

## Memorandum of Understanding

This Memorandum Of Understanding is entered into at Vientiane, Lao PDR on

By and Between

Securities and Exchange Commission Office (**SECO**)  
Piawat Village, P.O.Box 19, Sisattanak District, Vientiane Capital, Lao P.D.R  
Tel: 856-21-217770, Fax: 856-21-217806  
(Hereinafter called "**SECO**");

And

Alcatel-Lucent Shanghai Bell Co., Ltd. (**ASB**)  
388 Ningqiao Road, Pudong Jinqiao, Shanghai, 201206, P. R. China.  
Tel: 86-21-58541240, Fax: 86-21-5834 1786  
(Hereinafter referred to as **ASB**)

WHEREAS, the Government of the Lao PDR has approved the Securities and Exchange Commission Office on January 4<sup>th</sup> 2011 to initiate Modern Securities Supervisory System for Laos SEC Project ("**Project**"), and both Parties show keen interest in cooperation for implementation of the Project on the basis of mutual benefit.

In view of the foregoing, both Parties agree to enter into this Memorandum of Understanding (MOU) as follows:

1. Both Parties agree to initiate the Project. The proposed initial estimated cost by ASB for this Project is around 30,000,000 US Dollar.
2. The Project will mainly focus on the construction of high quality Securities Supervisory System for Lao SEC Office.
3. ASB shall conduct the feasibility study for this Project, including arrange the SECO's staff visit to China or other countries to learn about stock trading and securities supervisory system, at ASB's own cost, and the SECO shall extend the full support and the close consultation to ASB for conducting the feasibility study.
4. Both Parties agree to apply for and utilize Chinese Government Financing. SECO shall cooperate with ASB and exert necessary efforts to get the approval from the relative authorities of Laos. Details of the Finance are subject to the negotiation between Laos and Chinese Governments.
5. SECO shall cooperate with ASB and exert necessary efforts to get the approval from the relative authorities of Laos and China for the credit. Detailed Terms and conditions of the credit will be based on the future agreement of Lao and Chinese authorities.
6. SECO shall grant ASB to undertake this project as an EPC contract and supply all system equipments for the Project based on market price. Considering the implementation cost of the project and maximum use of the limited budget, SECO reserve the right to make the decision which part should be operated by SECO such as software design and development; and take ownership and to be part of civil works, accessories, equipment room with their facilities (air condition, transportation, grounding, generator), and all related vehicles. Both Parties agree to discuss the Project, such as Technical proposal, Scope of Work, Bill of Quantity, etc. and the Contract for the Project will be negotiated and signed base on the SECO's requirement and the SECO's approved Feasibility Study and subject to the Government's Approval.
7. Both Parties will do their utmost effort for signing the Commercial Contract and Loan Agreement in terms of the Project as early as possible.

This Memorandum of Understanding is quadruplicated in English, each party keeps two. This Memorandum Of Understanding shall come into force on the date of signature.

This MoU shall be in force for 1 year after the date of this signing, and can be extended upon the mutual approval of the two parties.

AS WITNESS the hands of the Parties or their duly authorized representatives of the Parties have read, understood and executed this MEMORANDUM OF UNDERSTANDING.

Agreed to and executed this on 26<sup>th</sup> January 2011.

**Signed for and on behalf of  
SECURITIES AND EXCHANGE COMMISSION OFFICE, LAO P.D.R**

  


Ms. Vathana DALALOY  
Acting Secretary General  
Securities and Exchange Commission Office

**Signed for and on behalf of  
ALCATEL-LUCENT SHANGHAI BELL CO., LTD.**

  


Mr. Liu Pengcheng  
Managing Director  
Alcatel-Lucent Shanghai Bell (Lao)