

**Terms of Reference for a Regulatory Dialogue  
between the  
US Securities and Exchange Commission and  
the Capital Markets Board of Turkey**



**Washington, DC  
July 21, 2011**

**Terms of Reference for a Regulatory Dialogue**  
**between the**  
**US Securities and Exchange Commission and the Capital Markets Board of Turkey**

The purpose of this document is to set forth the terms of reference for a regulatory dialogue (Dialogue) between the US Securities and Exchange Commission (SEC) and the Capital Markets Board of Turkey (CMB). The SEC and the CMB aim to enhance cooperation and collaboration with a view to promoting investor protection, fostering market integrity, and promoting cross-border securities activities between Turkey and the United States.

The Dialogue between the SEC and the CMB has three objectives:

- to identify and discuss regulatory issues of common concern;
- to improve cooperation and the exchange of information in cross-border securities enforcement matters; and
- to maintain and continue to develop the existing jointly-sponsored training and technical assistance programs that benefit the SEC, the CMB, and other regulators in the region.

The CMB and SEC intend to identify specific areas of work under these objectives and to accomplish this work through regular contacts among senior staff and high-level officials of the SEC and the CMB.

The SEC and the CMB have agreed to the following in respect of the Dialogue:

**TIMING AND VENUE**

It is expected that the Dialogue will be held as needed. The location of the Dialogue will alternate between Turkey and the United States unless an alternative location is mutually agreed to by both authorities.

**PARTICIPANTS**

The SEC and the CMB will be represented at the Dialogue by senior staff and high-level officials of those agencies.

The SEC and the CMB agree that from time to time it may be beneficial if other authorities from each jurisdiction were to participate in the Dialogue. Accordingly, the agencies will consult with one another to determine if a particular meeting of the Dialogue would benefit from participation of other authorities.

## **AGENDA**

The agenda for the Dialogue will consist of topics pertaining to the objectives of the enhanced relationship between the SEC and the CMB, as described above and elaborated upon below. Prior to each scheduled meeting of the Dialogue, the SEC and the CMB will consult with one another and other relevant parties to identify specific issues that will be addressed at the upcoming meeting.

### **1. Identification and discussion of regulatory developments of common concern**

In light of the growing interest in the cross-border flow of financial services and investment between the United States and Turkey, the Dialogue will provide the opportunity for the SEC and the CMB to better understand one another's regulatory regimes and to identify issues of mutual interest. The SEC and the CMB will seek to gain a better understanding of the legal structures and regulatory requirements impacting financial services firms and companies operating in the respective jurisdictions. This will facilitate the ability of the SEC and the CMB to develop strategies for addressing issues of mutual concern in parallel and to discuss any potential spillover effects related to these developments at an early stage, as well as facilitate the development of compatible and high quality approaches to emerging regulatory issues. Such enhanced cooperation and collaboration between the SEC and the CMB will greatly advance the authorities' ability to achieve their shared goals of protecting investors and fostering market integrity in a global context.

### **2. Improving cooperation and the exchange of information in cross-border securities enforcement matters**

The SEC and the CMB recognize that an increasingly important component of safeguarding domestic securities markets and protecting investors is the ability of securities regulators to both provide and receive assistance from their foreign counterparts in enforcement matters. Accordingly, the SEC and the CMB will work to inform each other quickly about matters that could assist one another in enforcing their respective securities laws and to provide timely and thorough assistance to one another, consistent with domestic laws. The CMB and SEC will continue to work with each other to enhance their respective enforcement abilities to obtain and share information, documents, and testimony that may be needed for the effective oversight of Turkish and US securities markets. At the same time, the CMB and SEC will share their experiences and knowledge related to the investigation and prosecution of securities violations, as well as international standards relating to the cooperation and exchange of information, for their mutual benefit.

### **3. Maintaining and continuing to develop the existing program of training and technical assistance jointly sponsored by the SEC and the CMB**

Building on the framework of mutual cooperation that has been established by the authorities in recent years, the authorities will continue to promote the development of sound securities regulatory systems through a comprehensive technical assistance program in which regulatory

best practices may be shared, including, when appropriate, in coordination with other authorities throughout the region. In particular, the SEC and CMB will work to identify current technical assistance and training needs with a view to facilitating the further development of capital markets regulatory and oversight framework throughout the region.

UNITED STATES SECURITIES  
AND EXCHANGE COMMISSION

CAPITAL MARKETS  
BOARD OF TURKEY

By Mary Schapiro

Mary Schapiro  
Chairman

by V. Akgiray

Vedat Akgiray  
Chairman