

COMMUNIQUE

*On the Exchange of Information
and the Establishment of a Framework
for Cooperation and Consultation*

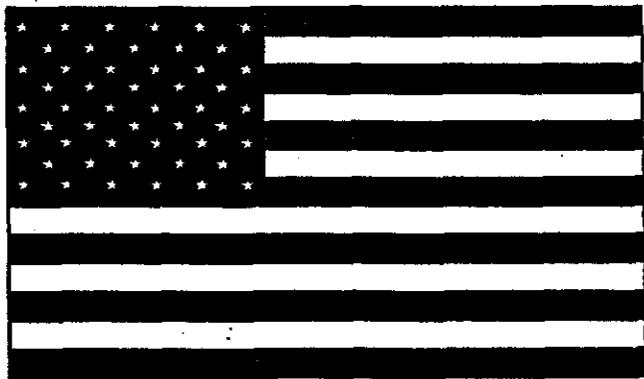
*The United States
Securities and Exchange Commission*

*The Financial Services Board and
The Securities Regulation Panel
of The Republic of South Africa*

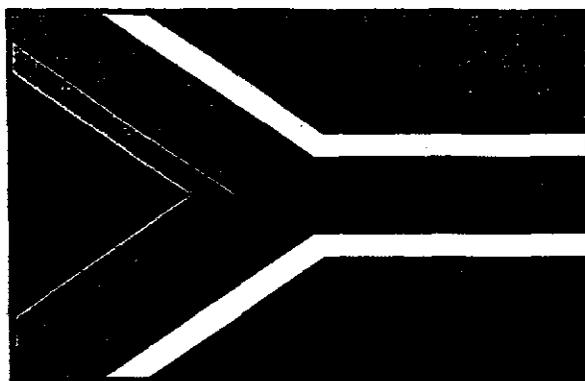
AND

DECLARATION

*On Cooperation Concerning
Securities Matters*



*The United States
Securities and Exchange Commission*

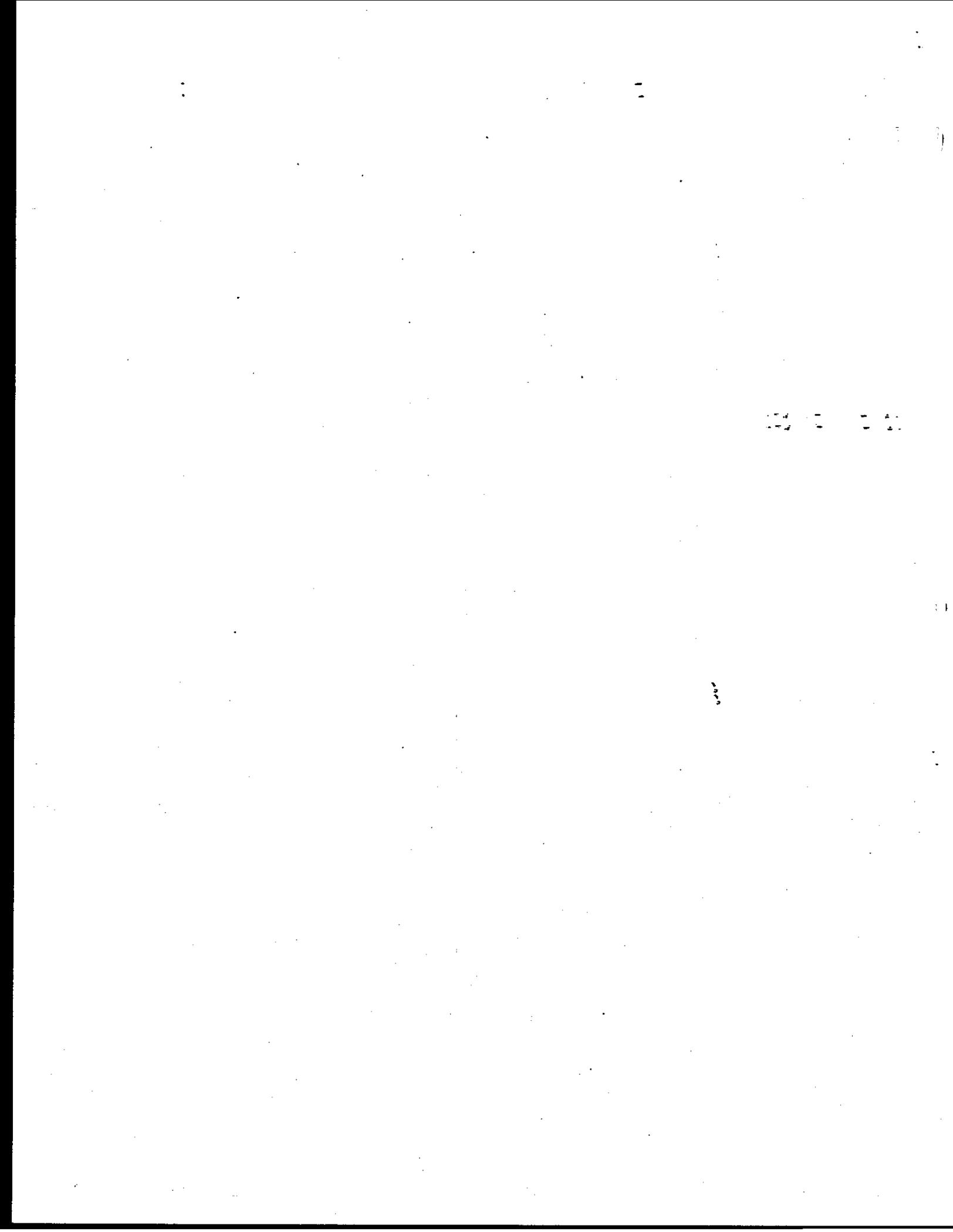


*The Financial Services Board,
The Securities Regulation Panel, and
The Office for Banks of
The Republic of South Africa*

*Pretoria
March 2, 1995*

**COMMUNIQUE BETWEEN THE
UNITED STATES SECURITIES AND EXCHANGE COMMISSION
AND THE
FINANCIAL SERVICES BOARD OF THE REPUBLIC OF SOUTH AFRICA
ON THE EXCHANGE OF INFORMATION AND THE ESTABLISHMENT OF A
FRAMEWORK FOR COOPERATION AND CONSULTATION**

March 2, 1995



**COMMUNIQUE BETWEEN THE
UNITED STATES SECURITIES AND EXCHANGE COMMISSION
AND THE
FINANCIAL SERVICES BOARD OF THE REPUBLIC OF SOUTH AFRICA
ON THE EXCHANGE OF INFORMATION AND THE ESTABLISHMENT OF A
FRAMEWORK FOR COOPERATION AND CONSULTATION**

The United States Securities and Exchange Commission and the Financial Services Board of the Republic of South Africa ("the Authorities"):

Recognizing the importance of international cooperation to the development and maintenance of open, fair, ordered and sound domestic securities markets in the United States and the Republic of South Africa;

Desiring to facilitate the participation of U.S. and South African companies and investors in cross-border trading, and thereby to integrate the South African market with other markets worldwide;

Believing that as interaction between the respective financial markets of the United States and the Republic of South Africa grows, it will be essential to establish a comprehensive framework for enhancing communication with respect to all matters relating to the operation of the securities markets of their respective countries;

Have reached the following understanding:

**I. ESTABLISHMENT OF A FRAMEWORK FOR CONSULTATIONS
REGARDING MATTERS OF MUTUAL INTEREST**

The Authorities intend to consult periodically about matters of mutual interest in order to enhance cooperation and to protect investors by ensuring the stability, efficiency, and integrity of the securities markets of the United States and South Africa; the coordination of market oversight; and the administration of United States and South African securities laws or regulations. The purpose of such consultations is to assist in the development of mutually agreeable approaches for strengthening the securities markets of the United States and South Africa while avoiding, whenever possible, conflicts that may arise from the application of differing regulatory practices.

**II. THE ESTABLISHMENT OF A FRAMEWORK FOR COOPERATION AND
FOR THE EXCHANGE OF INFORMATION**

1. The Authorities believe it is necessary and appropriate to develop a framework pursuant to which each will assist the other in obtaining information for use in investigating and taking action with respect to persons and entities who would abuse the integrity of their respective securities markets. The Authorities hereby declare their intent to provide mutual assistance, to the fullest extent legally possible, to facilitate the conduct of market oversight functions and the conduct of investigations or litigation in cases where information located within the jurisdiction of the requested Authority is needed to determine whether, or prove that, the laws or regulations of the jurisdiction of the requesting Authority may have been violated.

2. Each Authority intends, to the extent permitted by the laws and regulations of its jurisdiction, to assist the other by providing any information that already is in its possession or that it can obtain that may assist the other Authority in securing compliance with the relevant laws of its jurisdiction. To the extent an Authority lacks legal authority to provide assistance, such Authority will use all reasonable efforts to obtain such legal authority, or will seek the assistance of other governmental agencies that have such legal authority necessary to provide assistance.

3. The Authorities intend to consult and provide assistance concerning the surveillance and operation of their respective markets and market participants.

4. The Authorities have informed one another of laws and regulations concerning confidentiality of information. The Authorities intend, to the extent permitted by law, to maintain confidentiality of information provided pursuant to this Communique.

5. To facilitate communication and ensure continuity in the cooperation between the Authorities, they appoint contact persons as set forth in Attachment A.

III. DEVELOPMENT OF A COMPREHENSIVE UNDERSTANDING

This Communique is an interim understanding, which the Authorities contemplate is a preliminary step toward the development of a comprehensive Memorandum of Understanding on cooperation concerning securities matters.

SIGNED at Pretoria, South Africa, this 2nd day of March, 1995.

FOR THE SECURITIES AND EXCHANGE
COMMISSION OF THE UNITED STATES:

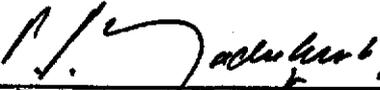


Arthur Levitt
Chairman

FOR THE FINANCIAL SERVICES BOARD
OF THE REPUBLIC OF SOUTH AFRICA:



C. J. de Swardt
Chairman



P. J. Badenhorst
Executive Officer

ATTACHMENT A

The Securities and Exchange Commission appoints as its contact person:

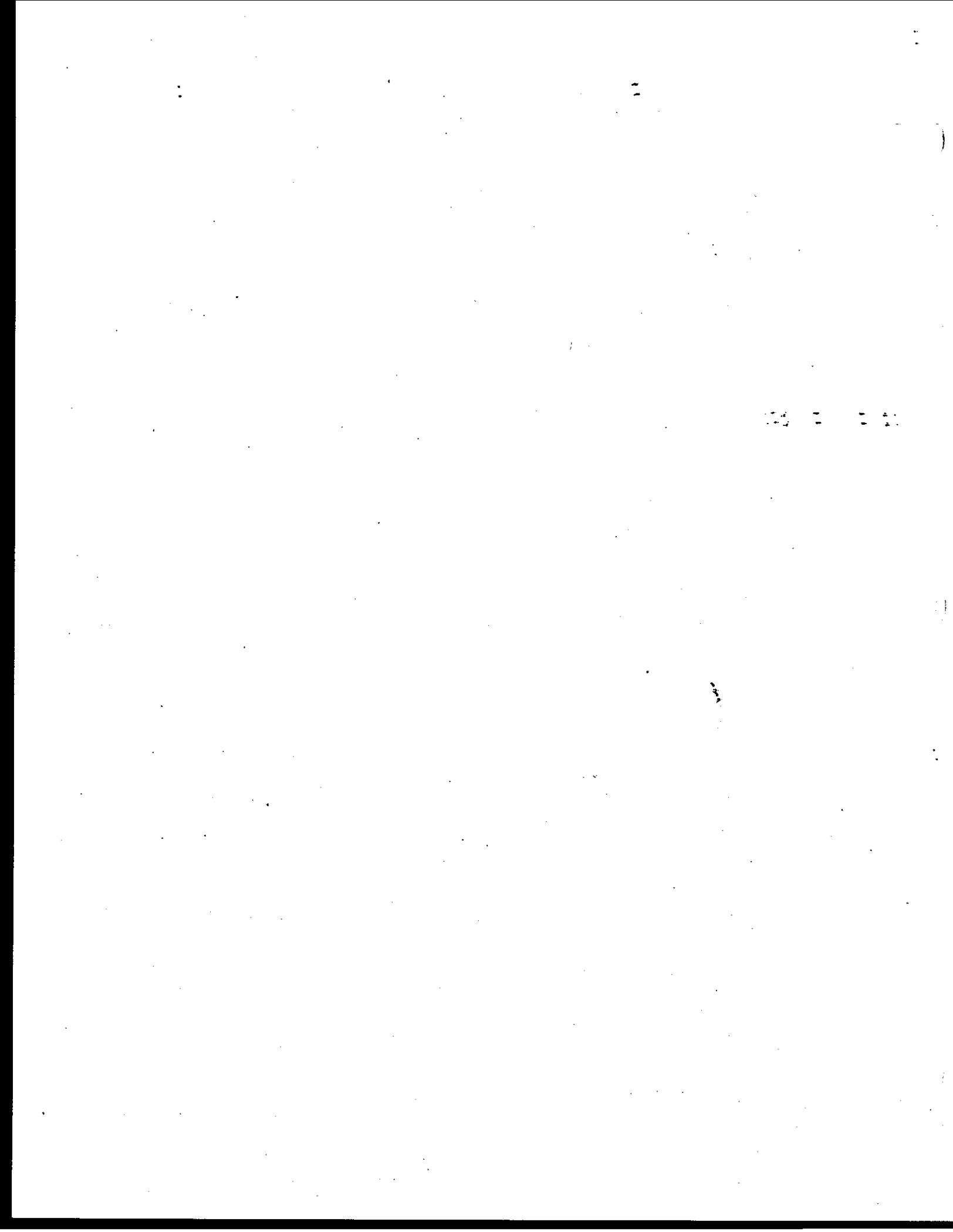
**Director, Office of International Affairs
United States Securities and Exchange Commission
450 5th Street, N.W.
Washington, D.C. 20549 U.S.A.**

**Tel: (202) 942-2770
Fax: (202) 942-9524**

The Financial Services Board of the Republic of South Africa appoints as its contact person:

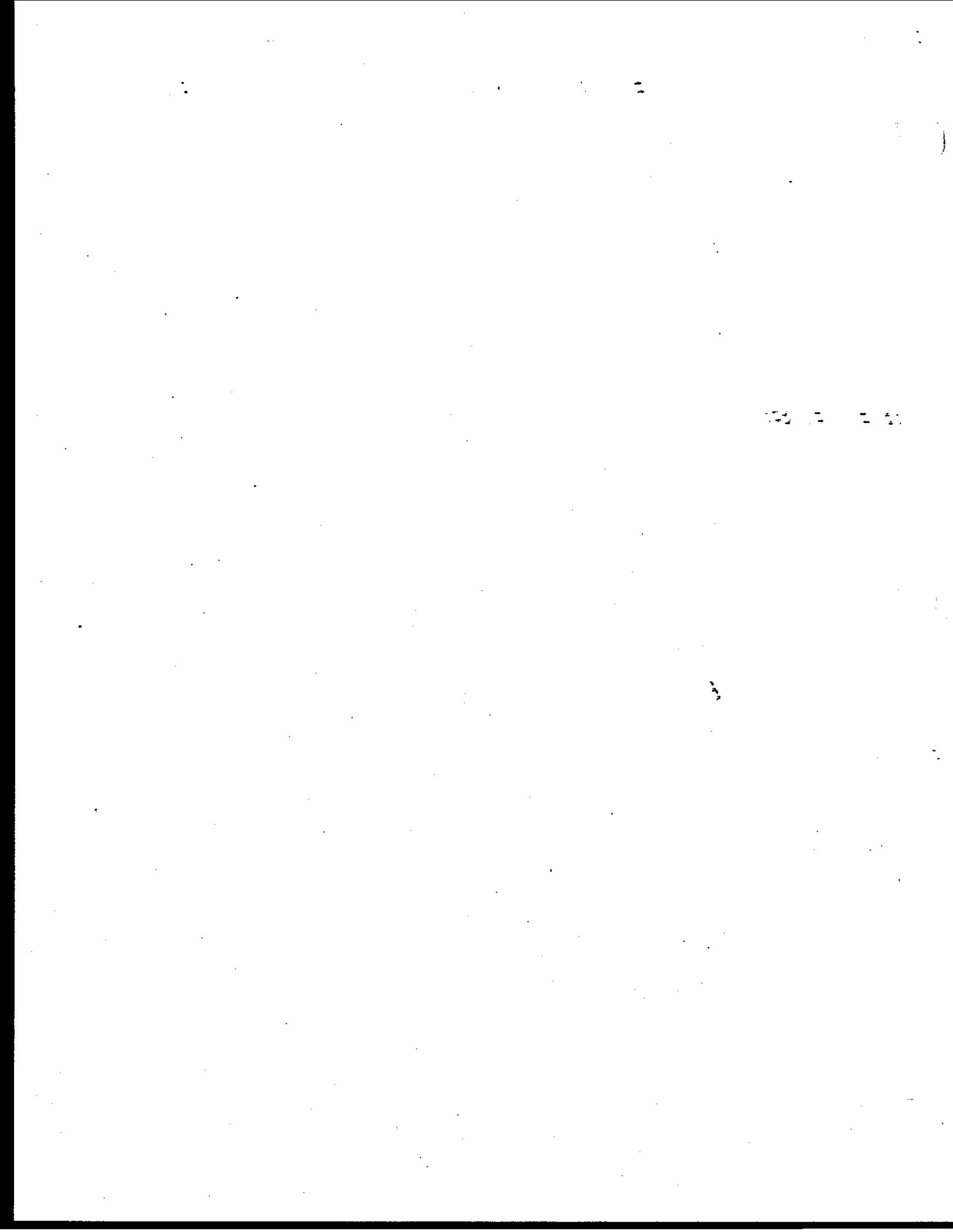
**Manager: Legal Services Department
Financial Services Board
P.O. Box 35655
Menlo Park
0102
Republic of South Africa**

**Tel: (012) 347-0660
Fax: (012) 347-0221**



**COMMUNIQUE BETWEEN THE
UNITED STATES SECURITIES AND EXCHANGE COMMISSION
AND THE
SECURITIES REGULATION PANEL OF THE REPUBLIC OF SOUTH AFRICA
ON THE EXCHANGE OF INFORMATION AND THE ESTABLISHMENT OF A
FRAMEWORK FOR COOPERATION AND CONSULTATION**

March 2, 1995



**COMMUNIQUE BETWEEN THE
UNITED STATES SECURITIES AND EXCHANGE COMMISSION
AND THE
SECURITIES REGULATION PANEL OF THE REPUBLIC OF SOUTH AFRICA
ON THE EXCHANGE OF INFORMATION AND THE ESTABLISHMENT OF A
FRAMEWORK FOR COOPERATION AND CONSULTATION**

The United States Securities and Exchange Commission and the Securities Regulation Panel of the Republic of South Africa ("the Authorities"):

Recognizing the importance of international cooperation to the development and maintenance of open, fair, ordered and sound domestic securities markets in the United States and the Republic of South Africa;

Desiring to facilitate the participation of U.S. and South African companies and investors in cross-border trading, and thereby to integrate the South African market with other markets worldwide;

Believing that as interaction between the respective financial markets of the United States and the Republic of South Africa grows, it will be essential to establish a comprehensive framework for enhancing communication with respect to all matters relating to the operation of the securities markets of their respective countries;

Have reached the following understanding:

**I. ESTABLISHMENT OF A FRAMEWORK FOR CONSULTATIONS
REGARDING MATTERS OF MUTUAL INTEREST**

The Authorities intend to consult periodically about matters of mutual interest in order to enhance cooperation and to protect investors by ensuring the stability, efficiency, and integrity of the securities markets of the United States and South Africa; the coordination of market oversight; and the administration of United States and South African securities laws or regulations. The purpose of such consultations is to assist in the development of mutually agreeable approaches for strengthening the securities markets of the United States and South Africa while avoiding, whenever possible, conflicts that may arise from the application of differing regulatory practices.

**II. THE ESTABLISHMENT OF A FRAMEWORK FOR COOPERATION AND
FOR THE EXCHANGE OF INFORMATION**

1. The Authorities believe it is necessary and appropriate to develop a framework pursuant to which each will assist the other in obtaining information for use in investigating and taking action with respect to persons and entities who would abuse the integrity of their respective securities markets. The Authorities hereby declare their intent to provide mutual assistance, to the fullest extent legally possible, to facilitate the conduct of market oversight functions and the conduct of investigations or litigation in cases where information located within the jurisdiction of the requested Authority is needed to determine whether, or prove that, the laws or regulations of the jurisdiction of the requesting Authority may have been violated.



2. Each Authority intends, to the extent permitted by the laws and regulations of its jurisdiction, to assist the other by providing any information that already is in its possession or that it can obtain that may assist the other Authority in securing compliance with the relevant laws of its jurisdiction. To the extent an Authority lacks legal authority to provide assistance, such Authority will use all reasonable efforts to obtain such legal authority, or will seek the assistance of governmental agencies that have such legal authority necessary to provide assistance.

3. The Authorities intend to consult and provide assistance concerning the surveillance and operation of their respective markets and market participants.

4. The Authorities have informed one another of laws and regulations concerning confidentiality of information. The Authorities intend, to the extent permitted by law, to maintain confidentiality of information provided pursuant to this Communique.

5. To facilitate communication and ensure continuity in the cooperation between the Authorities, they appoint contact persons as set forth in Attachment A.

III. DEVELOPMENT OF A COMPREHENSIVE UNDERSTANDING

This Communique is an interim understanding, which the Authorities contemplate is a preliminary step toward the development of a comprehensive Memorandum of Understanding on cooperation concerning the regulation of takeovers, mergers and insider trading.

SIGNED at Pretoria, South Africa, this 2nd day of March, 1995.

FOR THE SECURITIES AND EXCHANGE
COMMISSION OF THE UNITED STATES



Arthur Levitt
Chairman

FOR THE SECURITIES REGULATION PANEL
OF THE REPUBLIC OF SOUTH AFRICA:



C. A. Jaffe
Chairman



R. J. Connellan
Executive Director

ATTACHMENT A

The Securities and Exchange Commission appoints as its contact person:

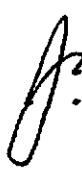
**Director, Office of International Affairs
United States Securities and Exchange Commission
450 5th Street, N.W.
Washington, D.C. 20549 U.S.A.**

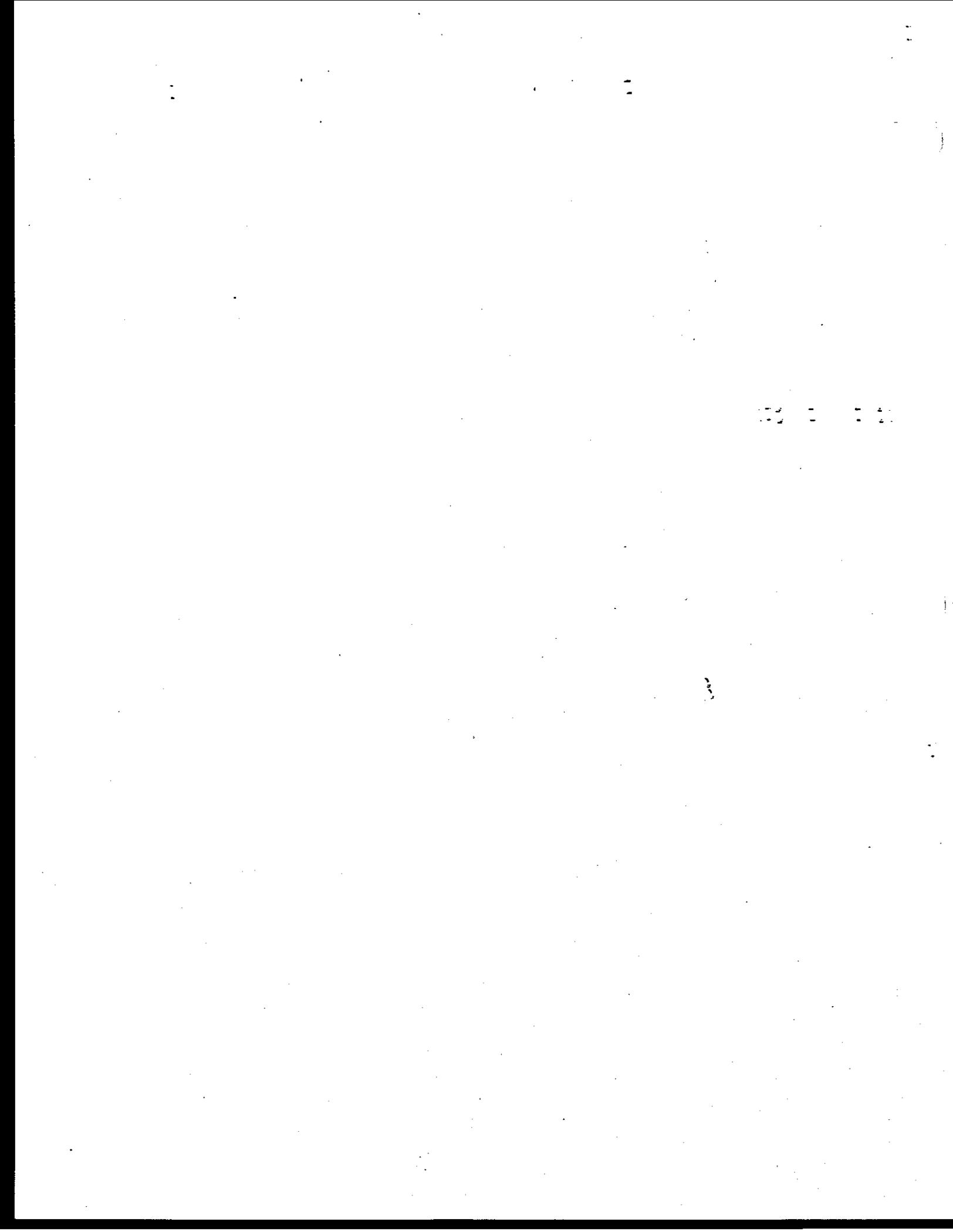
**Tel: (202) 942-2770
Fax: (202) 942-9524**

The Securities Regulation Panel of the Republic of South Africa appoints as its contact person:

**Executive Director
Securities Regulation Panel
7th Floor, 27 Diagonal Street
Johannesburg 2000
South Africa**

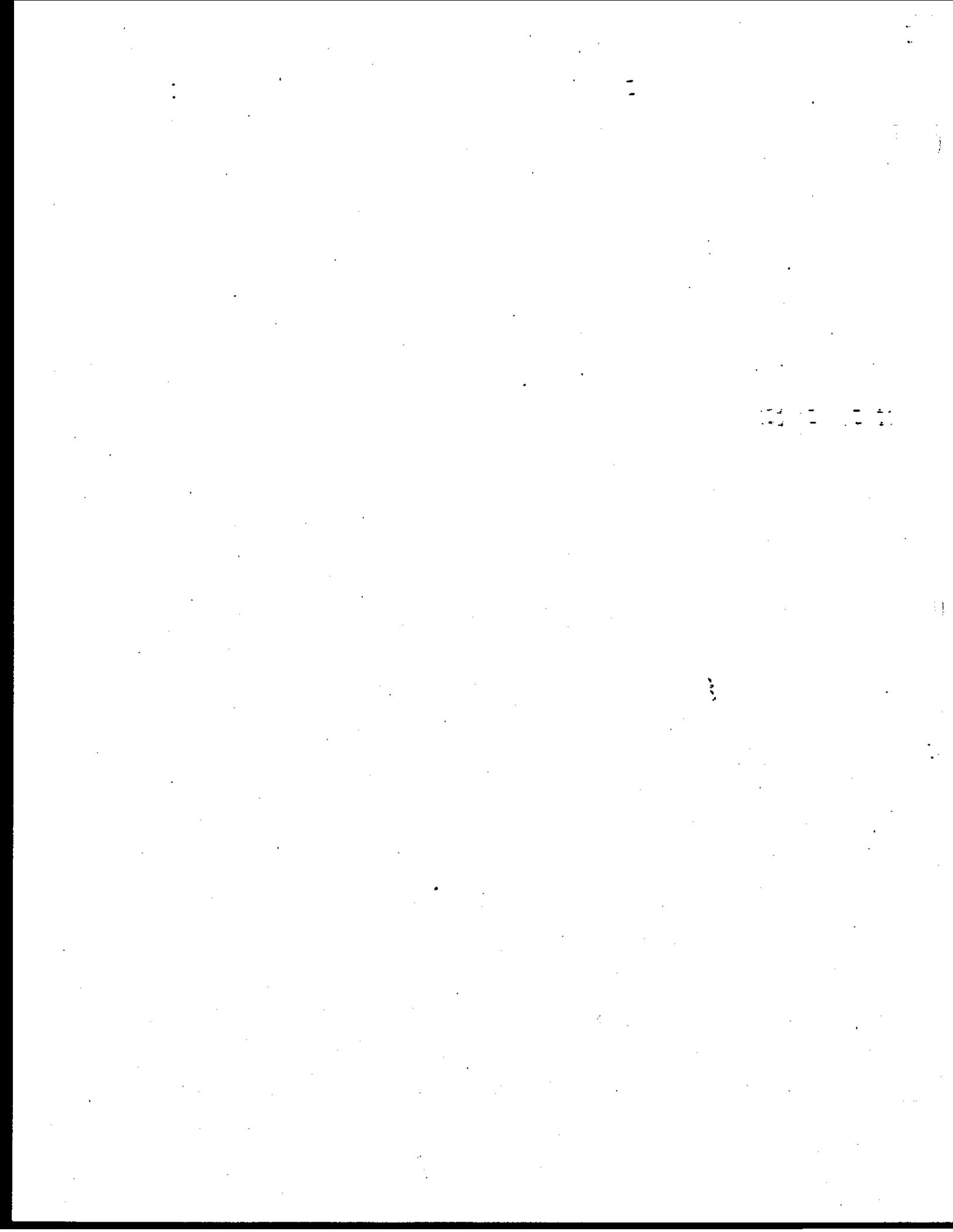
**Tel: (011) 834-5172
Fax: (011) 834-5175**





**DECLARATION OF THE
UNITED STATES SECURITIES AND EXCHANGE COMMISSION
AND THE
FINANCIAL SERVICES BOARD OF THE REPUBLIC OF SOUTH AFRICA
CONCERNING THE DEVELOPMENT
OF A COMPREHENSIVE MEMORANDUM OF UNDERSTANDING
ON COOPERATION CONCERNING
SECURITIES MATTERS**

March 2, 1995



**DECLARATION OF THE
UNITED STATES SECURITIES AND EXCHANGE COMMISSION
AND THE
FINANCIAL SERVICES BOARD OF THE REPUBLIC OF SOUTH AFRICA
CONCERNING THE DEVELOPMENT
OF A COMPREHENSIVE MEMORANDUM OF UNDERSTANDING
ON COOPERATION CONCERNING
SECURITIES MATTERS**

The United States Securities and Exchange Commission and the Financial Services Board of the Republic of South Africa ("the Authorities"):

Taking note of the Communiqué on the Exchange of Information and the Establishment of a Framework for Cooperation and Consultation entered into by the United States Securities and Exchange Commission and the Financial Services Board of the Republic of South Africa;

Recognizing the importance of international cooperation to the development and maintenance of open, fair, ordered and sound domestic securities markets in the United States and the Republic of South Africa;

Believing that as interaction between the respective financial markets of the United States and the Republic of South Africa grows, it is essential to further develop and enhance mechanisms for cooperation and consultation between the Authorities in the United States and the Republic of South Africa that are responsible for the oversight of their respective securities markets;

HEREBY DECLARE THEIR MUTUAL INTENT to make all reasonable efforts to develop a comprehensive Memorandum of Understanding on Cooperation Concerning Securities Matters ("Memorandum of Understanding"), which, as described below, will serve as a framework for extensive cooperation and assistance in all matters relating to the operation and regulation of their respective securities markets and the enforcement of the securities laws of their respective states:

1. The Authorities intend that the scope of the Memorandum of Understanding will, to the greatest extent possible, cover the full range of laws governing the offer, purchase and sale of securities, in their respective States, including:

- (a) misrepresentation or the use of fraudulent, deceptive or manipulative practices, including insider trading, in connection with the offer, purchase, sale or exchange of any security, or in the conduct of investment businesses;**

- (b) the making of a material false or misleading statement or any material omission in any application or report made to the Authorities;
- (c) the duties of persons to comply with reporting requirements;
- (d) acquisitions of and notifications of interests in securities, and agreements in relation to securities and changes in control over issuers and investment businesses;
- (e) the duties of persons, issuers, or investment businesses to make full and fair disclosure of information relevant to investors;
- (f) the duties of investment businesses, securities markets and securities processing businesses pertaining to their financial, operational or other requirements, and their duties of fair dealing in the offer and sale of securities, the execution of transactions and the conduct of their businesses; and
- (g) the financial and other qualifications of those engaged in, or in control of, issuers, investment businesses, securities markets, or securities processing businesses.

2. The Authorities further intend that the Memorandum of Understanding will provide a mechanism for requesting and obtaining the following types of assistance:

- (a) access to information in the nonpublic files of the requested Authority;
- (b) testimony and statements under oath of any person or entity;
- (c) information and documents from any person or entity; and
- (d) inspections or examinations of the books and records of investment businesses, securities processing businesses and securities markets which conduct cross-border business in the States of the Authorities.

Such information will be provided to the requesting Authority subject to the confidentiality and use provisions to be specified in the Memorandum of Understanding. The Authorities intend that assistance will be provided pursuant to the Memorandum of Understanding without regard to whether the type of conduct described in the request for assistance would constitute a violation of the laws or regulations of the State of the Authority receiving the request for assistance.

**DECLARATION OF THE
UNITED STATES SECURITIES AND EXCHANGE COMMISSION
AND THE
SECURITIES REGULATION PANEL OF THE REPUBLIC OF SOUTH AFRICA
CONCERNING THE DEVELOPMENT
OF A COMPREHENSIVE MEMORANDUM OF UNDERSTANDING
ON COOPERATION CONCERNING
THE REGULATION OF TAKEOVERS, MERGERS AND INSIDER TRADING**

The United States Securities and Exchange Commission and the Securities Regulation Panel of the Republic of South Africa ("the Authorities"):

Taking note of the Communiqué on the Exchange of Information and the Establishment of a Framework for Cooperation and Consultation entered into by the United States Securities and Exchange Commission and the Securities Regulation Panel of the Republic of South Africa;

Recognizing the importance of international cooperation to the development and maintenance of open, fair, ordered and sound domestic securities markets in the United States and the Republic of South Africa;

Believing that as interaction between the respective financial markets of the United States and the Republic of South Africa grows, it is essential to further develop and enhance mechanisms for cooperation and consultation between the Authorities in the United States and the Republic of South Africa that are responsible for the oversight of their respective securities markets;

HEREBY DECLARE THEIR MUTUAL INTENT to make all reasonable efforts to develop a comprehensive Memorandum of Understanding on Cooperation Concerning the Regulation of Takeovers, Mergers and Insider Trading, ("Memorandum of Understanding"), which, as described below, will serve as a framework for extensive cooperation and assistance in all matters relating to the operation and regulation of their respective securities markets and the enforcement of the securities laws of their respective states:

1. The Authorities intend that the scope of the Memorandum of Understanding will, to the greatest extent possible, cover the full range of laws governing takeovers, mergers and insider trading, in their respective States, including:

- (a) misrepresentation or the use of fraudulent, deceptive or manipulative practices, including insider trading, in connection with the offer, purchase, sale or exchange any security;**
- (b) the making of a material false or misleading statement or any material omission in any application or report made to the Authorities;**
- (c) the duties of persons to comply with reporting requirements or requirements relating to changes in corporate control;**
- (d) acquisitions of and notifications of interests in securities, and agreements in relation to securities and changes in control over issuers; and**

- (e) the duties of persons, issuers, or investment businesses to make full and fair disclosure of information relevant to investors.

2. The Authorities further intend that the Memorandum of Understanding will provide a mechanism for requesting and obtaining the following types of assistance:

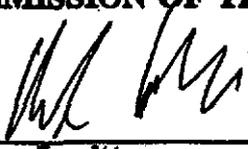
- (a) access to information in the nonpublic files of the requested Authority;
- (b) testimony and statements under oath of any person or entity;
- (c) information and documents from any person or entity; and
- (d) inspections or examinations of the books and records of investment businesses, securities processing businesses and securities markets which conduct cross-border business in the States of the Authorities.

Such information will be provided to the requesting Authority subject to the confidentiality and use provisions to be specified in the Memorandum of Understanding. The Authorities intend that assistance will be provided pursuant to the Memorandum of Understanding without regard to whether the type of conduct described in the request for assistance would constitute a violation of the laws or regulations of the State of the Authority receiving the request for assistance.

3. The Securities Regulation Panel recognizes that it does not in all cases have the legal authority necessary to provide the assistance contemplated in paragraphs 1 and 2 of this Declaration, and intends to use reasonable efforts to (1) obtain such legal authority and (2) develop understandings with the relevant authorities in the Republic of South Africa to enable the Securities Regulation Panel to implement fully the Memorandum of Understanding contemplated by this Declaration.

SIGNED at Pretoria, South Africa, this 2nd day of March, 1995.

FOR THE SECURITIES AND EXCHANGE
COMMISSION OF THE UNITED STATES:



Arthur Levitt
Chairman

FOR THE SECURITIES REGULATION PANEL
OF THE REPUBLIC OF SOUTH AFRICA:



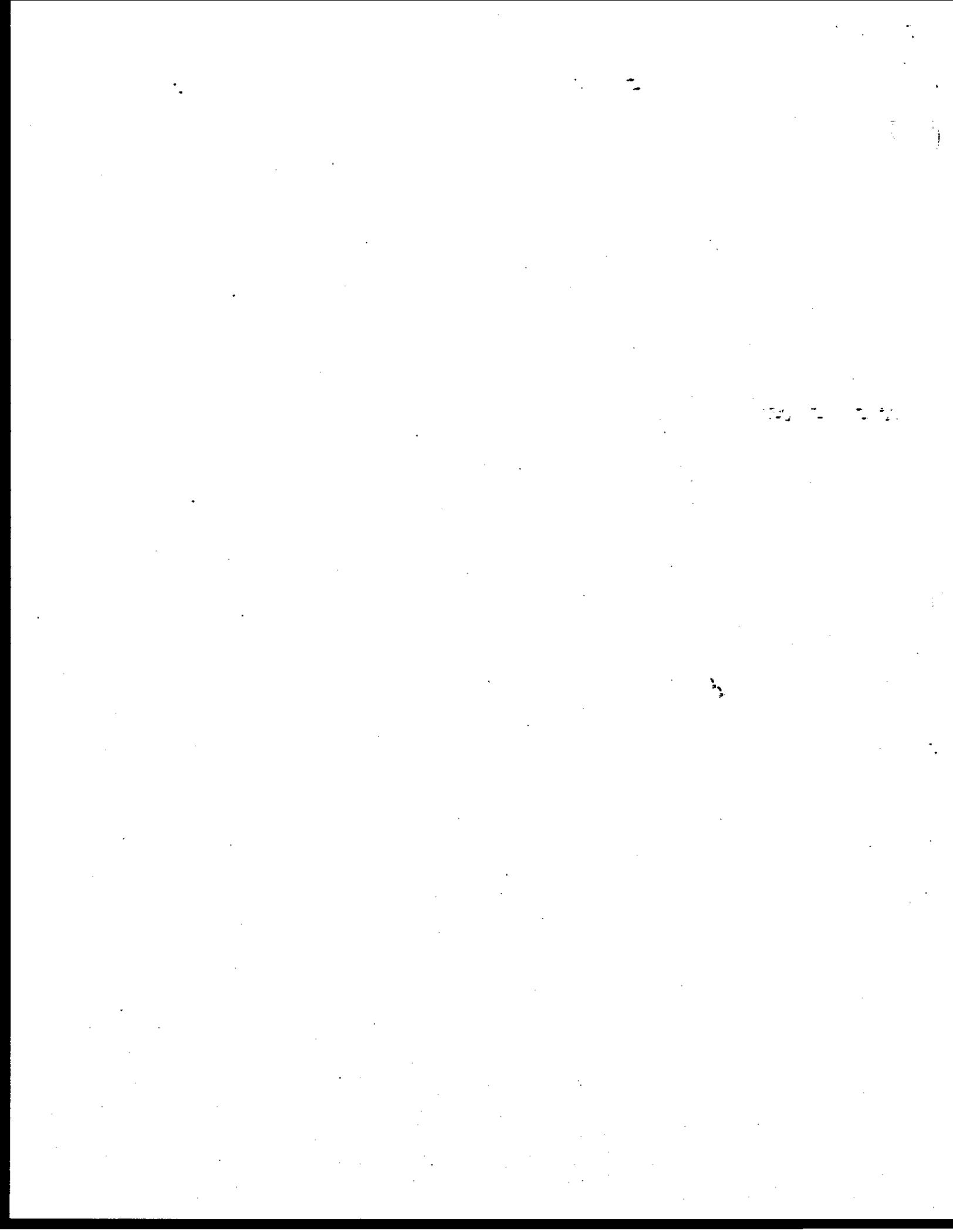
C. A. Jaffe
Chairman



R. J. Connellan
Executive Director

**DECLARATION OF THE
UNITED STATES SECURITIES AND EXCHANGE COMMISSION
AND THE OFFICE FOR BANKS OF THE REPUBLIC OF SOUTH AFRICA
ON COOPERATION CONCERNING SECURITIES MATTERS**

March 2, 1995



**DECLARATION OF THE
UNITED STATES SECURITIES AND EXCHANGE COMMISSION
AND THE OFFICE FOR BANKS OF THE REPUBLIC OF SOUTH AFRICA
ON COOPERATION CONCERNING SECURITIES MATTERS**

The United States Securities and Exchange Commission and the Office for Banks of the Republic of South Africa, in its official capacity as the supervisory authority of public companies taking deposits from the public in the Republic of South Africa, ("the Authorities");

Taking note of the Declaration of the United States Securities and Exchange Commission ("SEC") and the Financial Services Board ("FSB") of the Republic of South Africa Concerning the Development of a Comprehensive Memorandum of Understanding On Cooperation Concerning Securities Matters ("Declaration between the SEC and the FSB"), signed on March 2, 1995;

Recognizing the importance of international cooperation to the development and maintenance of open, fair, ordered and sound domestic securities markets in the United States and the Republic of South Africa;

Believing that as interaction between the respective financial markets of the United States and the Republic of South Africa grows, it is essential to further develop and enhance mechanisms for cooperation and consultation between the Authorities in the United States and the Republic of South Africa that are responsible for the surveillance of their respective securities markets;

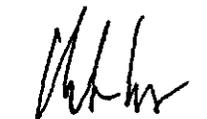
HEREBY DECLARE THEIR MUTUAL INTENT to make all reasonable efforts to provide mutual assistance, to the fullest extent legally possible, in connection with the enforcement of the full range of laws in the United States and the Republic of South Africa governing the offer, purchase, sale or exchange of securities, as contemplated in the Declaration between the SEC and the FSB.

The Office for Banks recognizes that in the majority of cases, it does not have the legal authority necessary to provide the assistance contemplated herein, and intends to use reasonable efforts to:

- (1) obtain such legal authority; and
- (2) cooperate with the relevant authorities in the Republic of South Africa to facilitate the provision of such assistance.

SIGNED at Pretoria, South Africa, this 2nd day of March, 1995.

**FOR THE SECURITIES AND
EXCHANGE COMMISSION
OF THE UNITED STATES:**



Arthur Levitt
Chairman

**FOR THE OFFICE FOR BANKS
OF THE REPUBLIC OF
SOUTH AFRICA:**



C.F. Wiese
Registrar of Banks