

| GENERAL INFORMATION                         |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
|---------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Name of formality</b>                    | License to Establish Security Company                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| <b>Type of formality</b>                    | License                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| <b>Date of last modification</b>            | 26.08.2017                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| <b>Responsible Authority</b>                | Lao Securities Commission Office<br>(021 217770;)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| <b>Who should apply for this formality?</b> | Individuals or legal entity that intends to establish the Securities Company that can conduct the following businesses: 1. Financial Advisory Service (giving advice on the corporate restructuring, administrative and financial management of the company that is preparing to offer their shares to the public and registering in the Lao Securities Exchange); 2. Securities Broker (being an intermediary or agent for securities trading according to purchasing or selling orders of the customers and providing other financial advisors to the investors); and 3. Securities Underwriter (underwriting securities issued by means of assisting in the sale of securities or purchasing securities partially or entirely from an issuer for the remaining portion in order to guarantee the success of issuance of securities). |

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| <b>Qualifications needed by the business to get the formality</b> | <p>1. Having the minimum registered capital of 5 Billion LAK for the financial advisor service; 30 Billion LAK for the Broker services; and 100 Billion LAK for the securities underwriting services</p> <p>2. For the broker and securities underwriting services, having at least one shareholder that is a commercial bank established under Lao PDR and that shareholder shall hold more than 30%; and for the financial advisor service, having the domestic investor holds more than 10% of the total registered capital</p> <p>3. Having good reputation and having the management that has knowledge and experience in securities, financial-banking or accounting fields at least 5 years.</p> <p>4. Having the business plan for the first 3 years after the establishment.</p> <p>5. Having good financial conditions as audited by the audit firm</p> <p>6. Not being convicted or adjudicated in a criminal trial relating to embezzlement, fraud and other securities-financial-banking and accounting crime.</p> <p>7. The applicant for establishment of the securities company from abroad shall be securities company and shall obtain the approval from Securities and Exchange Commission from that origin country</p> <p>8. For the securities company that provides securities broker and underwriting services shall have the cooperation agreement with at least one custodian bank to ensure the settlement.</p> <p>9. After getting the Temporary License, the investor shall contribute their equity capital in full.</p> <p>10. Having the location and operating equipment that is sufficient and appropriate for the securities business.</p> <p>11. Having the operational, audit, internal management and risk assessment system for each division.</p> <p>12. Having securities technical staffs that have certificate of the securities expertise in the service field of that enterprise and having sufficient amount of technical staff.</p> <p>13. Having the organizational structure that comprises of board of management, special committees for the management (i.e. Internal Audit Committee and Compliance Unit Committee) that have the qualifications and conditions as defined under the Law.</p> |
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| LEGAL FRAMEWORK                                                     |          |            |                                                                                              |
|---------------------------------------------------------------------|----------|------------|----------------------------------------------------------------------------------------------|
| Name                                                                | Number   | Date       | Comment                                                                                      |
| Regulation on the Establishment and Operation of Securities Company | 002/LSCO | 24.07.2013 | Article 3 to 7 , Article 13                                                                  |
| Law on Securities                                                   | 21/NA    | 10.12.2012 | Part IV Securities Intermediaries<br>Chapter 1 Securities Company (Article 50 to Article 64) |

| REQUIRED DOCUMENTS FORMALITIES |                  |                     |
|--------------------------------|------------------|---------------------|
| Name                           | Type             | Comment             |
| \${SUPPORT_NAME}               | \${SUPPORT_TYPE} | \${SUPPORT_COMMENT} |

| LIST OF ATTACHED DOCUMENTS FOR FIRST TIME APPLICATION |                     |                     |
|-------------------------------------------------------|---------------------|---------------------|
| Name of document                                      | Type of document    | File of document    |
| \${ATTACHMENT_NAME}                                   | \${ATTACHMENT_TYPE} | \${ATTACHMENT_FILE} |

| LIST OF ATTACHED DOCUMENTS FOR RENEW APPLICATION |                           |                           |
|--------------------------------------------------|---------------------------|---------------------------|
| Name of document                                 | Type of document          | File of document          |
| \${ATTACHMENT_NAME_RENEW}                        | \${ATTACHMENT_TYPE_RENEW} | \${ATTACHMENT_FILE_RENEW} |

| MEAN OF PRESENTATION                                             |                                                   |                                                                                                                                                                                                                                                              |
|------------------------------------------------------------------|---------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Means of presentation</b>                                     | At the Authority Offices                          |                                                                                                                                                                                                                                                              |
| <b>Address of authority</b>                                      | Lao Securities Commission Office, Bank of Lao PDR |                                                                                                                                                                                                                                                              |
| <b>Time it takes to the authorities to process the formality</b> | 60                                                | 1. Review process for the issuance of the Temporary License shall be completed within 30 days; and 2. The Permanent License shall be issued within 30 days after the fulfilment of all the required conditions (i.e. the full paid-up capital contribution). |

| RENEWAL INFORMATION                                              |                                                              |
|------------------------------------------------------------------|--------------------------------------------------------------|
| <b>Does the formality have a validity or an expiration date?</b> | <b>How long will the formality be valid for? (in months)</b> |
| NO                                                               | 0                                                            |
| <b>What is the process and conditions to get the formality?</b>  |                                                              |

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|-------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>What is the process and conditions to renew the formality?</b> | No renewal requirement for this Formality; however, the enterprise shall pay the Annual Management Fee within the first quarter of the following year from the year of establishment. |
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| ISSUING FEES             |                                                                                                                                                                                                                                                                                                                      |                                              |                                              |                                        |
|--------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------|----------------------------------------------|----------------------------------------|
| Has application fees?    | Service fees businesses need to disburse                                                                                                                                                                                                                                                                             | Certificate fees businesses need to disburse | Application fees businesses need to disburse | Total fees businesses need to disburse |
| YES                      | 0.00                                                                                                                                                                                                                                                                                                                 | 0.00                                         | 0.00                                         | 0.00                                   |
| Comments                 | According to LSC Regulation No. 002/LSCThe Certificate fee shall be calculated at the rate of 0.1% of the registered capital and shall be paid upon the receipt of the Permanent License.And the application form's fees are: - For the head office: 20,000,000 KIP - For Branch and Counter Service: 10,000,000 KIP |                                              |                                              |                                        |
| ADDITIONAL ISSUING FEES  |                                                                                                                                                                                                                                                                                                                      |                                              |                                              |                                        |
| Additional fee names     |                                                                                                                                                                                                                                                                                                                      |                                              |                                              |                                        |
| NO                       | 0.00                                                                                                                                                                                                                                                                                                                 | 0.00                                         | 0.00                                         | 0.00                                   |
| Additional fee c omments |                                                                                                                                                                                                                                                                                                                      |                                              |                                              |                                        |

| RENEWAL FEES            |                                                                                                                                                                                                                      |                                              |                                          |                                                |
|-------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------|------------------------------------------|------------------------------------------------|
| Has renewal fees?       | Service fees businesses need to disburse                                                                                                                                                                             | Certificate fees businesses need to disburse | Renewal fees businesses need to disburse | Total renewal fees businesses need to disburse |
| YES                     | 0.00                                                                                                                                                                                                                 | 0.00                                         | 30000000.00                              | 30000000.00                                    |
| Comments                | The Annual Management fees hall be paid at the rate of 0.1% of the total annual revenue; provided that the minimum payment shall be 30,000,000 LAK and shall be paid within the first quarter of the following year. |                                              |                                          |                                                |
| ADDITIONAL RENEWAL FEES |                                                                                                                                                                                                                      |                                              |                                          |                                                |

|                                         |      |      |      |      |
|-----------------------------------------|------|------|------|------|
| Additional<br>renewal<br>fees names     |      |      |      |      |
| NO                                      | 0.00 | 0.00 | 0.00 | 0.00 |
| Additional<br>renewal fees c<br>omments |      |      |      |      |