actions taken during the validity of this MoU shall continue to be governed by its provisions till their completion unless the Parties agree otherwise.

In Witness Whereof, the duly authorized representatives of the Parties have signed this MoU at _____
on _____ in two originals in the English and Polish languages, both texts being equally authentic.
In case of discrepancy in the texts or divergence in interpretation, the English text shall prevail.

For

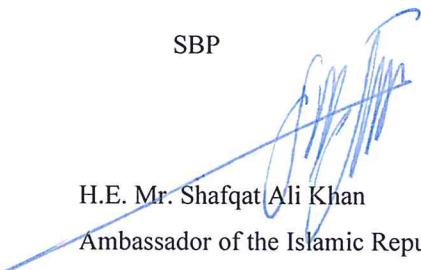
For

KNF

SBP



Mr. Marek Chrzanowski
Chairman of the KNF



H.E. Mr. Shafqat Ali Khan
Ambassador of the Islamic Republic of Pakistan
to the Republic of Poland

date: 30/05/2018

date: 30 May 2018

Annex 1

Particulars of contact details for the purpose of sharing of information as per Article III section 4 of the Memorandum of Understanding:

On behalf of the State Bank of Pakistan:

Mr. Muhammad Akhtar Javed
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Banking Policy & Regulations Department
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On behalf of the Polish Financial Supervision Authority

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