

Unofficial translation



Lao People's Democratic Republic
Peace Independence Democracy Unity Prosperity

Bank of Lao PDR

No. 752/BOL

Vientiane Capital, date 30 November 2007

Decision

On Collateral

- Pursuant to the Law on Bank of the Lao PDR No.05/NA, dated 14 October 1999;
- Pursuant to the Law on Commercial Bank No. 03/NA, dated 26 December 2006;
- Pursuant to the Consensus of the Technical Meeting on Solutions for current Issues Encountered by Banks dated 29 November 2007.

The Governor of the Bank of the Lao PDR Decided:

Article 1: To terminate issuance of credit of less than 90% collateral. Regarding consideration for credit approval of commercial banks in the future, is mainly based on the project efficiency with the discretion of commercial banks on collateral. If the project has efficiency even without adequate collateral, banks can issue credit.

Article 2: Headquarters of commercial banks shall acknowledge and accurately implement.

Article 3: Permanent Office, Department of the Management of Commercial Banks and Microfinance Institutions, commercial banks shall acknowledge and strictly implement this Decision.

Article 4: Effectiveness

Any Decisions, Guidelines and regulations that are conflict with this Decision shall be cancelled. This Decision is effective from the date of signature.

Minister of Industry and Commerce

(Signature and Seal)

Phouphet KHAMPHOUNVONG