

Memorandum of Understanding (MoU)
between
the Securities and Futures Commission of Hong Kong (SFC)
and
the Ontario Securities Commission (OSC)
on Exchange of information for Cooperation on Supervision
of Cross-Border Investment Management Activity

Dated 13 May 2025

This MoU has been concluded between the Authorities in light of global financial market growth and increasing cross-border activity in asset management. Its purpose is to enhance cooperation in relation to supervision of investment managers of collective investment schemes, based in the Authorities' respective jurisdictions.

The SFC is the principal regulator of the securities and futures market in Hong Kong and the primary authority for regulating retail funds offered to the public in Hong Kong. The SFC's functions include licensing and supervision of the activities of intermediaries, including fund managers and distributors; authorising funds and their offering documents to be offered to the public in Hong Kong and the ongoing supervision of SFC-authorised funds.

As a statutory body, the SFC's regulatory objectives and functions are defined and governed by the Securities and Futures Ordinance (SFO). The SFC's regulatory objectives include:

- to maintain and promote the fairness, efficiency, competitiveness, transparency and orderliness of the securities and futures industry;
- to promote understanding by the public of financial services including the operation and functioning of the securities and futures industry;
- to provide protection for the investing public;
- to minimise crime and misconduct in the securities and futures industry;
- to reduce systemic risks in the securities and futures industry; and
- to assist the Financial Secretary in maintaining Hong Kong's financial stability.

The OSC is the regulator responsible for overseeing the capital markets in Ontario. It is a self-funded Crown agency, accountable to the Ontario Legislature through the Minister of Finance. The OSC administers and enforces the *Securities Act* (Ontario) R.S.O. 1990, c. S.5, the *Commodity Futures Act* (Ontario) R.S.O. 1990, c. C.20 and carries out the powers, duties and functions given to it under the *Securities Commission Act, 2021* S.O. 2021, c. 8, Sched. 9 and any other act, including the *Business Corporations Act*, R.S.O. 1990, c. B.16.

The OSC's mandate, as set out in section 1.1 of the *Securities Act* (Ontario), is:

- to provide protection to investors from unfair, improper or fraudulent practices,
- to foster fair, efficient and competitive capital markets and confidence in the capital markets,
- to foster capital formation, and
- to contribute to the stability of the financial system and the reduction of systemic risk.

The Authorities express their willingness to cooperate with each other in the interest of fulfilling their respective supervisory and regulatory mandates, particularly with the aim of protecting investors and contributing to the stability of capital markets.

Article 1 Definitions

In this MoU:

(a) “Authority” or “Authorities” means:

- i. In Hong Kong, the SFC; and/or
- ii. In Canada, the OSC or any other Canadian securities regulatory authority that has become a party to the MoU in the manner set out in Article 8 (individually, a “Canadian Authority”, or collectively, the “Canadian Authorities”).

(b) “Canadian Management Company”, means:

- i. in respect of the OSC, a firm registered by the OSC as a portfolio manager in respect of any securities in accordance with Part XI of the *Securities Act* (Ontario) or the regulations related to that Part; or
- ii. in respect of any other Canadian Authority that has become a party to this MoU, a firm registered by any such other Canadian Authority as a portfolio manager to act as an adviser in respect of any securities in accordance with the legislation applicable to and confirmed by that Canadian Authority.

(c) “Canadian CIS” means

- i. in respect of the OSC, an investment fund that is a reporting issuer, as defined in the *Securities Act* (Ontario); or
- ii. in respect of any other Canadian Authority that has become a party to this MoU, an investment fund that is a reporting issuer, as defined in the securities legislation applicable to and confirmed by that Canadian Authority.

(d) “CIS” means a Canadian CIS and/or a Hong Kong CIS, whether listed on the local stock exchange(s) or unlisted.

(e) “Covered Entity” means a Covered Manager in one Authority’s jurisdiction providing investment management services to an investment manager in respect of a CIS which is publicly offered in the other Authority’s jurisdiction.

(f) “Covered Manager” means a Canadian Management Company or a Hong Kong Management Company.

(g) “Disclosing Authority” means the Authority providing any information under this MoU.

(h) “Domestic Law” means any applicable laws, ordinances and other regulations or requirements in each Authority’s jurisdiction.

(i) “Emergency Situation” means the occurrence of an event that could materially impair the financial or operational condition of a Covered Entity.

(j) “Governmental Entity” means:

- (i) the Ontario Ministry of Finance, if the Requesting Authority is the OSC.
- (ii) any such body or entity as confirmed by a Canadian Authority as being the relevant supervisory body of that Canadian Authority, if the Requesting Authority is a Canadian Authority (other than the OSC).
- (iii) the Hong Kong Monetary Authority and the Hong Kong Financial Services and the Treasury Bureau, if the Requesting Authority is the SFC.

- (k) "Hong Kong" means the Hong Kong Special Administrative Region of the People's Republic of China.
- (l) "Hong Kong CIS" means open-ended fund companies, unit trusts or other forms of collective investment schemes (as defined in Section 1 of Part 1 of Schedule 1 to the SFO) which are authorised by the SFC under Section 104 of the SFO.
- (m) "Hong Kong Management Company" means a corporation which is licensed or registered for Type 9 regulated activity (asset management) in accordance with Part V of the SFO.
- (n) "IOSCO EMMoU" means the *IOSCO Enhanced Multilateral Memorandum of Understanding Concerning Consultation and Cooperation and the Exchange of Information* (2016) concerning consultation and cooperation and the exchange of information established by the International Organization of Securities Commissions (IOSCO).
- (o) "IOSCO MMoU" means the *IOSCO Multilateral Memorandum of Understanding Concerning Consultation and Cooperation and the Exchange of Information* (revised in May 2012), concerning consultation and cooperation and the exchange of information established by IOSCO.
- (p) "SFO" means the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) which governs the securities and futures market and industry in Hong Kong, as may be amended, supplemented or otherwise modified from time to time.
- (q) "Receiving Authority" means the Authority receiving any information under this MoU.
- (r) "Requested Authority" means the Authority to whom a request is made under this MoU.
- (s) "Requesting Authority" means the Authority making a request under this MoU.

Article 2 General provisions

1. This MoU is a statement of intent to consult, cooperate and exchange information, in connection with the supervision and oversight of Covered Entities, to the extent possible under Domestic Law.
2. This MoU does not create any legally binding obligations, confer any rights on any person, or modify or supersede any Domestic Law.
3. This MoU complements, but does not alter, the terms and conditions of existing arrangements between the Authorities, including but not limited to:
 - a) The IOSCO MMoU or the IOSCO EMMoU (as the case may be), to which the Authorities are signatories, which primarily cover information sharing in the context of enforcement matters;
 - b) The Memorandum of Understanding between the OSC and the SFC dated February 1997; and
 - c) The Innovation Functions Co-operation Agreement between the SFC and Canadian securities regulators (including the OSC) dated June 2021.
4. Within the framework of this MoU, the Authorities will use reasonable endeavours to provide each other with the fullest cooperation permissible in relation to the supervision and oversight of Covered Entities. Following consultation, cooperation may be denied:
 - a) where cooperation would require an Authority to act in a manner that would violate Domestic Law;
 - b) if applicable, where a request for information is not made in accordance with Article 5 of this MoU;

- c) where the information requested or provided under this MoU without a formal request could be used in or for the purpose of taking enforcement actions in the jurisdiction of the Receiving Authority, in which case, the Authorities should cooperate under and be bound by the terms and conditions of the IOSCO MMoU or the IOSCO EMMoU (as the case may be); or
 - d) on the grounds of public interest in the relevant jurisdiction.
- 5. To facilitate cooperation under this MoU, the Authorities have designated contact points as set out in Appendix A. Any changes to the designated contact points shall be notified to the other Authority in writing.
- 6. This MoU is a bilateral arrangement between each Canadian Authority and the SFC and should not be considered a bilateral agreement between any Canadian Authority.

Article 3 Scope of cooperation

- 1. Cooperation includes, inter alia, consultation, exchange of information and discussion on matters of mutual supervisory interest but does not include assistance requested or rendered for the purpose of taking enforcement actions which should be conducted in accordance with the provisions of the IOSCO MMoU or the IOSCO EMMoU (as the case may be).
- 2. The Authorities recognise the importance of close communication concerning Covered Entities and intend to consult where appropriate regarding: (i) general supervisory issues; (ii) issues relevant to the operations, activities, and regulation of Covered Entities; and (iii) any other areas of mutual supervisory interest.
- 3. Subject to the provisions of Domestic Law, the Authorities may cooperate:
 - a) on an ongoing basis or ad hoc;
 - b) orally or in writing; and
 - c) upon formal request in accordance with Article 5.
- 4. As necessary from time to time, each Authority may inform the other on a voluntary basis about any significant amendments to Domestic Law which are likely to have a material impact on the matters covered by, and/or cooperation under, this MoU.

Article 4 Exchange of information

- 1. Upon request and in accordance with Article 5 below, each Authority will use its reasonable endeavours to provide the other Authority with assistance in obtaining information in connection with a Covered Entity that is not otherwise available to the Requesting Authority to perform its supervisory functions.
- 2. Where an Authority has information relating to the scope of this MoU which will assist or enable the other Authority in the performance of its regulatory or supervisory functions, the former Authority may provide such information, or arrange for such information to be provided, on a voluntary basis even though no formal request has been made by the other Authority in accordance with Article 5, and the terms and conditions of this MoU will apply if the Disclosing Authority specifies that the information is provided under this MoU.
- 3. The information to be exchanged between the Authorities pursuant to the terms of this MoU is subject to any restriction on the disclosure or sharing of information under Domestic Law.
- 4. For greater certainty, this Article 4 does not apply to the disclosure or sharing of non-public information for use in or for the purpose of taking any enforcement actions in the jurisdiction of the Receiving Authority, which should be conducted pursuant to the terms and conditions of the IOSCO MMoU or the IOSCO EMMoU (as the case may be).

Article 5 Form of requests for information

1. A formal request for information in accordance with Article 4(1) above should be made in writing (which can be transmitted electronically) and addressed to the relevant contact points set out in Appendix A.
2. A request should generally specify the following:
 - a) the information sought by the Requesting Authority, including specific questions to be asked and an indication of any sensitivity about the request;
 - b) a concise description of the facts underlying the request and the supervisory purpose for which the information is sought, including the applicable Domestic Law relevant to the request; and
 - c) the desired time period for responding and, where appropriate, the urgency thereof.
3. During Emergency Situations, requests for information may be made in any form, including orally, provided such a request is confirmed in writing as early as possible thereafter.

Article 6 Permissible uses of information

1. The Authorities will use non-public information obtained under this MoU solely for the purpose of the supervision and oversight of Covered Entities, which includes application procedures and ongoing supervision, and to facilitate the performance of their regulatory and supervisory functions. If non-public information is obtained upon formal request in accordance with Article 5, the Requesting Authority should use it solely for the purposes specified in the request while if non-public information is obtained without formal request, the Receiving Authority should use it solely for the purposes specified by the Disclosing Authority. If an Authority intends to use non-public information provided by the other Authority for any other purposes, it must obtain prior written consent from the Disclosing Authority.
2. The Authorities recognise that any information obtained under this MoU shall not be used in or for the purposes of taking enforcement actions, which for the avoidance of doubt, include any judicial or any other proceedings. In cases where an Authority intends to use any non-public information obtained under this MoU in or for the purpose of taking enforcement actions, a request shall be made pursuant to the IOSCO MMoU or the IOSCO EMMoU (as the case may be) and any such request to use the non-public information for the purpose of taking enforcement actions shall be governed by the terms and conditions of the IOSCO MMoU or the IOSCO EMMoU (as the case may be).
3. Notwithstanding paragraphs 1 and 2 of this Article 6, the Authorities recognise that additional restrictions on the use of non-public information may be imposed under Domestic Law.

Article 7 Confidentiality of information and onward disclosures

1. Subject to paragraphs 2, 3 and 4 of this Article 7, the Authorities will keep confidential any non-public information communicated between them within the scope of cooperation of this MoU (including information relating to any requests made under this MoU or provided under this MoU without a formal request). However, for clarity this does not include:
 - a) the terms of this MoU and the fact that the Authorities have concluded this MoU or that it has been revised after its entry into force; and
 - b) the termination of this MoU under Article 8 of this MoU.

2. As required or authorized by Domestic Law, it may become necessary for a Receiving Authority to share non-public information obtained under this MOU with a Governmental Entity in its jurisdiction. In such circumstances and to the extent permitted by Domestic Law:
 - a) the Receiving Authority will notify the Disclosing Authority of the scope of information that it intends to share with the Governmental Entity and the use the Governmental Entity intends to make of such information; and
 - b) prior to the Receiving Authority sharing the non-public information, the Receiving Authority will provide adequate assurances to the Disclosing Authority 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 requires the information for a purpose within the scope of its jurisdiction;
 - ii. The Governmental Entity has agreed to maintain a level of confidentiality in respect of the information it has received at least equivalent to that which the Requesting Authority is subject to (including, where relevant, restrictions or conditions imposed on it by the Requested Authority); and
 - iii. The information will not be shared by the Governmental Entity with other parties unless:
 - A. The Governmental Entity is authorized or required to do so by Domestic Law; and
 - B. The Disclosing Authority has provided prior written consent.
3. The Receiving Authority should obtain prior written consent from the Disclosing Authority before disclosing any non-public information received under this MoU to any third party (excluding Governmental Entities as provided for in paragraph 2 of this Article 7). If prior written consent is not obtained from the Disclosing Authority, the Authorities will, to the extent possible under Domestic Law, discuss the reasons for withholding consent, and the circumstances, if any, under which the intended use by the Receiving Authority might be allowed.
4. Where non-public information received under this MoU is subject to a legally enforceable demand from a third party for onward disclosure in the Receiving Authority's jurisdiction (excluding any onward disclosures as provided for in paragraph 2 of this Article 7), the Receiving Authority will notify the Disclosing Authority in writing as soon as reasonably practicable, and where possible, give the Disclosing Authority a reasonable opportunity to respond to the demand prior to complying with such a demand, unless it would be a breach of Domestic Law to do so. Where consent to such onward disclosure is not granted by the Disclosing Authority, the Receiving Authority will use its best efforts to preserve the confidentiality of the information by taking all appropriate measures, including asserting legal exemptions or privileges with respect to such information as may be available. The Receiving Authority will also co-operate with the Disclosing Authority in any actions or proceedings which seek to safeguard the confidentiality of the information.
5. The Authorities intend that the sharing or disclosure of non-public information, including but not limited to deliberative and consultative materials, pursuant to the terms of this MoU, will not constitute a waiver of privilege or confidentiality of such information.
6. For the avoidance of doubt, the IOSCO MMoU or the IOSCO EMMoU (as the case may be) shall govern the Authorities' confidentiality and similar obligations in relation to any information provided or exchanged that is intended to be used in or for the purposes of taking enforcement actions.

7. The Authorities agree to report to the Disclosing Authority any loss, theft, unauthorized access, use or disclosure of non-public information obtained under this MoU as soon as reasonably possible and in any event within two business days of becoming aware of such incident.
8. Any documents or other materials provided under this MoU and any copies thereof must be returned or permanently deleted on the Disclosing Authority's request, to the extent permitted by Domestic Law.

Article 8 Amendment; termination; succession; additional parties

1. This MoU may be amended by written agreement signed by the Authorities.
2. Either the SFC or the Canadian Authorities may terminate this MoU by giving 30 days' advance written notice to the other Authorities. If either the SFC or the Canadian Authorities gives such notice, cooperation will continue with respect to all requests for information that were submitted to the Requested Authority under this MoU before such notice is given until all such requests are fulfilled or otherwise withdrawn by the Requesting Authority. If any Canadian Authority terminates its participation in this MoU, this MoU will continue to have effect as between the SFC and each of the remaining Canadian Authorities.
3. In the event of termination of this MoU, information obtained within the scope of cooperation of this MoU will continue to be treated as set out under Articles 6 and 7 above.
4. Where the relevant function of an Authority is transferred or assigned to another supervisory authority or other supervisory authorities, the terms of this MoU will apply to the successor authority or authorities performing those relevant functions. Such successor authority or authorities will become a signatory or signatories to this MoU. No further amendments to this MoU and notice to the other Authority are required for the successor to become a signatory to this MoU. This will not affect the right of the successor authority or authorities performing those relevant functions and its counterparty to terminate this MoU as set out in paragraph 2 of this Article 8.
5. Subject to the approval of the SFC, any Canadian Authority may become a party to this MoU by executing a counterpart hereof together with the SFC incorporating any necessary amendments to this MoU and providing notice of such execution to the other Canadian Authorities that are signatories to this MoU, pursuant to which their contact details shall be added to Appendix A.

Article 9 Effective date

This MoU takes effect on the date this MoU is signed by the Authorities, and shall remain in effect until terminated in accordance with Article 8.

This MoU will be effective as to any additional Canadian Authority as of the date of execution of a counterpart hereof by both the SFC and the relevant Canadian Authority pursuant to Article 8(5).

For OSC

"D. Grant Vingoe"

D. Grant Vingoe
Chief Executive Officer
Signed on 13 May 2025

For SFC

"Julia Leung"

Julia Leung
Chief Executive Officer
Signed on 13 May 2025

Appendix A

Contact points

Authority	Contact details
SFC (Hong Kong)	<p>Securities and Futures Commission 54/F, One Island East 18 Westlands Road, Quarry Bay Hong Kong</p> <p>Investment Products Division Email address: oscmou2025@sfc.hk</p>
OSC (Ontario)	<p>Ontario Securities Commission 20 Queen Street West Toronto, Ontario M5H 3S8</p> <p>Registration, Inspections and Examinations Division Email address: registrations@osc.gov.on.ca</p> <p>Head of International Affairs, Communications, International and Stakeholder Affairs Email address: inquiries@osc.gov.on.ca</p>