

Memorandum of Understanding  
Concerning Cooperation and Exchange of Information  
on Cross-border Debt Securities Offering  
between  
Lao Securities Commission Office  
and  
Securities and Exchange Commission of Thailand

March 2015

**MEMORANDUM OF UNDERSTANDING  
CONCERNING COOPERATION AND EXCHANGE OF INFORMATION  
ON CROSS-BORDER DEBT SECURITIES OFFERING  
BETWEEN  
LAO SECURITIES COMMISSION OFFICE  
AND  
SECURITIES AND EXCHANGE COMMISSION OF THAILAND**

**I. INTRODUCTION**

1. As economies of Lao PDR and Thailand continue to grow rapidly, business sectors in both countries are looking for opportunities to expand their businesses. Lao PDR and Thailand, with the geographical proximity to and strong relationship in the area of trade and investment with each other, are possible fund raising venues for expansion of the businesses and economies of one another.
2. Through the cross-border offer for sale of debt securities in Lao PDR and in Thailand, the companies incorporated in both countries will be able to tap pool of liquidity to finance their businesses. In so doing, it will also provide a variety of investment choices for investors who have access in the capital markets of Lao PDR and Thailand. Thus, it offers opportunities to promote economic growth of both countries and ultimately, the growth in ASEAN.
3. Having realized the significant potential for mutual benefits, the Lao Securities Commission Office (hereinafter referred to as "LSCO") and the Securities and Exchange Commission of Thailand (hereinafter referred to as "TSEC") have reached this Memorandum of Understanding Concerning Cooperation and Exchange of Information on Cross-border Debt Securities Offering (hereinafter referred to as "MOU").
4. LSCO and TSEC:

*RECOGNIZING* that under the Lao Securities Law and Thai Securities and Exchange Act, a company incorporated either in Lao PDR or in Thailand is required to obtain an approval from the capital market authority in its jurisdiction prior to issuing and/or offering debt securities abroad;

*RECOGNIZING* that the entire process of debt securities offering in Lao PDR and Thailand shall be in accordance with relevant laws and regulations, thus, the cooperation and exchange of information under this MOU will be performed by LSCO and TSEC in so far as it has authorities and is permitted to do so;

*RECOGNIZING* the value of

- 1) information-sharing between LSCO and TSEC in relation to the offer for sale of debt securities in Thailand by a company incorporated in Lao PDR and the offer for sale of debt securities in Lao PDR by a company incorporated in Thailand, and
- 2) cooperation and assistance that the LSCO and the TSEC will provide to each other with regard to the debt securities issuers from their respective countries;

*AFFIRMING* the intent to collaborate in order to strengthen cooperation and exchange of information with each other on debt securities offering;

*NOTING* that this MOU will serve as another important milestone reflecting the strong relationship between LSCO and TSEC in addition to the Memorandum of Understanding Concerning Consultation and Cooperation and the Exchange of Information between Securities and Exchange Commission Office of the Lao PDR<sup>1</sup> and Securities and Exchange Commission of Thailand signed on 29 June 2011,

Have reached the following understandings:

## II. DEFINITIONS

5. In this MOU, unless the context requires otherwise:

**“Authority”** means the LSCO or the TSEC or together the “Authorities”, as the case may be;

**“Foreign Issuer”** means

- a) In the context of Thailand, a company incorporated in Lao PDR that desires to offer debt securities in order to raise fund in Thailand;
- b) In the context of Lao PDR, a company incorporated in Thailand that desires to offer debt securities in order to raise fund in Lao PDR;

**“Laws and Regulations”** means the provisions of the laws of the jurisdictions of the Authorities, the regulations promulgated thereunder and other regulatory requirements that fall within the competence of the Authorities;

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<sup>1</sup> Securities and Exchange Commission Office of the Lao PDR (SECO) was established in 2010 under the Government’s Decree on Securities and Securities Market and has changed its name to the Lao Securities Commission Office (LSCO) since the Lao Securities Law was enacted in December 2012.



**“Registration Statement”** (or **“Filing Form”**) means a registration statement, draft prospectus and/or prospectus for an offer for sale of debt securities issued by an issuer;

**“Debt Securities”** means bond offered by Foreign Issuer;

### **III. PURPOSE AND PRINCIPLES**

6. The purpose of this MOU is to provide a framework for cooperation and exchange of information on debt securities offering by Foreign Issuer, including channels for communication, increased mutual understanding, and sharing of regulatory information.
7. This MOU serves as a basis of specific cooperation and exchange of information on debt securities offering for the Authorities and does not create any legally binding obligations, or modify or supersede any domestic laws or regulatory requirements in force in Lao PDR or in Thailand. This MOU does not create any rights enforceable by third parties, nor will it affect any arrangements made or to be made under other MOU.
8. The performance of the provisions of this MOU shall be consistent with domestic laws and regulations of the respective countries of the Authorities and within the availability of respective resources of the Authorities, and the performance of the provisions shall not be contrary to the public interests or essential national interests of Lao PDR and Thailand.

### **IV. COOPERATION AND EXCHANGE OF INFORMATION**

In order to achieve the objectives of this MOU, the Authorities will cooperate and share information as follows:

9. Following receipt of Registration Statement (or “Filing Form”) from Foreign Issuer, the Authority will:
  - 9.1 notify the other Authority and send a copy and/or provide a URL of the Registration Statement to the other Authority;
  - 9.2 send a copy and/or provide a URL of the final version of the Registration Statement to the other Authority when it becomes effective;
  - 9.3 after the closing of offering period, send a copy and/or provide a URL of the sale report submitted by Foreign Issuer to the other Authority;
10. Information and/or documents mentioned in Paragraph 9 will generally be sent to one another electronically. A hard copy is available upon request.

11. The Authorities will ensure that the issuers are properly supervised on the compliance of relevant laws and regulations in so far as they have authorities and are permitted to do so.
12. Upon request, the Authority in the jurisdiction of the issuer will, to the fullest possible, provide assistance to the other Authority in obtaining updated Registration Statement and/or other documents as required by laws and regulations as on-going obligations from the issuer, in case the issuer fails to submit such document(s) to the other Authority.

## **V. CONTACTS**

13. All communications between the Authorities will be directed to the points of contacts provided in Appendix A, unless otherwise agreed.

## **VI. EFFECTIVE DATE AND TERMINATION**


14. This MOU takes effect from the date of its signing by the LSCO and the TSEC, and will continue to have effect until 31 December 2015 or terminated early at any time by either of the Authorities giving at least thirty (30) days prior written notice to the other Authority.

## **VII. MODIFICATION**

15. This MOU may be modified at any time by the mutual written consent of the Authorities.

For the Lao Securities Commission Office

For the Securities and Exchange  
Commission of Thailand



Saysamone Chanthachack  
Acting Secretary-General



Dr. Vorapol Socratyanurak  
Secretary-General

Date: ..... 27 February 2015 .....

Date: ..... 9 March 2015 .....

## **APPENDIX A**

### **The Authorities' contact officers pursuant to Article V. of the MOU**

#### **For the Lao Securities Commission Office**

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