



ENTERPRISE LAW (2005)

(First draft. Citation and quotation are not recommended)

Pursuant to the Constitution of the Socialist Republic of Vietnam in 1992 that was amended and supplemented by the Resolution No. 51/2001/QH10 dated 25 December 2001 of the National Assembly X, meeting session 10;

This Law governs enterprises.

CHAPTER I

GENERAL PROVISIONS

Article 1. Scope of application

This Law sets forth provisions on the establishment, organizational management and operation of limited liability company, share-holding company, partnership and sole proprietorship (hereinafter referred to enterprises) belonging to all economic components; corporate group.

Article 2. Subjects of application

1. Enterprises are belonged to all economic components.
2. Organizations and individuals are involved in the establishment, organizational management and operation of enterprises.

Article 3. Application of the Enterprise Law, international treaties and related Laws

1. Establishment, organizational management and operation of enterprises belonging to all economic components are governed by this law and other related laws.
2. In case where there are other laws providing regulations on establishment, organizational management and operation of enterprises because of their distinctive nature, those laws shall prevail.

3. In case where there are discrepancies between international treaties in which Vietnam is a member and this law, those international treaties shall prevail.

Article 4. Interpretation of terminology

For the purposes of this law, following terms shall be construed hereafter:

1. *Enterprise* means an economic organization that has its own name, assets, stable office and is duly constituted for the purpose of conducting business.

2. *Business* means the consecutive implementation of one, several or all of stages of an investment process, from the production to the sale of products or provision of services on the market for profit purpose.

3. *Valid file* means a file that comprises of all documents as required by this Law, whose contents are filled in entirely as required by laws.

4. *Capital contribution* means the transfer of assets into a company so as to become an owner of the company. Assets used for capital contribution can be Vietnamese currency; freely convertible foreign currency; gold; value of land use rights; value of intellectual property rights, know-how, or other types of assets that contributed to the capital of a company by its members as stated in the company charter.

5. *Capital share* means the ratio of capital that are owned by a company member.

6. *Charter capital* means the amount of capital that is contributed or committed to contribute by all shareholders or members of a company respectively and is stated in that company charter.

7. *Legal capital* means the minimum amount of capital that is required by laws for an enterprise to be established.

8. *Voting capital* means the equity shares of which owner will have the right to vote on matters subjected to decision by the Members' Council or the Shareholders' Meeting.

9. *Dividend* means the net profits in term of money or asset is paid to the owner of each share from net profit of the company.

10. *Founding member* means organization and/or individual that made capital contribution, participated in, approved and signed in the original Charter of a company.

11. *Shareholder* means organization and/or individual owing no less than one share issued by a shareholding company. *Founding shareholder* means shareholder who participated in, approved and signed in the original charter of a shareholding company.

12. *General partner* means individual who will be responsible for all liabilities of a partnership with his/her own entire property.

13. *Enterprise manager* means the owner, director of sole proprietorship, general partners of partnership; chairman of the Members' Council, chairman of the company, members of the Board of Management, director or general director or other important managers stipulated in the company charter.

14. *Authorized representative* means individual who is authorized in writing by the institutional members of a limited liability or institutional shareholder of a shareholding company, to exercise their rights in pursuant to provisions of this law.

15. A company is construed as a holding company when it is:

a) owning more than 50% of total capital or number of ordinary shares issued by another company; or

b) having right to appoint or dismiss directly or indirectly majority or all members of the Members' Council, director or general director of another company; or

c) having right to amend or supplement the charter of another company.

16. *Reorganization of an enterprise* means division, separation, consolidation, merger, and conversion of an enterprise.

17. *Related persons* means organization and individual who have direct or indirect relationships with an enterprise as follows:

a) Holding company, its managers and other persons who are competent to appoint managers of its subsidiary;

b) Subsidiary in relation to holding company;

c) Individual or group of individuals that are capable of dominating operations of such an enterprise through management bodies in that enterprise;

d) Company managers;

e) Wife, husband, father, foster father, mother, foster mother, child, adopted child, or sibling of a manager or a member or shareholder holding dominant capital share or majority of shares.

f) Individual who is authorized representative of those provided from (a) to(e) of this sub-article;

g) Enterprises is controlled by persons provided from (a) to (h) of this sub-article hold shares to the level that they can control the decision-making process of the management bodies of the enterprise;

h). Any group of persons who act together in an attempt to take over the capital contribution, shares, or control the decision making process of the company

18. *State-owned capital contribution* means the capital contribution originated from the state budget and other state resource and held by an authorized state agency or economic organization on behalf of the state;

State-owned share means share paid by the state budget or other state resource and held by an authorized agencies or economic organization on behalf of the state.

19. *Market price of the capital contribution or share* means the transactional price in the security market or price defined by an independent organization.

20. *Nationality of an enterprise* means the nationality of a country or region where such an enterprise is duly constituted.

21. *Resident address* means address of the head office of the organization, permanent address or office address or any other address of an individual that is registered with the enterprise as contacting address;

22. *State-owned enterprise* means an enterprise of which 50% of total capital owned by the state.

Article 5. State guaranty over enterprises and their owners

1. The State recognizes the long lasting existence and development of all types of enterprises as governed in this law; ensures equality of enterprises before laws

regardless of ownership and economic component and recognizes the lawful profitability of business activities.

2. The State recognizes and protects ownership rights, invested capital, income, rights and other lawful interests of the enterprises and their owners.

3. The lawful property and invested capital of enterprises and their owners neither can be nationalized nor expropriated by administrative measures.

In cases where assets of enterprises are compulsorily purchased or requisitioned due to the reason of national defense, security or national interest, those enterprises will be paid or compensated in accordance with the market price of that assets at the time of conducting such a compulsory purchase or requisition. Payment and compensation is required to ensure the enterprise interest and non-discrimination between types of enterprises.

Article 6. Political and social-political organizations in enterprises

1. Operation of the political and socio-political organizations in enterprises will comply with the Constitution, laws and charters of that organizations, which are in accordance with the laws.

2. Enterprises are obligated to respect and facilitate establishment of and participation of their employees in the organizations as stipulated in sub-article 1 of this law.

Article 7. Business activities and conditions

1. Enterprises are entitled to conduct any business activity that is not prohibited by laws.

2. Enterprises will be entitled to conduct business activities that are subjected to certain conditions as required by the investment law and other related laws only if all such conditions are meet by them.

Business conditions are requirements that enterprises must fulfill or satisfy in order to conduct a specific business activity and are manifested in forms of business license, certificate of business conditions, professional certificate, certificate of insurance of professional liability, capital requirement or other forms.

3. Any business activities that may cause harmful impacts to national defense, security, social order and safety, historical traditions, culture, ethics, good morals and

good customs of Vietnam, health of the people, natural resources and environment are strictly prohibited.

The Government will specify in detailed the list of business activities that are prohibited.

4. The Government will review and examine periodically business conditions in order to annul or recommend to annul any business condition that is no longer necessary; to amend or recommend to amend any business condition that is no longer inappropriate; to issue or recommend to issue new business condition necessary to the requirement of state management.

5. Ministry, the People's Council and Committee at all level are not allowed to stipulate or decide on conditioned business activities and conditions thereof.

Article 8. Rights of enterprises

1. Conduct business; choose, by its own initiative, business activities, localities, and form of investment; expand business in terms of size and business activities; are encouraged, facilitated and given incentives, by the state, in producing or providing public goods or services.

2. Choose form and way of mobilizing, distributing and utilize capital;

3. Take initiative in the search for markets, customers, and in signing contracts;

4. Import and export;

5. Hire and use labors in accordance with the business requirement;

6. Apply, by its own initiative, modern scientific and technology in order to enhance business performance and competitiveness;

7. Decide on organizational structure and business affairs in an autonomous manner;

8. Possess, use and dispose assets of the enterprises;

9. Deny any request of supplying resources that are not lawfully stipulated by laws.

10. Complain and petition in pursuant to laws on complain and petition;

11. Engage in legal proceedings directly or via authorized person;

12. Other rights as provided by the laws.

Article 9. Obligations of enterprises

1. Conduct business activities that are recorded in the Certificate of Business Registration; ensure fulfillment of business conditions as required by laws;

2. Do accounting, make and submit financial reports faithfully, accurately and timely in pursuant to laws on accounting.

3. Register tax code, declare and pay tax and perform other financial obligations in pursuant to laws;

4. Ensure lawful rights and interests of employees in pursuant to laws on labor; ensure that social insurance, health insurance and other insurance are given to employees in pursuant to laws on insurance.

5. Ensure and be liable to quality of goods and services in accordance with standard as registered or declared;

6. Fulfill statistical requirements in compliance with laws on statistics; submit periodically information related to enterprises and financial status of enterprises to the competent authority by using standardized forms; correct and adjust any submitted information that are found incorrect and insufficient afterward;

7. Abide by laws on national defense, security, public order and safety, protection of natural resources, environment, historical and cultural places, and famous landscapes;

8. Other obligations as stipulated by laws.

Article 10. Rights and Obligations of enterprises that produce or provide public goods or services.

1. Having rights and obligations as provided in articles 8, 9 and other provisions of this law;

2. Being compensated in accordance with bidding price or entitled to collect service fees as stipulated by the competent state authority;

3. Being given adequate time for producing and providing goods and services

4. Producing and providing goods and services with adequate quality and quantity as committed in accordance with price set forth by state agencies.

5. Ensuring equality of every customers;
6. Being responsible to customers and laws in ensuring quality, quantity, conditions, prices and fees of the provided goods or services;
7. Other obligations as stipulated in the laws.

Article 11. Prohibited activities

1. Grant or do not grant the Certificate of Business Registration to persons who are not eligible or are eligible under this law respectively; cause delay, trouble, obstacle and disturbance for persons who apply for business registration and business operation of enterprises.

2. Do business in form of unregistered enterprises or continue to do business after being revoked the Certificate of Business Registration.

3. Submit a business file containing dishonest and inaccurate information; register changes in the business file with dishonest, inaccurate and ill-timed information;

4. Fake the amount of capital; do not contribute capital in conformity with time and amount as committed; fix a higher value of contributed assets;

5. Conduct activities in violating the law, defrauding or prohibited by laws;

6. Conduct conditioned business activities when conditions thereof are not fully meet.

7. Prevent owners, shareholders and members of enterprises from realizing their rights as provided by this law and company charters.

8. Other activities prohibited by laws.

Article 12. Duty of keeping documents

1. Depending on the forms of enterprises, following documents are required to keep by enterprises:

a) The company charter and its amendment or supplement; internal working rules; registered list of shareholders or members of enterprises.

b) The Certificate of Business Registration; certificate of intellectual property protection; certificate of good quality; licenses or permits and other certificates;

- c) Documents recording ownership of the company properties;
 - d) Records of the Members' council, Members' Meeting, Board of Directors and decisions of the enterprises;
 - e) Prospectus for offering security;
 - f) Reports of the Board of Supervision, conclusions of the inspection bodies and independent auditing agencies;
 - g) Accounting books, receipts and annual financial statements;
 - h) Other documents as required by laws.
2. Enterprises are required to keep all those documents as provided in this article at the head-office; keeping time will be that stipulated by laws.

CHAPTER II

ESTABLISHMENT AND BUSINESS REGISTRATION

Article 13. The right to establishment, capital contribution, share buying and management of enterprises

1. Vietnamese and foreign organizations and individuals are entitled to establish and manage enterprises in Vietnam in pursuant to this law, except those provided in sub-article 2 of this article.
2. Following organizations and individuals are not entitled to establish and manage enterprises:
- a) State bodies and units of the people's armed force that use state assets to set up enterprises for making their own profits.
 - b) Cadres, civil servants as stipulated by the laws on cadres and civil servants;
 - c) Officers, non-commissioned officers, professional army members, military workers at bodies, units of the people's army; officers, professional non-commissioned officers working in the bodies, units of the people's police;
 - d) Minors; persons without or with restricted capacity for civil acts;

e) Persons who are serving an imprisoned punishment or prohibited to do business by the Court.

g) Other organizations and individuals as stipulated by the law on bankruptcy.

3. Organizations and individuals are entitled to buy shares from shareholding companies, make capital contribution to limited liability companies and partnerships in pursuant to this law, except those provided in sub-article 4 of this article.

4. Following organizations and individuals are not entitled to buy shares from shareholding companies and make capital contribution to limited liability companies and partnerships:

a) State bodies and units of the people's armed force that use state assets to set up enterprises for making their own profits;

b) Persons who are not entitled to contribute capital into enterprises as stipulated by the laws on cadres and civil servants.

Article 14. Contracts signed prior to business registration

1. Founding members and shareholders or their representatives can engage in contracts for the purpose of enterprise establishment prior to applying for business registration.

2. All rights and obligations resulting from contracts as stipulated in sub-article 1 of this article will be born by the enterprises that are established afterward.

3. If the enterprises fail to be established, the signing persons as stipulated in sub-article 1 of this article will be solely or jointly liable for the performance of such contracts.

Article 15. Procedures for registering businesses

1. Persons decided to establish an enterprise must submit a complete file to the competent business registrar as stipulated by this law and will be responsible for accuracy and truthfulness of information contained in the file

2. The business registrar will review the file and decide to issue the certificate of business registration within 10 working days from the date of receiving the file; a written notification is required to send to applicants if the certificate of business registration is refused to issue. The notification must state explicitly reasons of refusal or other requirements for amendment or supplement of the file if any.

3. The business registrar will be responsible for the validity of the file when issuing the certificate of business registration; and is prohibited from asking applicants for any document rather than those demanded by this law.

4. Time limit for issuing the certificate of business registration in circumstance where business registration is done together with realizing specific investment projects will be complying with the laws on investment.

Article 16. Business registration file in relation to sole proprietorship

1. Application form as standardized by the business registrar.

2. Copy of the identification card, passport or other relevant personal certification.

3. Certification of legal capital issued by the competent agencies in regard to business activities required legal capital as stipulated by laws.

4. Professional certificate of a director or other individual in regard to business activities required professional certificate as stipulated by laws.

Article 17. Business registration file in relation to partnership

1. Application form as standardized by the business registrar.

2. Draft of the partnership charter;

3. List of partners; copy the identification card, passport or other relevant personal certification of partners.

4. Certification of legal capital issued by the competent agencies in regard to business activities required legal capital as stipulated by laws.

5. Professional certificate of general partners or other individual in regard to business activities required professional certificate as stipulated by laws.

Article 18. Business registration file in relation to limited liability company

1. Application form as standardized by the business registrar.

2. Draft of the company charter;

3. List of members, which is attached by following documents:

a) Copy of an identification card, passport or other relevant personal certification of the individual members.

b) Copy of a decision of establishment, certificate of business registration or other relevant certification of the institutional members; Copy of an identification card, passport or other relevant personal certification of the authorized representatives.

Copy of a decision of establishment, certificate of business registration or other relevant certification of the foreign institutional members must be legalized, no latter than three months, by agencies where such members are constituted.

4. Certification of legal capital issued by the competent agencies in regard to business activities required legal capital as stipulated by laws.

5. Professional certificate of directors or general directors or other individual in regard to business activities required professional certificate as stipulated by laws.

Article 19. Business registration file in relation to shareholding company

1. Application form as standardized by the business registrar.

2. Draft of the company charter;

3. List of founding members, which is attached by following documents:

a) Copy of an identification card, passport or other relevant personal certification of the individual members.

b) Copy of a decision of establishment, certificate of business registration or other relevant certification of the institutional members; Copy of an identification card, passport or other relevant personal certification of the authorized representatives.

Copy of a decision of establishment, certificate of business registration or other relevant certification of the foreign institutional members must be legalized, no latter than three months, by agencies where such members are constituted.

4. Certification of legal capital issued by the competent agencies in regard to business activities required legal capital as stipulated by laws.

5. Professional certificate of directors or general directors or other individual in regard to business activities required professional certificate as stipulated by laws.

20. File, procedures and conditions for registration of business-investment in relation to foreign investors who invest in Vietnam for the first time

File, procedure and conditions for registration of business-investment in relation to foreign investors who invest in Vietnam for the first time will be complying with this law and law on investment. Certificate of investment will be construed as certificate of business registration.

21. Contents of the application form

1. Company name;
2. Address of the company head-office, telephone number, fax, email address (if any);
3. List of business activities;
4. Charter capital with respect to companies and invested capital with respect to sole proprietorship;
5. Capital share owned by every member with respect to limited liability company and partnership; number of shares owned by every founding shareholder, types and par value of shares, total number of each type of issued share with respect to shareholding company;
6. Full name, signature, permanent address, nationality, number of identification card, passports or other relevant personal certification of the owner with respect to sole proprietorship; of owner or his/her authorized representative with respect to single member limited liability company; of members or their authorized representatives with respect to limited liability company with more than two member; of founding shareholders or their authorized representatives with respect to shareholding company; of general partners with respect to partnership.

Article 22. Contents of the company charter

1. Company name, address of the company head-office, branch(es) and/or representative office(s) (if any);
2. List of business activities;
3. Charter capital and method of raising and/or capital;

4. Full name, address, nationality and other of all general partners with respect to partnerships; Name, address, nationality and other basic characteristics of members with respect to limited liability companies; Name, address, nationality and other basic characteristics of the founding members with respect to shareholding companies;

5. Proportion of capital contribution and value of such proportion made by each member with respect to limited liability companies and partnerships; the number of shares to be held by the founding shareholders, types of issued shares, par value of shares and the aggregated number of shares to be issued under each type with respect to shareholding companies;

6. Rights and obligations of members in limited liability companies and partnerships; and of shareholders in shareholding companies;

7. Organizational and management structure;

8. The legal representative of limited liability companies and shareholding companies;

9. Formalities for approval of resolutions of the company; Principles applied in the settlement of internal disputes;

9a. Evidences and methods to decide the salary, allowance and bonus for members of the Members' Council and director with respect to limited liability companies, for members of the board of management, directors and the supervision board with respect to shareholding companies.

10. Circumstances when a member or shareholder may request the company to buy back his/her contributed capital with respect to limited liability company or shares with respect to shareholding company respectively;

11. Principles for distribution of profit or settlement of losses;

12. Dissolutions and procedures for dissolution and liquidation of the company;

13. Procedure for amending and supplementing the company's charter;

14. Full name and signature of general partners with respect to partnership; of the legal representative, owner, members or their authorized representatives with respect to limited liability company; of legal representative, founding shareholders or their authorized representatives with respect to shareholding company;

15. Other agreements made by members or shareholders in compliance with laws.

Article 23. List of members of limited liability company and partnership; list of founding shareholders of shareholding company

The list of members of limited liability company and partnership, and the list of founding shareholders of shareholding company will be made in form as standardized by the business registrar and must contain information as follows:

1. Full name, address, nationality, resident address and other relevant identifications of members of limited liability company and partnership; and that of founding shareholders of shareholding company;

2. Capital share, value of capital share, type, quantity and value of contributed assets and schedule for capital contribution of every members with respect to limited liability company and partnership; number and types of shares, type, quantity, and value of contributed assets of every founding shareholders with respect to shareholding company;

3. Full name and signature of the legal representative of members or founding shareholders or their authorized representatives with respect to limited liability company and shareholding company; that of general partners with respect to partnership.

Article 24. Conditions for issuing the certificate of business registration

Enterprises will be granted the certificate of business registration if the following conditions are satisfied:

- a) Registered business activities are not prohibited;
- b) The enterprise name complied with articles 31, 32, 33 and 34 of this Law;
- c) There is a head-office that complied with article 35 of this law;
- d) Business registration file is valid as provided by law;
- e) Business registration fee is fully paid as provided by law;

Business registration fee will be determined basing on number of registered business activities, and be specified in detailed by the Government.

Article 25. Contents of the certificate of business registration

1. Enterprise name, addresses of head office, branches and/or representative offices (if any);

2. Full name, resident address, nationality, number of identification card, passport or other relevant personal certification of the legal representative of the enterprise;

3. Name, resident address, nationality, number of identification card, passport or other personal certification of individual members or founding shareholders; number of establishment or registration of institutional owner, members or founding shareholders with respect to limited liability and shareholding company; name, resident address, nationality, number of identification card, passport or other personal certification of general partners with respect to partnership; name, resident address, nationality, number of identification card, passport or other personal certification of individual owner of limited liability company or proprietor.

4. Charter capital with respect to limited liability company and partnership; number of shares, value of paid shares and number of authorized shares with respect to shareholding company; registered capital with respect to sole proprietorship; legal capital with respect to enterprises that carry out business activities subject required legal as stipulated by laws;

5. Registered business activities;

Article 26. Changes in the business registration file

1. Enterprises must register changes related to enterprise name, address of head-office, branches and/or representative offices (if any), charter capital, number of authorized shares or invested capital, legal representative of the enterprise and other contents in the business registration file with the business registrar within 10 days from the date such changes happen.

2. If changes lead to changes in the contents of the certificate of business registration, enterprises will be re-granted the certificate of business registration.

3. If the certificate of business registration is lost, partially damaged, burned or destroyed, the certificate of business registration will be reissued with fees.

Article 27. Disclosure of contents of the business registration

1. Within 7 days from issuing date of the certificate of business registration or registration of changes in business registration file, the business registrar have to send duplicate of the certificate of business registration to the tax authority, statistical agency, state bodies at the same level, the district People's Committee and commune People's Committee where the enterprise head-office is located.

2. Any organization or individual will have the right to request the Business Registrar to provide full contents or extraction of the business registration file, and duplicate of the certificate of business registration after paying fee in pursuant to the laws.

3. The Business Registrar is obliged to provide fully and promptly information in relation to the business registration requested organization and/or individual as stipulated in sub-article 2 of this Article.

Article 28. Announcement of the business registration

1. Within 30 days from the date of receiving the certificate of business registration, enterprises are required to publish in the website of the business registrar or in three consecutive issues of a newspaper or electronic newspaper the following information:

a) The enterprise name;

b) Address of the enterprise head-office, branches and/or representative offices (if any);

c) Business activities;

d) Charter capital with respect to limited liability company and partnership; number of shares, value of paid shares and number of authorized shares with respect to shareholding company; registered capital with respect to sole proprietorship; legal capital with respect to enterprises that carry out business activities subject required legal as stipulated by laws;

e) Full name, resident address, nationality, number of identification card, passport or other personal certification, number of establishment or registration of owner, members or founding shareholders;

f) Full name, resident address, nationality, number of identification card, passport or other personal certification of the legal representative of the enterprise;

g) Location of business registration.

2. Any change in the business registration file is also required to publish by enterprises in compliance with the time limit and method as stipulated in sub-article 1 of this Article.

Article 29. Transfer of property ownership

1. Members of limited liability company and partnership, and shareholders of shareholding company must transfer ownership of assets used to make capital contribution to the company in complying with provisions hereafter:

a) As for assets of which ownership is required to register or the land-use right, procedure for transferring ownership of such assets will be done at a state competent agency by the members or shareholders.

In this case, ownership transfer will be done without paying fee;

b) As for assets of which ownership is not required to register, ownership transfer will be verified by a written minute.

The minutes must explicitly and clearly state: name and address of the enterprise head-office; full name, resident address, nationality, number of identification card, passport or other personal certification, number of establishment or registration of the capital contributors; types of assets, quantity of each type of asset, total value of assets and its percentage in the charter capital, date of asset transfer and signature of the capital contributor or his/her authorized representative and the representative of the enterprise.

c) Shares or capital shares that are not paid in Vietnamese currency, freely convertible foreign currency and gold will be construed as fully paid when ownership of assets that used to make capital contribution is lawfully transferred to the company.

2. Proprietor is not obliged to transfer ownership of assets used in business operation of his/her sole proprietorship.

Article 30. Valuation of assets used to make capital contribution

1. Assets used to make capital contribution rather than Vietnamese currency, freely convertible foreign currency and gold must be valued by members, founding shareholders or independent specialized organization.

2. Valuation of assets used to make capital contribution for the purpose of setting up an enterprise must be agreed by all members or founding shareholders basing on principle of consensus. If such assets are given a higher value, members,

founding shareholders will be jointly liable to debts or other financial obligations of the enterprise in equivalent to difference between the agreed and accurate value of assets.

3. Valuation of assets used to make capital contribution during the enterprise operation must be agreed by such enterprise and capital contributor or done by an independent organization. If such assets are valued by an independent organization, their value must be agreed by enterprise and capital contributor. If contributed assets are given a higher value, capital contributor or independent organization and legal representative of the enterprise will be jointly liable to debts and other financial obligations of the enterprise in equivalent to difference between the agreed and accurate value of assets.

Article 31. Enterprise name

1. Name of an enterprise must be written in Vietnamese, may comprise of numeric and symbols, and must be able to pronounce and have at least two components as follows:

- a) Type of business organization;
- b) Distinct name.

2. The enterprise name must be presented or appeared at the head office, branches, representative offices. Such name is also required to be printed on all transactional papers, dossiers or publications of the enterprise.

3. In pursuant to articles 32, 33 and 34 of this law, the business registrar is entitled to decide on rejection or acceptance of a proposed enterprise name. Decision made by the business registrar will be construed as final decision.

Article 32. Prohibitions in choosing an enterprise name

1. Using a name that is identical or cause confusion with an existing enterprise name;

2. Using name of the state agencies, people's armed forces, political organizations, political-socio organizations, political-socio-professional organizations, social organizations or social-professional organizations as to constitute fully or partially the enterprise name, otherwise agreed by such organizations.

3. Using words and symbols violated historical and cultural traditions, good morals and customs of the nation;

Article 33. Enterprise name in foreign languages

1. The enterprise name in a foreign language is that translated from Vietnamese into such a foreign language. Translation can be done without or with translating the distinct component of the enterprise name into a foreign language.

2. The enterprise name in a foreign language must be presented in a smaller-size font in comparison with that in Vietnamese when it is appeared at the enterprise head office, branches, representatives, transactional papers or publications.

3. Abbreviated name of the enterprise can be shortened from the name in either a foreign language or Vietnamese.

Article 34. Identical and confused enterprise name

1. A name is construed as identical to a name of an existing and registered enterprise if it is read and written in Vietnamese as the same as such a name.

2. A name is construed as to cause confusion with a name of an existing and registered enterprise if:

a) it is read, in Vietnamese, as the same as such a name;

b) it is differed, in Vietnamese, from such a name by a sign “&”;

c) its abbreviation is identical to the abbreviation of such a name;

d) it is, in foreign language, identical to such a name in foreign language;

e) its distinct component is differed from that of such a name by a prefixed or affixed number or Vietnamese alphabet, except that it is given to a subsidiary of the existing and registered enterprise.

e) its distinct component is differed from that of such a name by a prefixed word “new”;

g) its distinct component is differed from that of such a name by word “northern”, “southern”, “central”, “western”, “eastern” or other similar word, except that it is given to a subsidiary of the existing and registered enterprise.

Article 35. Head office of enterprises

1. The head office is contacting and transactional address of an enterprise; it must be a specific address in the territory of Vietnam and is demonstrated by home

number, name of street or village, commune, town, district, province or city and telephone number, facsimile number and email address, if any.

2. Enterprises are required to inform the business registrar about opening time of the head office no latter than 15 days from the date of being granted the certificate of business registration.

Article 36. The enterprise seal

1. Enterprises are given a distinct seal. The enterprise must keep its seal at its head office. Design and contents of the seal as well as conditions for making seal and seal usage will be stipulated by the Government.

2. Seal is a property of the enterprise. The legal representative of the enterprise must be responsible for the management of the seal usage in pursuant to the laws. Enterprises can have a duplicate of seal if they obtain an approval from the issuing authority.

Article 37. Representative offices, branches and business places of enterprises

1. A representative office is an affiliated unit of the enterprises and is authorized to act in behalf of the enterprises. Organization and operation of the representative office will be complying with the laws.

2. A branch is an affiliated unit of the enterprises and is opened to exercise all or certain functions of such enterprises, including acting as an authorized representative. Business activities of branches must be consistent with those of the enterprises.

3) Business place is an area where enterprises carry out their business activities. The business place is not necessarily within area of the head office.

4) Braches, representative offices and business places of the enterprises must be exhibited name of the enterprises along with indication of respective branches, representative offices or business places.

5) Enterprises are entitled to open their branches and representative offices in Vietnam or foreign countries. A enterprise can open more than one representative office and/or branches in one administrative locality. Procedure and formality for opening branches and/or representative offices will be stipulated by the Government.

CHAPTER III
LIMITED LIABILITY COMPANY
PART I
LIMITED LIABILITY COMPANY
WITH MORE THAN ONE MEMBER

Article 38. Limited liability company

1. Limited liability company is an enterprise of which:

a) Members can be organizations and/or individuals; total number of members is of no more fifty.

b) Members are responsible for debts and other liabilities of the enterprise within amount of capital that they committed to contribute to the enterprise;

c) Capital shares held by the members can only be transferred in pursuant to articles 43, 44 and 45 of this Law;

2. Limited liability company will be given a legal status from the time of being granted the certificate of business registration.

3. Limited liability company is not entitled to issue shares.

Article 39. Making capital contribution and issuing the certificate of capital contribution

1. Members are obliged to contribute to the enterprise capital fully and promptly with the assets as committed. Any change in the type of assets that members committed to contribute must be approved by all other members and registered in writing with the business registrar within 7 days from the date of approving such a change.

The legal representative of the enterprises is obligated to report in writing the progress of capital contribution to the business registrar within 15 days from the date of committing to contribute such capital, and is individually liable to any loss or damage caused to the enterprises themselves or third parties as a result of his/her delay or incomplete, inaccurate and dishonest report.

2. If a member fails to contribute to the enterprise capital fully and promptly as committed, deficiency in the capital contribution will be considered as his/her debt

toward the company; such a member will be liable to any loss as a result of his/her failure in making adequate capital contribution.

3. If the capital contribution is not fully made within the time limit as committed, deficiency in the capital contribution can be paid up by:

- a) one or several other members;
- b) a new member;
- c) all other members in proportion to their capital share.

When the deficiency in the capital contribution is fully paid up, members that do not make capital contribution as committed will be automatically considered not as members of the enterprise and the enterprise is required to register this change with the business registrar.

4. As soon as the capital contribution is fully paid up, members will be granted the certificate of capital contribution by the company. The certificate of capital contribution must contain following contents:

- a) Name and head office of the company;
- b) The charter capital;
- c) Full name, resident address, nationality, number of identification card, passport or other personal certification of the individual member; name, head office, nationality, number of establishment or registration of the institutional member;
- d) Capital share and value of contributed capital;
- e) Number and the issuing date of the certificate;
- f) Full name and signature of the legal representative of the company.

5. If the certificate of capital contribution is lost, burn, partially damaged or destroyed, it can be re-issued upon the request of the bearer.

Article 40. Book of member registration

1. The book of member registration must be made by the enterprises as soon as the certificate of business registration is granted. The book of member registration must contain following contents:

a) Name and head office of the company;

b) Full name, resident address, nationality, number of identification card, passport or other personal certification of the individual member; name, head office, nationality, number of establishment or registration of the institutional member;

c) Capital share and value of contributed capital of each member; date of making capital contribution; types, quantity and value of assets used to make capital contribution;

d) Signature of the individual members and legal representative of the institutional members.

e) Number and issuing date of the certificate of capital contribution.

2. The book of member registration will be kept at the head office of the enterprises.

Article 41. Rights of Members

1. Members of a limited liability company with more than one member have right to:

a) Participate in the Members' Council meetings as well as discuss, make suggestions and vote on matters therein;

b) vote in proportion to their capital share;

c) Check, review, extract and copy the book of member registration, transaction keeping books, accounting books, annual financial statements or report, meeting minutes and other documents issued by the enterprise;

d) Be distributed profits in proportion to their capital share;

e) Be given preemption in making further capital contribution when the enterprises increase their charter capital; transfer partially or wholly their capital share in pursuant to this law;

f) Complain or petition against director or general director who fails to fulfill his/her obligations so as to cause losses and damages to members or enterprises, in pursuant to the laws;

g) Dispose of their capital share by transferring, inheriting, donating or other way in pursuant to the laws and the enterprise charter.

h) Be given other rights in pursuant to this law and the enterprise charter.

2. A member or group of members holding more than 25% of the charter capital or a smaller ratio as stipulated in the company's Charter, except the case provided in sub-article 3 of this Article, is entitled to call out a Members' Council meeting to decide on matters thereof;

3. If there is a member holding more than 75% of the charter capital and the enterprise charter does not stipulate any smaller ratio as mentioned in the sub-article 2 of this article, group of all minor members will be eligible to the right as stipulated in the sub-article 2 of this article.

Article 42. Obligations of members

1. Making capital contribution fully and promptly as committed and being liable to debts and other obligations of the company in proportion to the amount of capital committed to contribute; not permitted to withdraw capital from the company in any form otherwise stipulated in articles 31, 32, 33 and 43 of this law

2. Complying with the company charter;

3. Abiding by decisions of the members' Council;

4. Being liable individually when acting on behalf of the enterprise to:

a) violate the laws;

b) engage in transactions or businesses not for profit of the company but causing loss and damage to third party;

c) pay off undue debts when there is a financial danger facing the company.

Article 43. Buy-back of capital share

1. An enterprise member is entitled to request the enterprises to buy back his/her capital share if such a member votes against decisions of the members' Council in relation to following matters:

a) Amendment and/or supplementation of contents in the company charter in relation to rights and obligations of members and the members' Council;

b) Reorganization of the company;

c) Other matters as stipulated in the company charter.

The request of capital share buy-back must be in writing and submitted to the company within 15 days from the date of approving related matters as provided in item a, b, and c of this sub-article.

2. If an agreement on the price of capital share between member and the company can not be reached, the company is required to buy back that capital share with a market price or price specified by principles as stipulated in the company charter within 15 days from the date of receiving the request. Payment of buy-back capital share will be made only if the company is capable of paying off due debts and other financial obligations after paying off such a buy-back capital share.

3. If the company does not buy back the capital share as stipulated in sub-article 2 of this article, member are entitled to transfer his/her capital share to other members or any one else.

Article 44. Transfer of capital share

A member of the limited liability company with more than two members is entitled to transfer partially or wholly his/her capital share to third party in complying with provisions as follows:

1. Such a capital share will be offered equally to all other members of the company in proportion to their capital shares.

2. Such a capital share is permitted to transfer to any third party if all remaining members of the company refuse to buy or are unable to buy up such a capital share.

Article 45. Treatment of capital share in other circumstances

1. If individual members of the limited liability company are dead or declared to be dead by the court, their heirs will automatically become replacing members of the company.

2. If individual members of the limited liability company is lost or restricted capacity for civil acts, rights and obligations of such those member will be exercised through their guardians.

3. The capital share of a company member will be bought back or transferred in complying with articles 43 and 44 of this law if:

a) heirs of that member refuses to become the company member;

b) donees of that member as stipulated in sub-article 5 of this article are not approved to become the company members by the members' council;

c) the member is an organization that is eased to exist or bankrupt.

4. If an individual member is dead and has no heir or heir refused or is prohibited to inherit his/her capital share, such a capital share will be treated in complying with the civil law.

5. A company member is entitled to donate or give partially or wholly his/her capital share to another person.

The donee will become a member of the company if he/she is either a relative of the donating member within three generation of kinship or accepted by the members' council.

6. In circumstance where members use their capital share to pay off debts, the person who receives the capital share as payment may:

a) become a member of the company; or

b) further transfer that capital share to another person.

Article 46. Structure of organization and management

A limited liability company with more than one member comprises of the members' council, chairman of the members' council and director or general director. Board of supervision is required to be established in a company with more than ten members. There may be a board of supervision in a company with less than ten members as decided by the company itself. Rights, obligations, conditions and working rules of the board of supervision, including its members and chairman will be stipulated by the company charter.

Either the chairman of the members' Council or director or general director will be legal representative of the company as specified in the company charter. The legal representative of the company must reside in Vietnam. If his/her absence in Vietnam is more than thirty days, he/she must authorize in writing another person to exercise related rights and obligations.

Article 47. The Members' Council

1. All members will constitute the members' Council which is the highest decision-making organ. Institutional members are required to appoint their

representatives in the members' council. Meeting of the members' council must be convened annually otherwise stipulated by the company charter.

2. The member's council has rights and obligations as follows:

a) Deciding on the development strategy and annual business plan of the company;

b) Deciding on the increase or reduction in the charter capital as well methods and moment for mobilizing capital.

c) Deciding on methods of market development and marketing, and technology transfer; approving contracts of borrowing, lending and selling assets amounted to 50% or more of total value of assets recorded in the latest financial report unless a smaller ratio is stipulated by the charter;

d) Electing, exempting or dismissing the Chairman of the Members' Council; appointing, exempting, dismissing, hiring or firing the director or general director, chief accountant and other managers as stipulated in the charter;

e) Deciding on salaries, bonuses and other benefits of the director or general director, chief accountant and other managers as stipulated in the charter;

f) Approving the annual financial reports and proposal for using or distributing profits as well as handling losses of the company.

g) Deciding on the structure of organization and management;

h) Deciding on opening of branches and/or representative offices;

i) Amending and/or supplementing the charter;

k) Deciding on the company reorganization;

l) Deciding on dissolution or bankruptcy of the company;

m) Other rights and obligations as stipulated in this Law and the charter.

Article 48. An authorized representative

1. An authorization of representative must be in writing and notify both the company and business registrar within 7 days from the date of making such an authorization. The notification must contain following contents:

a) Name, head office, nationality, number and date of establishment or registration.

b) Capital share, number and issuing date of the certificate of capital share;

c) Full name, resident address, nationality, number of identification card, passport or other personal certification of the authorized representative; .

d) Duration of authorization

e) Full name, signature of the legal representative and the authorizing member and authorized representative;

Replacement of the authorized representative is required to notify both the company and business registrar within seven days from the date of making such an authorization and is deemed to be valid since the date on which the notification is received by the company.

2. The authorized representative is required to satisfy conditions as follows:

a) having full capability for civil act;

b) not prohibited from establishing and managing an enterprise;

c) having expertise and experience in business management or in relation to a major business activity of the company;

d) As for company in which the state-owned capital share accounts for more than 50% of the charter capital, Wife, husband, father, foster father, mother, foster mother, child, adopted child, or sibling of the managers and persons who have right to appoint managers of that company are not entitled to be an authorized representative in its subsidiaries.

3. The authorized representative will act on behalf of the authorizing member in exercising all rights and obligations given to a member of the members' Council as stipulated in this law. Any restriction of the authorizing member on the authorized representative in relation to exercising rights and obligations given to the members' Council will not be valid towards third party.

4. The authorized representative is obligated to attend all meetings of the Members' Council and exercise rights and obligations given to a member of the Members' Council in a fiduciary, diligent and best manner for the purpose of maximizing benefits of the authorizing member and the company.

5. Voting of the authorized representative is in proportion to amount of capital share authorized to represent.

Article 49. Chairman of the Members' Council

1. The Members' Council will elect one of its members to be the Chairman. The Chairman may hold position of the director or general director simultaneously.

2. The Chairman will be given rights and obligations as follows:

a) Setting up working program and plan of the Members' Council;

b) Preparing the agenda, contents and materials for the meeting of the members' council or requesting the members' votes;

c) Convening and presiding meetings of the Members' Council or asking for the members' votes;

d) Supervising the implementation of decisions made by the Members' Council;

e) Signing decisions made by the members' council;

f) Other rights and obligations as stipulated in this Law and the company charter.

3. Term of the chairman will not exceed three years. The chairman can be re-elected unlimitedly.

4. If the chairman is the legal representative of the company as stipulated in the company charter, such fact is required to state explicitly in transaction papers of the company.

5. The chairman can authorize a member of the members' council to rights and obligations of the chairman during his/her absence in accordance with principles as stipulated by the company charter. If no member is authorized or the chairman is incapable of working, remaining members will elect one of them to exercise temporarily rights and obligations of the chairman by principle of majority.

Article 50. Convocation of the meeting of the members' Council

1. A meeting of the Members' Council can be called out at request of the chairman or one or group of the company members as stipulated in article 41(2)&(3) of this Law. Meeting of the members' Council is required to be held at the head office of the company.

The Chairman is responsible to prepare agenda, contents, documents of and convenes the meeting. Members can recommend matters to be included in the meeting agenda. Recommendation must be in writing and contain following contents:

a) Name, resident address, nationality, number of identification card, passport or other personal certification of the individual members; name, address, nationality, number of establishment or registration of the institutional members; full name, signature of members or authorized representatives;

b) Capital share, number and issuing date of the certificate of capital share;

c) Recommendations to be included in the meeting agenda;

d) Reasons for recommendations;

The Chairman is required to accept the recommendation and incorporate it into the meeting agenda if it contains all above-mentioned contents and sent to the head office at least one day before the date of opening the meeting of the members' council; The recommendation that is submitted shortly before opening of the meeting of the Members' Council is accepted only if a majority of members attended the meeting approves.

2. The meeting invitation can be in form of sending notification, telephone, fax or email as stipulated by the company charter and must be sent directly to each member. The meeting invitation must specify clearly time, venue and agenda of the meeting.

Agenda and materials of the meeting are required to send to all members before opening of the meeting. Materials related to amendment and supplement of the company charter, development strategy of the company, annual financial reports, reorganization or liquidation of the company are required to send to all members at least two days before opening of the meeting. Time limit for sending other meeting materials will be stipulated by the company charter.

3. Member or group of members as stipulated in article 41(2)&(3) of this law is entitled to call out meeting of the members' council if the chairman of the members' council does not convene the meeting at a request made by such a member or group of members within fifteen days from the date of receiving the request; under this circumstance, the business registrar may be invited to be an observer during convocation of the meeting; moreover, such member or group of members, themselves or on behalf of the company, can petition the chairman in relation to

his/her failure to exercise fiduciary obligations of the manager and losses caused to them.

4. Request for calling out a meeting of the members' council as stipulated in article 50(3) must be in writing and contain contents as follows, otherwise provided by the company charter:

a) Full name, resident address, nationality, number of identification card, passport or other personal certification of the individual members; name, address, nationality and number of establishment or registration of the institutional members; capital share, number and issuing date of the certificate of capital share.

b) Reasons for calling out meeting of the members' council and matters proposed to discuss;

c) Proposed agenda;

d) Full name and signature of each requesting member or their representative.

5. If the request for calling out a meeting of the members' council does not contain full contents as stipulated in article 50(4), that fact is required to notify requesting member or group of members by the chairman within seven days from the date of receiving such a request.

The chairman is required to convene a meeting of the members' council with fifteen days from the date of receiving the request. If the chairman does not convene the meeting he or she will be individually liable to any damage causing to the company and other members and the requesting member or group of members is entitled to convene the meeting and costs thereof will be reimbursed by the company.

Article 51. Conditions and formalities of a meeting of the Members' Council

1. A meeting of the members' council is entitled to open if all participating members own at least 75% of the charter capital; a specific percentage will be stipulated by the company charter.

2. If the first meeting fails to open due to not satisfying conditions as stipulated in article 51(1), the second meeting will be convened within 15 days from the proposed opening date of the first meeting. The second meeting is entitled to open if all participating members own at least 50% of the charter capital; a specific percentage will be stipulated by the company charter.

3. If the second meeting fails to open due to not satisfying conditions as stipulated in article 51(2), the third meeting will be convened within 10 days from the proposed opening date of the second meeting. The third meeting is always entitled to open regardless of the number of participating members.

4. Members and their authorized representatives are required to participate in and vote at the meeting of the members' council. Voting formality at the meeting will be stipulated by the company charter.

Article 52. Decisions of the members' Council

1. Decisions of the members' council are approved by voting at a meeting, consulting opinions in writing or other method as stipulated by the company charter.

Decisions on following matters are required to be approved by voting at a meeting otherwise stipulated by the company charter.

a) Amendment and supplement of the company charter;

b) Development strategy of the company;

c) Election, exemption or dismissal of the chairman of the members' council; appointment, dismissal or firing of director or general director;

d) Approval of annual financial reports;

e) Re-organization or liquidation of the company.

2. Decisions of the Members' Council will be approved by:

a) a number of participating members owning 65% of the charter capital; a specific percentage will be stipulated by the company charter;

b) a number of participating members owning 75% of the charter capital if such decisions related to the sales of 50% or more of the total value of assets recorded in the latest financial reports of the company or a smaller percentage as stipulated in the company charter, amendment or supplementation of the company charter, reorganization or dissolution of the company; a specific percentage will be stipulated by the company charter.

3. Decisions of the Members' Council will be approved in form of consulting opinions in writing by a number of members owning 75% or more of the charter capital. A specific percentage will be stipulated by the company charter.

Article 53. Minutes of the meeting of the Members' Council

1. All meetings of the Members' Council must be recorded in a meeting book.
2. Minutes of a meeting is required to be completed and passed prior closing time. Minutes must contain following contents:
 - a) Purpose, agenda, time and venue of the meeting;
 - b) Name, capital share, number and issuing date of the certificate of capital share of participating members or their authorized representatives; name, capital share, number and issuing date of the certificate of capital share of absent members or their authorized representatives;
 - c) Matters discussed and voted; summary of speeches or opinions of members in relation to each matter;
 - d) Total number of votes "for", "against" and "blank" in relation to each voting matter;
 - e) Decisions approved;
 - g) Name and signatures of participating members or their authorized representatives.

Article 54. Approval of decisions of the Members' Council in the form of consulting opinion in writing.

Formality for approving decisions of the members' council in form of consulting opinion in writing will be as follows otherwise stipulated by the company charter.

1. The Chairman of the Members' Council is entitled to choose form of consulting opinion in writing when approving decisions on matters under competence of the members' council.
2. The Chairman will be in charge of preparing and sending reports, explanations, draft of proposed decisions and voting form (inquiry) to all members of the company. The voting form must contain following contents:
 - a) Name, head office, number and issuing date of the certificate of business registration and place of business registration;

b) Name, address, nationality, number of identification card, passport or other personal certification, capital share of the member;

c) Voting matters and proposed votes “for”, “against” and “blank”;

d) Deadline for sending the voting form back to the company;

e) Name and signature of the Chairman and members of the Members’ Council.

The voting form (inquiry) that is fully and accurately filled up and sent to the company within time limit will be considered as valid.

3. The chairman will be in charge of counting votes, making report and sending the voting result as well as decisions to all members within 7 days from the deadline for sending back the voting inquiry to the company. Report on the voting result must contain contents as stipulated in article 53(2) of this law.

Article 55. The director or general director

1. The director or general director of the company is obligated to run day-to-day business operations of the company and be responsible to the Members’ Council in performing his/her rights and duties.

2. The director or general director will have following rights and obligations:

a) Implementing decisions of the Members’ Council;

b) Deciding on matters in relation to day-to-day business operations of the company;

c) Implementing business plan and investment strategy of the company;

d) Stipulating the management rules of the company;

e) Appointing, dismissing and firing managers except ones appointed, dismissed or fired by the Members’ Council;

g) Concluding contracts on behalf of the company except ones concluded by the Chairman of the members’ council;

h) Proposing structure of organization management of the company;

i) Submitting the annual financial report to the Members’ Council;

k) Proposing method of distributing profits or handling losses of the company.

l) Hiring employees;

m) Other rights and duties as stipulated in the company charter and labor contract signed between him/her and the company in complying with decision of the members' council.

Article 56. Obligations of members of the Members' Council, director or general director

1. The members of the Members' Council and director or general director will have following obligations:

a) Performing rights and obligations in a fiduciary, diligent and optimal manner in order to maximize benefit of the company owners and the company itself;

b) Pledging loyalty toward profits of the company; not permitted to make use of information, know-how, business opportunity of the company; not permitted to abuse position, powers and property of the company for benefits of themselves or other organizations or individuals;

c) Notifying promptly, fully and accurately the company of enterprises in which they or their related persons are sole owner or major shareholders. Such a notification must be displayed at the head office of the company and branches.

d) Other obligations as stipulated in the laws and the company charter.

2. Director or general director is prohibited from raising salary or paying bonus if the company is incapable of paying off due debts.

Article 57. Qualification of director or general director

1. Director or general director must have qualifications as follows:

a) having capacity for civil act and not prohibited from managing an enterprise as stipulated in this law;

b) owning 10% or more of the charter capital or being a person with expertise and experiences in relation to business management or major business activities of the company; the company charter can stipulate other qualifications.

2. Wife, husband, father, foster father, mother, foster mother, child, adopted child, or sibling of the managers or person who has power to appoint managers of a company in which the state owned capital share accounts for more than 50% of the

charter capital can not be director or general director of a subsidiary of such a company.

Article 58. Remuneration, salary and bonus of members of the Members' Council and director or general director

1. The company is entitled to calculate remuneration, salary and bonus of members of the Members' Council and director or general director basing on business performance of the company.

2. Remuneration and salary of the director or general director and managers will be deducted from business expenses of the company in complying with the laws on income tax, related regulations and must be separated in a section of the annual financial report.

Article 59. Contracts subjected to approval of the Members' Council

1. Following contracts must be approved by the members' council if they are concluded between the company and:

a) its members or their authorized representative, director or general director and legal representative of the company; or

b) Related persons of the people as stipulated in article 59(1)(a); or

c) Managers or person who has power to appoint managers of its parent company; or

d) Related persons of people as stipulated in article 59(1)(c).

The legal representative of the company is required to send draft contracts or summary of major contents of draft contracts to all members of the Members' Council together with disclosing them at the head office and branches of the company. The Members' Council is required to approve the draft contracts within 15 days from the date of disclosing contracts otherwise stipulated in the charter. Draft contracts will be approved by a number of members owning 75% or more of the total voting capital. Related members are not entitled to vote for the contracts.

2. Contracts that are concluded in violating article 59(1) will be void and treated in pursuant to the laws. In this circumstance, the legal representative, related members and related persons of the members are required to indemnify or give the company back any benefit gained from implementation of such contracts.

Article 60. Raising and reducing the charter capital

1. The charter capital can be raised, in complying with a decision of the Members' Council, in form of:

a) contributing further by the members;

b) raising the charter capital so as to fit the increased value of assets of the company;

c) adding new members.

2. If the capital is raised in form of further contribution by the members, the increase in the capital will be paid up in proportion to their capital share. Member who votes against the decision on capital raising may not make further capital contribution which, then, will be paid up by other members in proportion to their capital share otherwise agreed by members.

The capital can be raised in form of adding new members only if all members agree to do so otherwise stipulated in the charter.

3. The company can reduce its charter capital, in complying with decision of the members' council, in form of :

a) Returning its members back a part of their contributed capital in proportion to their capital share if the company has been doing business for more than consecutive two years since the date of business registration and is capable of paying off due debts and other financial obligations afterward;

b) Reducing the charter capital so as to fit the decreased value of assets of the company;

4. The company is require to inform the business registrar its decision on capital raising or reduction within seven days from the date of making such a decision. The notification must be in writing and contain following contents:

a) Name, head office, number and issuing date of the certificate of business registration, place of business registration;

b) Name, resident address, nationality, number of identification card, passport or other personal certification of the individual members; number of establishment or registration of the institutional members; capital share of each member;

c) The charter capital; amount of capital proposed to raise or reduce;

d) Time and method of capital raising or reducing;

e) Name and signature of the chairman of the Members' Council and legal representative of the company.

The notification must be attached by a decision on capital raising of the Members' Council; or a decision on capital reduction of the members' council together the latest financial report, which is required to be audited in respect to enterprises with more than 50% of foreign capital share.

The business registrar is required to register change in the charter capital as notified within ten days from the date of receiving a notification.

Article 61. Conditions for profit distribution

A company is entitled to distribute profits to its members only if it makes profits after fulfilling taxes and other financial obligations in complying with the laws and is still capable of paying due debts and other obligations afterward.

Article 62. Regaining capital returned or profit distributed

If the reduction in the company capital is done contrary to article 60(3)&(4) and profit distribution is made inconsistent with article 61 of this law, the company is required to regain returned capital or distributed profits from all members who will be jointly liable to all debts and other obligations of the company until recovery of all returned capital or distributed profits is fully made.

PART II

SOLE MEMBER LIMITED LIABILITY COMPANY

Article 63. Sole member limited liability company

1. A sole member limited liability company is an enterprise which is owned by one organisation or individual (hereinafter referred to as the company owner); the company owner is liable for debts and other obligations of the company within the charter capital.

2. A sole member limited liability company will be conferred legal status from issuing date of the certificate of business registration.

3. A sole member limited liability company is prohibited from offering shares.

Article 64. Rights of the company owner

1. The company owner that is an organization will have following rights:

a) Deciding on contents of the company charter and its amendment or supplement;

b) Deciding on development strategy and annual business plan of the company;

c) Deciding on structure of organizational management; appointing, exempting and dismissing managers of the company;

d) Approving investment projects in equivalent to 50% or more of total value of assets of the company as recorded in the latest financial report; a smaller percentage can be stipulated in the company charter;

e) Deciding on development of market, marketing and technology;

f) Approving lending, borrowing contracts and others in equivalent to 50% or more of total value of assets of the company as recorded in the latest financial report; a smaller percentage can be stipulated in the company charter;

g) Deciding on sale of assets in equivalent to 50% or more of total value of assets of the company as recorded in the latest financial report; a smaller percentage can be stipulated in the company charter;

h) Deciding on raising of capital; transfer of a part or whole of the charter capital to another person;

i) Deciding on setting up subsidiaries and making capital contribution to other companies;

k) Undertaking supervision on business performance of the company;

l) Deciding on usage of profits after paying taxes and other financial obligations;

m) Deciding on re-organization, liquidation and request for bankruptcy of the company;

n) Collecting all pecuniary assets of the company after finishing liquidation or bankruptcy process.

o) Other rights as stipulated in this Law and the company charter.

2. The company owner that is an individual will have following rights:

a) Deciding on contents of the company charter and its amendment or supplement;

b) Deciding on investment and business projects and organizational management of the company otherwise stipulated in the company charter;

c) Transfer of a part or whole of the charter capital to another person;

d) Deciding on usage of profits after paying taxes and other financial obligations;

e) Deciding on re-organization, liquidation and request for bankruptcy of the company;

f) Collecting all pecuniary assets of the company after finishing liquidation or bankruptcy process.

g) Other rights as stipulated in this Law and the company charter.

Article 65: Obligations of the company owner

1. Making capital contribution fully and promptly as committed; if not, he or she will be liable to all debts and other financial obligations of the company;

2. Complying with the company charter;

3. Keeping assets of the company and company owner separated;

The company owner who is an individual is required to separate between expenditure of himself or herself and that of the company owner or director or general director

4. Complying with laws governing contracts on sale, borrowing, lending, leasing, renting or other transactions between company and the company owner.

Article 66. Restrictions on the rights of the company owner

1. The company owner is entitled to withdraw the capital only by the way of transferring a part or whole of the capital to another person; if the capital is withdrawn

by another way, the company owner will be liable to all debts and other financial obligations of the company.

2. If the company owner transfers a part of its capital to another person the company will be transformed into limited liability company with more than one member and such transformation is required register with the business registrar within fifteen days from the date of transferring capital.

Article 67. Structure of organizational management of the sole member limited liability company whose owner is an organization

1. The company owner will authorized one or more individuals, with a term of less than five years, to exercise his/her rights and obligations as stipulated in this law and other related laws; the authorized representatives are required to meet qualifications as stipulated in article 48(2) of this law.

2. The company owner is entitled to change authorized representatives at any time.

3. If there are more than one authorized representatives, the company will comprise of Members' Council, director or general director and supervisor. All authorized representatives constitute the Members' Council of the company.

4. If there is only one authorized representative, the company will comprise of the company chairman, director or general director and supervisor. The authorized representative will be the company chairman.

5. The company charter is required to specify either chairman of the members' council, company chairman, director or general director to be legal representative of the company. The legal representative is required to reside in Vietnam and authorized another individual to act as legal representative of the company in complying with principles as stipulated in the company charter if his/her absence in Vietnam is more than thirty days.

Article 68. The members' council

1. The members' council will act on behalf the company owner in exercising his/her rights and obligations; act on behalf of the company in exercising its rights and obligations; be responsible to the company owner in exercising assigned rights and obligations in accordance with this law and related regulations.

2. Rights, duties, obligations and working rule of the members' council will be complying with the company charter and related laws.

3. Chairman of the members' council will be appointed by the company owner. Term, rights and obligations of the chairman will be that stipulated in article 49 and other provisions of this law.

4. Power and procedure for convening a meeting of the members' council will be complying with article 50 of this law.

5. A meeting of the members' council is entitled to open if there is a presence of two third of all members. Each member will have one vote otherwise stipulated in the company charter. Decisions of the members' council can be made in form of consulting opinion in writing.

6. Decisions of the members' council will be approved by a majority of participating members or $\frac{3}{4}$ of participating members in relation to amendment or supplement of the company charter, re-organization of the company and transfer of a part or whole of the company capital.

Decisions of the members' council will be effective from the date of approval otherwise stipulated by the company charter that it must be ratified by the company owner before being effective.

7. Minute is required to be made for each meeting of the members' council. The minute must contain contents as stipulated in article 53 of this law.

Article 69. Chairman of the company

1. Chairman of the company will act on behalf of the company owner in exercising his/her rights and obligations; act on behalf of the company in exercising its rights and obligations; be responsible to the company owner in exercising assigned rights and obligations in accordance with this law and related regulations.

2. Rights, duties, obligations and working rule of the chairman of the company will be complying with the company charter and related laws.

3. Decisions of the chairman of the company will be effective from the date of being ratified by the company owner otherwise stipulated in the company charter.

Article 70. Director or general director

1. Director or general director will be appointed or hired by the members' council or chairman of the company with a three year term or less. He or she will run the day-to-day business operation of the company and is responsible to the members' council or chairman of the company in exercising assigned rights and obligations.

2. Director or general director will have following powers:

a) Implementing decisions of the members' council or chairman of the company;

b) Deciding on matters in relation to day-to-day business operation of the company;

c) Implementing business and investment plans of the company;

d) Stipulating rules on internal management of the company;

e) Appointing, exempting and dismissing managers except those are appointed and dismissed by the chairman of the members' council or chairman of the company;

f) Concluding contracts on behalf of the company except that must be concluded by the chairman of the members' council or chairman of the company;

g) Making proposal on organizational management of the company;

h) Submitting annual financial report to the members' council or chairman of the company;

i) Making proposal on distribution of profits or settlement of losses;

k) Hiring employees;

l) Other rights as stipulated in the company charter and contract signed with the chairman of the members' council or chairman of the company.

3. Director or general director is required to meet following qualifications:

a) Having capacity for civil act; not prohibited from managing an enterprise in pursuant to this law;

b) Not being related person of the members of the members' council or chairman of the company and any person who has power to appoint authorized representative or chairman of the company;

c) Having expertise and experiences in relation to business management or major business activities of the company; the company charter can stipulate other qualifications.

Article 71. Supervisors

1. The company owner will appoint from one to three supervisors with a three year term or less. Supervisors are responsible to the company owner in exercising their rights and obligations.

2. Supervisors will have following duties:

a) Inspecting lawfulness, fiduciary and diligence of the members' council, chairman of the company and director or general director in performing their respective rights, duties and obligations;

b) Examining the reports on financial statement, business performance, management and others before submitting them to the company owner and relevant state agencies; submitting the company owner examination report thereof.

c) Recommending proposals for change and adjustment of the organizational management of the company;

d) Other obligations as stipulated in the company charter or decisions made by the company owner.

3. Supervisors are entitled to review any document of the company at the head office, branches or representative offices. Members of the Members' Council, chairman of the company, director or general director and other managers are required to provide fully and promptly information in relation to business and management performance as requested by the supervisors.

4. Supervisors are required to meet following qualifications:

a) Having capability for civil act and not prohibited from managing an enterprise in pursuan to this law;

b) Not being related person of the members of the members' council or chairman of the company, director or general director and any person who has power to appoint supervisors;

c) Having expertise and experiences in relation to accounting or auditing; having expertise and experiences in relation to major business activities of the company; the company charter can stipulate other qualifications.

Article 72. Duties of members of the members' council, chairman of the company, director or general director and supervisors

Members of the members' council, chairman of the company, director or general director and supervisors will have following duties:

a) Complying with the laws, company charter, decisions of the company owner in performing their assigned rights and obligations;

b) Performing assigned rights and obligations in a fiduciary, diligent and best manner in order to maximize legitimate benefits of the company and company owner;

c) Pledging loyalty toward interests of the company and company owner. Not permitted to make use of information, know-how and business opportunity of the company or to abuse positions, powers and assets of the company for the benefit of themselves and other person.

d) Notifying promptly, fully and accurately the company enterprises in which they or their related persons are sole owner or major shareholders. Notification is required to displayed at the head-office and branches of the company.

e) Other duties as stipulated in this law and company charter.

2. Director or general director is not entitled to raise salary or pay bonus if the company is incapable of paying off due debts.

Article 73. Remuneration, salary and other benefits of the company's managers and controllers

1. The company's managers and controllers shall have the right to be paid the remuneration, salaries and other benefits according to the results and profits of the business.

2. The company's owner shall decide on the remuneration, salary and other benefits of the members of the Members' Council, the company's president and controllers. The remuneration, salaries and other benefits of the company's managers and controllers shall be recorded to the business expenses of the company as stipulated by laws on tax on business income and shall be presented in a separate line

of the company's annual financial statement and reported to the annual Shareholders' Meeting.

Article 74. Organization of management of individual-style one-member limited liability company

1. The organization of an individual-style one-member limited liability company shall consist of: President, the (general) director. The company's owner shall be the company's president. The company's president or (general) director shall be the company's legal representative, being stipulated in the company's charter.

2. The company's president can be the company's (general) director, or hire others to take the position.

3. Specific rights, obligations and duties of the director shall be stipulated in the company's charter, the labour contract signed by the company's president and (general) director.

Article 75. Dealing with contracts, transactions between the company and related persons

1. Contracts of all types between the organization-style one-member limited liability company and the following partners shall be considered and approved by the Members' Council, the President, the (general) director and controllers in accordance with the majority principle; each of them shall have one vote :

- a. The company's owner and the related persons to the owner;
- b. The authorized representative, the (general) director and controllers;
- c. The related persons to the people stipulated in item b of this clause;
- d. Managers of the company's owner and the people with authority to appoint these managers;
- dd. Related persons of the people stipulated in item d of this clause.

The legal representative of the company has to send draft contracts to the authorized representative and controllers; as well as posting the draft contracts at the head office and other branches of the company in such a place where everyone interested can see.

2. Contracts and transactions as stipulated in clause 1 of this Article shall be approved if they meet the following conditions:

a. All parties of the contracts or the transactions shall be independent legal entities, having separate rights, obligations and assets.

b. The price quoted in the contracts or the transactions shall be the market price at the time of the contracts' being signed or the transactions' being exercised.

c. The company's owner shall comply with the provisions of clause 4 of Article 54 of this Law.

3. If a contract has been signed and has not been posted as stipulated in clause 2 of this Article and has not been approved by the (general) director, the authorized representative and controllers, the contract will be invalid and will be dealt with in accordance with the lawful regulations. The legal representative of the company and the contract's parties shall jointly compensate for any incurred losses and to return any profits from the exercise of the contracts or transactions to the company.

4. All contracts, transactions between the individual-style one-member limited liability company and the company's owner or related persons shall be recorded and filed in separate documents of the company.

Article 76. Increase and reduction of charter capital

1. A one-member limited liability company shall not reduce the charter capital.

2. A one-member limited liability company can increase the charter capital by the additional investment made by the company's owner or mobilization of capital contribution from others.

The owner has the right in deciding the method of increasing and the level of increase of the charter capital. If the charter capital is increased by mobilizing the capital contributions from others, the company has to file for conversion into a limited liability company having 2 or more members within 15 days from the date the new members committed to make capital contribution

CHAPTER IV

SHAREHOLDING COMPANY

Article 77. Shareholding companies

1. A shareholding company is an enterprise where:

a. Its charter capital is divided into various equal portions known as shares.

b. Shareholders can be organisations and/or individuals; the minimum number of shareholders shall be three and shall not be restricted upon by any particular maximum figure.

c. Its shareholders are liable for debts and other liabilities born by such enterprise to the extent of the value of their capital contribution to the enterprise.

d. Shareholders are entitled to freely transfer their shares, unless otherwise provided in Clause 3 of Article 55 or Clause 1 of Article 58 of this Law;

2. A shareholding company shall have its legal status as soon as it is granted the certificate of business registration.

3. A shareholding company is entitled to issue securities of all kinds for capital mobilization.

Article 78. Types of shares

1. A shareholding company shall issue ordinary shares. Owners of such shares are referred to as ordinary shareholders.

2. A share-holding company can issue preference shares. Holders of preference shares are called preference shareholders.

Preference shares include shares of types as described hereunder:

a. Voting preference shares;

b. Dividend preference shares;

c. Redeemable preference shares;

d. Other types of preference shares as stipulated by the company's Charter.

3. Voting preference shares shall be held by only government-authorised organisations and founding shareholders. Voting preference of founding shareholders shall be effective for three years from being granted the certificate of business registration. After that, voting preference shares of founding shareholders shall be converted into ordinary shares.

4. Those that are entitled to buy dividend preference shares, redeemable preference shares or other types of preference shares shall be provided in the company's Charter or decided by the Shareholders' Meeting.

5. Each share of the same type offers its owners equal rights, interests and obligations.

6. Ordinary shares shall not be convertible into preference shares. Preference shares shall be converted into ordinary shares subject to resolutions of the Shareholders' Meeting.

Article 79. Rights of ordinary shareholders

1. An ordinary shareholder shall be entitled to:

a. Participate and speak in all Shareholders' Meetings and exercise the right to vote directly or through an authorized representative(s); each ordinary share carries a vote;

b. Receive dividend at the proportion set by the Shareholders' Meeting;

c. Take priorities in buying newly issued shares pro rata to the amount of ordinary shares held;

d. Freely transfer their shares to others except any cases regulated in clause 5 article 84 of this law.

dd. Review, search, extract information in the list of shareholders holding voting rights and request changes towards inaccurate information.

e. Review, search, extract or copy the company's charter, the minute book of Shareholders' Meetings and the resolutions of the Shareholders' Meetings.

g. Where the company is dissolved, receive part of the property in proportion to the shares contributed to the company.

h. Other rights stipulated by this Law or by the company's Charter.

2. Shareholders whether in person or in group who hold, within at least 6 consecutive months, at least 10% of ordinary shares or a lesser share as stipulated in the company's Charter shall be entitled to:

a. Nominate representatives to participate in the Board of Management and Control Board (if any);

b. Review and extract the minute book and other resolution of the Board of Management, mid-year and annual financial reports in the format of the Vietnamese accounting system and other reports of the Control Board.

c. Report the convening of the Shareholders' Meeting in the case as stipulated in clause 3 of this Article.

d. Request the Control Board to check each detailed problem relating to the management and operation of the company if necessary. The request shall be made in writing and consist of the names, permanent address, nationality or the ID, passport or other legal individual certification numbers, or the number of the establishment decision or the registration number, number of shares and time of share registration by each shareholder, total shares of a group of shareholders and the proportion of ownership in the total company's shares, issued to be checked, the purpose of checking.

e. Other rights as stipulated in this Law or the company's Charter.

3. Shareholders whether in person or in group as stipulated in clause 2 of this article shall be entitled to request convocation of the Shareholders' Meeting in the case:

a. The Board of Management seriously violates the rights of shareholders, obligations of managers or makes decisions beyond its authority and in other cases stipulated in the company's charter.

b. The term of the Board of Management is over 6 months and the new Board of Management has not yet been elected to replace the former.

c. Other cases as stipulated in the company's Charter.

The request shall be made in writing and consist of full names, permanent address, the ID, passport, or other legal individual certification numbers, the number of the establishment decision or the registration number, the number of shares and the time of registering shares by each shareholder, the total shares of a group of

shareholders and the proportion of ownership of all shares in the company, reasons to request convocation of the Shareholders' Meeting. Attached with the request are materials, evidence of violations by the Board of Management, the level of violations of the decisions, which have been issued beyond the authority.

4. Unless otherwise provided for in the company's charter, the nomination of the Board of Management the Control Board stipulated in item a, clause 2 of this Article shall be implemented as follows:

a. Shareholders holding voting rights voluntarily form a group (groups), which satisfies(y) the conditions to be able to nominate candidates for the Board of Management and the Control Board, must report the forming of the groups forming to all participating shareholders at the opening of the Shareholders' Meeting.

b. Depending on the number of members of the Board of Management and the Control Board, the Shareholders' Meeting will decide the number of representatives nominated by shareholders or groups of shareholders stipulated in clause 2 of this Article. If the number of nominees nominated by shareholders or groups of shareholders is smaller than the number they are entitled to nominate according to the decision of the Shareholders' Meeting, the remaining nominees will be selected by the Board of Management, the Control Board and other shareholders.

Article 80. Obligations of ordinary shareholders

1. To make a full payment for their subscribed shares within 90 days from the date of being registered and to be liable for debts and other liabilities of the company to the extent of the paid-in capital;

Cannot withdraw the paid-in capital in the form of ordinary shares from the company in any form except the company buys back the shares or the shareholder transfers the shares to other persons. If a shareholder withdraws a part or the whole paid-in capital violating the above regulations, he/she and all the members of the Board of Management and the (general) director shall jointly be responsible by the entire assets for all debts and other obligations of the company; if the company does not make full payment for all due debts, creditors can request any of the above people to pay in full the due debts.

2. Comply with the Charter and other internal regulations of the company;

3. Comply with resolutions of the Shareholders' Meeting and of the Board of Management;

4. Other obligations as stipulated in this Law or the company's Charter.

5. Ordinary shareholders will be personally responsible for the following behaviors:

a. Violate provisions of the law;

b. Conduct business on behalf of the company causing damages to other people before completing all procedures for founding a company as stipulated in this law and other related laws;

c. To pay in full all undue debts which encounter with financial dangers toward the company.

Article 81. Voting preference shares and rights of voting preference shareholders

1. A voting preference share is a share that carries a vote worth more than an ordinary share does. The specific number as carried by one such share shall be determined in the company's Charter.

2. A voting preference shareholder shall be entitled to:

a. Vote for all issues within authority of the Shareholders' Meeting with the vote as provided in Clause 1 of this Article.

b. Perform other rights as of ordinary shareholders, except those in Clause 3 of this Article.

3. Shareholders owning voting preference shares shall not transfer such shares to others.

Article 82. Dividend preference shares and dividend preference shareholders

1. A dividend preference share is a share that entitles its holder to receive an annual dividend at a higher level than that of ordinary shares, or at an annual stable level. The annual dividend of such a share comprises fixed dividend and bonus dividend. Fixed dividend is paid regardless of the profits made by the company. The specific amount of fixed dividend and the method as applied to calculation of bonus dividend shall be stated in any certificate of such dividend preference share.

2. A dividend preference shareholder shall be entitled to:

- a. Receive dividend shared at the level provided in Clause 1 of this Article;
 - b. Where the company is dissolved, receive, in proportion to the total shares held, part of its remaining assets after the company pay all debts to creditors, redeemable preference shareholders;
 - c. Have the same rights as an ordinary shareholder, except those in Clause 3 of this Article.
3. No dividend preference shareholders shall be entitled to vote, to attend the Shareholders' Meeting, to nominate representatives in the Board of Management and the Control Board.

Article 83. Redeemable preference shares and rights of redeemable preference shareholders

1. A redeemable preference share is a share that is bought back by the company anytime upon request of its holder, or under circumstances as stated in the certificate of such share.
2. A redeemable preference shareholder shall have the same rights as an ordinary shareholder, except those in clause 3 of this Article.
3. No redeemable preference shareholders shall be entitled to vote, to attend the Shareholders' Meeting, to nominate representatives in the Board of Management and the Control Board.

Article 84. Ordinary shares of founding shareholders

1. Founding shareholders shall subscribe at least 20% of the total ordinary shares which may be offered for sale; and have to pay in full for the subscribed shares within 90 days from the date that the certificate of business registration for the company is granted.
2. Within 90 days from the date that the certificate of business registration for the company is granted, the company must inform the Business Registrar about equity capital contribution. The notice must contain the following contents:
 - a. Name, head office address, business registration date, and registration location.
 - b. Total number of ordinary shares, and number of subscribed shares of the founding shareholders.

c. Name, permanent address, nationality, ID card number, passport number or other legal identification documents, number of the decision on establishment or registration number, number of subscribed shares, numbers of paid-in shares and value of paid-in shares, types of assets used to make equity capital contribution of each founding member.

d. Total of shares and value of paid-in shares of all founding shareholders.

e. Name and signature of the company's legal representative.

The lawful authorized representative of the company shall be personally responsible for any company's and others' losses if the announcement is not in time, inaccurate, dishonest.

3. If any founding shareholder does not pay in full for the subscribed shares, those shares shall be dealt with as follows:

a. All remaining founding shareholders shall jointly responsible for the payment to ensure that all shares of founding shareholders are paid corresponding to their share ownership proportions in the company.

b. One or some founding shareholders shall be responsible for the payment.

c. Mobilize others who are not founding shareholders to pay in full those shares; those persons become founding shareholders of the company. In this case, founding shareholders who have not yet paid in full the subscribed shares are not longer founding shareholders.

Where the subscribed shares of the founding shareholders have not yet been paid up, all founding shareholders shall jointly be responsible for the debts and other asset responsibilities of the company within the unpaid-up shares.

4. In case founding shareholders do not subscribe all shares, the remaining shares must be offered and sold out within 3 years from the date of the certificate of business registration is granted.

5. Within 3 years after the date of being granted the bussiness registration certificate, founding shareholders shall be free to transter their ordinary shares to other founding shareholders. Ordinary shares of founding shareholders can be transferable to persons, who are not shareholders if so approved by the Shareholders' Meeting. The person who desires to do such transfer shall not be entitled to vote with respect thereto and the receivers of the transfer shall be founding shareholders.

After 3 years from the business registration date, the restrictions imposed upon founding shareholders shall be abolished.

Article 85. Share certificate

1. Certificates issued by a shareholding company or recorded in the book entry evidencing the ownership of one or more shares issued thereby are referred to as share certificates. A share certificate so issued may be either bearer share certificate or non-bearer share certificate. A share certificate shall include in the least the following contents:

- a. Name, and head office of the company;
- b. Registration number and the date the certificate of business registration was granted;
- c. Number and type(s) of shares;
- d. Face value of each share and the total face value of shares specified in the share certificate;
- dd. Name, permanent address, nationality, the ID, passport or other legal individual certifications numbers, the number of the establishment decision or the registration number of shareholders with respect to non-bearer share certificates;
- e. Summary of procedures of transfer of shares;
- g. Specimen signature of the legal representative and seal of the company;
- h. The number noted in the company's register book of shareholders and issuing date of shares;
- i. Regarding preference share certificate(s), other contents as described in Article 55, Article 56 and Article 57 f this Law shall be included.

2. All mistakes, if any, in the contents and format of share certificates issued by the company do not affect the rights and benefits of its owner. The chairman of the Board of Management and the (general) director shall jointly be responsible for losses caused by such mistakes to the company.

3. Where a share certificate is lost, torn, burnt, or otherwise destroyed, the holder of such share certificate shall be entitled to request the company for a re-issuance of the share certificat.

The request shall commit that:

- a. The share certificate is actually lost, torn, destroyed, not been sold or pledged;
- b. If lost, a commitment of enough search has been conducted; and
- c. In the case the share certificate is found, it will be returned to the company for being destroyed;
- d. Be responsible for [any] disputes incurred, if any, from the issuance of new share certificate.

For shares with the par value of more than VND 10 million, prior to the reception of the request for issuance of new share certificate(s) the company's legal representative can ask the shareholder(s) to publish the lost or destruction of the share certificate on the newspaper and after 15 days from the date of posting, a request for issuance of new share certificate(s) will be made.

Article 86. Register book of shareholders

1. A shareholding company shall make and retain a register book of shareholders from the date of being granted the certificate of business registration. Such book may be in writing or in electronic files, or both.

2. The register book of shareholders shall include in the least the following contents:

- a. Name and head office of company.
- b. Total number of shares which may be offered for sale, types and amount of shares which may be offered for sale of each type.
- c. Total number of paid-in shares of each type and value of paid-in equity capital.
- d. Names, permanent address, nationality, the ID, passport or other legal individual certifications numbers, the number of the establishment decision or the registration number, numbers of shares of each type of each shareholder and the dates of share registration.

3. Register book of shareholders shall be kept in the head office of the company or securities registration, custody, payment and clearing center. All shareholders shall

have the right to check, search, extract, copy the content of the register book of shareholders at any time during the working hours of the company.

4. Shareholders owning more than or equal to 5% of the total number of shares shall be registered in the authorised business registra within 7 days from the date they acquire that amount of shares.

Article 87. Issuance and transfer of shares

1. The Board of Management has the right to decide on time, method and offer price of shares within the shares to be offered as stipulated in the company's charter. The offer price of share shall not be lower than the market price at the time of offer or the book-value of the shares at the most recent time except:

a. Where shares are offered for the first time to those who are not founding shareholders.

b. Where shares are offered to all shareholders in accordance with their share proportion in the company.

c. Where shares are offered to brokers and guarantors. In this case, the discount or discount rate shall be approved by the number of shareholders representing for at least 75% of total voting shares.

d. Other cases and discount rate in such cases regulated by the company's charter.

2. In case the company issue additional ordinary shares and offer them to all ordinary shareholders in accordance with their share proportion held in the company according to the following regulations:

a. The company shall inform the sale of shares in writing and by certified mail to the permanent addresses of all shareholders. In the meanwhile, the announcement has to be advertised on 3 consecutive issues of newspapers within 10 days from the date of the issuance of the announcement.

b. The announcement should consist of name, address, nationality, ID, passport, other legal individual certification numbers or number of the establishment decision or the registration number, number of shares and share equity proportion by [each] shareholder in the company, total shares to be issued and number of shares that the shareholders have the right to purchase, the offer price, time-limit of subscription, signature of the company's legal representative. The time-limit in the announcement

shall be reasonable for shareholders to subscribe. The announcement shall be attached with a sample of subscription registration form issued by the company.

c. Shareholders can transfer their priorities of buying shares to others.

d. If the share subscription registration form is not sent to the company within the time-limit as stipulated in the announcement, the related shareholder is considered as not receiving the priority in buying shares. If the shares intended to be issued are not fully subscribed by shareholders and transferees of the priority of buying shares, the remaining shares shall be managed by the Board of Management. The Board of Management can distribute these shares to shareholders of the company or to others in an appropriate way provided that [the offering conditions of such remaining shares are]not better than that of offered to shareholders, unless approved otherwise by the Shareholders' Meeting or shares are sold through the stock exchange.

3. A share shall be deemed to be sold when they are paid in full and information of the buyer stipulated in item clause 2 Article 86 of this Law is sufficiently and truthfully recorded in the Register book of shareholders. From then on, the buyer of such share(s) becomes a shareholder of the company.

4. After the full payment for shares is made, the company shall issue and grant share certificates to the buyer(s). The company may opt to sell shares without issuing share certificates. In such case, information regarding shareholders as stipulated in Clause 2 Article 86 of this Law recorded in the Register book of shareholders shall be sufficient to certify the ownership of such shareholders [as to those shares] in the company.

5. All share certificates shall be freely transferable unless otherwise stipulated in clause 3 Article 55 and clause 5 Article 58 of this Law. The transfer can be made in writing as usual or by mere delivery. The transferring paper will be signed by transferor and transferee or by their authorized representatives. The transferor still the owner of the relevant shares until the name of the transferee is recorded in the Register book of shareholders.

In case only some shares of non-bearer share certificate are transferred, the old share certificate shall be cancelled and the new share certificate shall record the transferred shares, and [the share certificate recorded] the remaining shares shall be provided free of charge by the company.

6. Methods, procedures and process of public share offering will be performed in accordance with the securities regulations.

The Government will have regulations on the private placement.

Article 88. Issuance of bonds

1. A shareholding company shall be entitled to issue bonds, convertible bonds, and other types of bonds in conformity with provisions of laws and the company's Charter.

2. Companies are not allowed to issue bonds in the following cases:

a. The company failed to make full repayment for the principal and interest of issued bonds or do not pay or cannot make full payment to due debts in the last 3 years

b. The average after-tax-profit ratio of the previous consecutive years is not higher than the intended interest paid to bonds to be issued.

The bond issuance for creditors being financial institutions is selected without any restriction as stipulated in section a, b of this Article.

3. Except in cases where the company's charter provides otherwise, the Board of Management shall determine types of bonds, the total value of bonds and issuing time, but shall be subject to report at the Shareholders' Meeting in the next meeting. The report shall consist of materials, files for explaining the decision of the Board of Management on the bond issuance.

Article 89. Payment of shares, bonds

Shares and bonds of a shareholding company shall be paid in either Vietnamese Dong, exchangeable foreign currencies, gold, value of land use rights, value of intellectual property rights, technology and know-how or other assets as stipulated in the company's Charter. Shares and bonds of the company shall be paid in full once.

Article 90. Buy-back of shares at requests of shareholders

1. A shareholder shall be entitled to request the company to buy back his/her own shares if such shareholder votes against resolutions of the Shareholders' Meeting with respect to the reconstruction of the company or alteration of the rights, obligations of shareholders provided in the company's Charter. The request shall be in writing, in which specifying name, address of the shareholder and the number of shares held under each type of such shareholder, the proposed price and the reasons for such request. The request shall be sent to the company within 10 days from the

date of resolution of the Shareholders' Meeting regarding the issues mentioned in this clause.

2. A company shall buy back from the shareholder, in accordance with his/her request as stipulated in Clause 1 of this Article, his/her shares at a market price or a price calculated by the net assets method or the discounted cash flows method or any other methods stated in the company's Charter, within 90 days from the date of receipt of such request. Where such price fails to be agreed, the shareholder can sell the share to another person or the company and the shareholder can call for a valuation organization. The company can introduce at least 3 valuation organizations so that shareholders can choose and the decision of this valuation organization is the final.

Article 91. Buy-back of shares as a result of company resolutions

A shareholding company is entitled to buy back no more than 30% of its issued ordinary shares, a portion or all of its sold preferential shares in accordance with the following regulations:

1. The Board of Management shall have right to decide a buy-back of 10% or less of each type of shares offered for every 12 months. In other cases, buy-back of shares shall be decided by the Shareholders' Meeting.

2. The Board of Management shall set the price for the buy-back. With respect to ordinary shares, the set price shall not exceed their market price at the time of buy-back, unless otherwise stipulated by Clause 3 of this Article. The price of other types of shares shall not be lower than their market price, unless otherwise stipulated by the company's Charter or otherwise agreed between the company and related shareholders.

3. The company is entitled to buy back a number of shares from every shareholder in accordance with his/her equity proportion in the company. Where this is the case, a notice of such decision by the company shall be forwarded to all shareholders within 30 days from the date of approval of such resolution. A notice so made shall include the name and head office of the company, the overall number and types of shares to be bought back, price of such buyback, procedures and time-limit for payment, procedures and time-limit for a shareholder to offer the company his/her shares. The notice shall be sent to all shareholders by certified mail so that it shall reach them at the said deadline.

Shareholders who agree to resell their shares must send their offers to the company within 30 days from the notice date. The offers shall include name, address, the establishment decision number or the registration number, total shares owned, the number of shares on sale, payment method, signatures of shareholders or of their legal authorized representatives. The sale offer must be sent to the company by certified mail. The company shall only buy back shares offered within the said period.

Article 92. Payment Conditions and settlement of share buy-backs

1. A shareholding company shall only be entitled to make full payment for the share buy-backs as stipulated in Article 90 and Article 91 of this Law where subsequent to such payment, the company shall be able to discharge its due debts and other liabilities.

2. All shares that are bought back in conformity with stipulations in Article 64 and Article 65 of this Law shall be deemed re-purchased shares eligible for re-offering.

3. Share certificates verify the ownership of the bought-back shares shall be destroyed right after the respective shares have been paid in full. The chairman of the Board of Management and the (general) director will be jointly responsible for any losses caused from non-destroying or delaying in destroying of share certificates.

4. Where a full payment of shares to be bought back causes a decline in the total value of the company assets by more than 10%, the company shall so notify to all of its creditors within 15 days from date of such payment.

Article 93. Distribution of dividend

1. Dividends for preference shares shall be paid corresponding to specific conditions on each type of preference share.

2. A shareholding company shall be entitled to pay dividends to its shareholders if its business is profitable and its tax and other financial obligations have been fulfilled in accordance with law provisions, and previous losses have been covered and contribution to the company's funds has been made in accordance with the law and the company's charter; and immediately after settling the dividends, the company must assure the settlement of other due debts and obligations.

The Board of Management can determine the mid-term dividend payment if this is suitable with the profit generation of the company during the fiscal year.

Dividends can be paid in cash or other detailed assets as stipulated in clause 1b of this Article. In the case of cash, the payment shall be in VND or can be in made by cheque or a money order sent to the address of residence of shareholders.

Dividends can be paid through bank transfer when the company has all information of shareholders' banks enabling the company to direct transfer [the dividends] to the shareholders' bank account. If the company has transferred the money according to the information provided by shareholders, it will not be responsible for any losses, if any, incurred from that transaction.

3. Upon and for the purpose of making payments of dividend, the Board of Management shall make a list of shareholders who get paid, determine the amount of dividend per share, the time and form in which such payment is made, at least 30 days prior the date on which the payment is proposed to be made. Notice of dividend payment shall be forwarded to by certified mail to the registered address of all shareholders of no later than 15 days prior to the date of such payment. Such notice shall contain the name of the company, the name, address, the permanent address, the nationality, ID, passport or other legal individual certification number or the number of establishment decision or the registration number, the overall number of the shareholders to whom dividend is paid, the number of shares held by him/her under each type, the amount of dividend per share and the total dividend received by such shareholder, the time and mode of payment, the signature of the chairman of the Board of Management and the company's legal authorized representative.

4. Where a shareholder transfers his/her shares within the period, which is between the completion of the shareholders list and the dividend payment, the transferor shall receive the dividends.

Article 94. Recovery of unlawful payment for the buy-back of shares or dividend

Where the buy-back of shares does not comply with Clause 1 of the Article 92, or the payment of dividend is contrary to the Article 93 of this Law, all shareholders shall pay back the company the paid money or assets taken as a result thereof; in the case where a shareholder is not able to do so, that shareholder and all members of the Board of Management shall jointly be liable for all the debts born by the company.

Article 95. Organisation and management structure of shareholding companies

The organisation and management structure of a shareholding company shall comprise: the Shareholders' Meeting; the Board of Management, the (General) Director, and the Control Board where the company has more than 11 individual shareholders or has a legal entity shareholders.

The chairman of the Board of Management or the (General) Director are legal representatives of the company, who have to reside in Vietnam. In case he/she absent from Vietnam for more than 30 days, an authorized representative should be appointed in writing to exercise the rights and obligations on behalf of the legal representative.

Article 96. Shareholders' Meeting

1. All shareholders with voting rights make up the Shareholders' Meeting that acts as the highest decision-making body of a shareholding company

2. The Shareholders' Meeting shall have the following rights and obligations:

a. Make decisions on directions of development of the company

b. Decide the types and total amount of shares under each type the company is authorised to issue; decide the annual dividend per share, unless otherwise stipulated in the company's charter.

c. Elect and dismiss members of the Board of Management and of the Control Board;

d. Make decisions on investment or approve the sales of 50% or more of the total value of assets recorded in the company's accounting books except the company's charter differently regulates

e. Determine the revision and/or supplementation of the company's Charter, except where there is an adjustment of charter capital as a result of selling new shares within the total amount of shares the company is authorized to issue;

f. Approve the annual financial statements;

g. Make decisions with regard to the buy-back of more than 10% of issued shares of each type.

h. Investigate and decide how to deal with breaches committed by the Board of Management and the Control Committee which cause damage to the company and its shareholders;

i. Determine the reconstruction and dissolution of the company;

j. Other rights and obligations as stipulated in this Law and the company's Charter.

3. Shareholders as legal entities shall appoint one or more authorized representatives to exercise their rights in accordance with the lawful regulations. If more than one authorized representative is appointed, it is required that a number of shares and votes of each authorized representative to be determined. The dismissal, appointment or change of authorized representatives shall be made in writing and be notified to the company at the earliest convenience. The notice shall consist of the following contents:

a. Name, permanent address, nationality, number and date of the decision for establishment, the registration of shareholders;

b. Number of shares, types of shares and date of shareholders registration in the company;

c. Full name, permanent address, ID, passport, other legal individual certification numbers of the authorized representatives;

d. The number of authorized shares;

dd. Duration of authorization;

e. Signature of the authorized representative and the legal representative for shareholders.

The company shall send a notice on the authorized representative mentioned in this clause to the business registrar within 5 days from the date of receiving such notice.

Article 97. Authority to convene the Shareholders' Meeting

1. The Shareholders' Meeting is required to be held regularly or irregularly at least once per year. The venue of the Shareholders' Meeting shall be in the territory of Vietnam.

2. The Shareholders' Meeting shall be conducted regularly within the 4 months from the date of ending the fiscal year. Upon the request of the Board of Management, the business registrar can extend the time but less than 6 months from the end of the fiscal year.

The regular meeting of the Shareholders' Meeting shall discuss and approve:

- a. The annual financial report;
- b. Report of the Board of Management on the evaluation of the business management in the company.
- c. Report of the Control Board on the management of the Board of Management and the (general) director.
- d. Dividends for each type of shares
- dd. Other issues within the authority

3. The Board of Management shall convene irregular meetings of the Shareholders' Meeting in the following cases:

- a. The Board of Management considers it necessary for the benefits of the company;
- b. The remaining members of the Board of Management are smaller than as stipulated in the law.
- c. At the request of a shareholder or group of shareholders prescribed at point b, Clause 2, Article 79 of this law, or
- d. At request of the Control Board; or
- dd. Other cases as stipulated by the company's charter.

4. Unless otherwise provided by the company's charter, the Board of Management shall convene the Shareholders' Meeting within 30 days commencing from the date of receipt of the request as described in item c and d, Clause 1 of this Article.

In the case the Board of Management does not convene the Shareholders' Meeting as stipulated, Chairman of the the Board of Management shall be responsible for and pay all the damages of the company.

5. Where the Board of Management fails to convene the Shareholders' Meeting as stipulated in clause 4 of this Article, within the next 30 days, the Control Board in place of the Board of Management shall convene the Shareholders' Meeting in compliance with this Law.

In the case the Control Board does not convene the Shareholders' Meeting as stipulated, head of the Control Board shall be responsible for and pay all the damages of the company.

6. Where the Control Board fails to convene the Shareholders' Meeting as stipulated in clause 5 of this Article, a shareholder or group of shareholders as provided in item b, Section 2 Article 79 of this Law, in place of the Board of Management and Control Board, shall have the right to convene the Shareholders' Meeting in compliance with this Law.

In this case, the shareholder or group of shareholders convening the Shareholders Meeting can request the Business Registrar to supervise the convening process and the meeting if necessary.

7. The convener(s) of the Shareholders' Meeting shall make a list of shareholders entitled to participate in sessions thereof, provide information and resolve complaints regarding such list of shareholders, prepare the agenda, contents and materials for such meeting, set the time and decide the venue thereof, forward the meeting invitations to each shareholder eligible for attendance in conformity with this Law, and provide information and solve claims relating to the list of shareholders.

8. All expenses arising from the convocation and proceeding the Shareholders' Meeting as stipulated in clause 4,5 and 6 of this Article shall be reimbursed by the company.

Article 98. List of shareholders entitled to participate in sessions of the Shareholders' Meeting

1. The list of shareholders entitled to participate in sessions of the Shareholders' Meeting shall be made based on the Register book of shareholders. Such list shall be made when there is a resolution to make convocation thereof and must be completed no later than 30 days prior to the date of opening the Shareholders' Meeting, unless the company's Charter determines a shorter period.

2. The list of shareholders shall include full name, address of residence, nationality, ID, passport or other legal individual certification numbers or the number

of decision of establishment or the registration number of head office; total shares and the date of registration under each type of each shareholder.

3. Every shareholder shall have the right to check, search, extract and copy the list of shareholders, who are eligible for attendance in sessions of the Shareholders' Meeting;

to request amendment of incorrect information or addition of necessary information concerning him/her-self in the list of shareholders eligible for attendance in the Shareholders' Meeting.

Article 99. Agenda and contents for sessions of the Shareholders' Meeting

1. The convener(s) of the Shareholders' Meeting shall be liable to make the list of shareholders to attend the meetings and to vote; prepare the agenda and materials for the meeting and the draft resolutions for each issue in the agenda, determine the time and venue and send invitations to all eligible shareholders for participation in the sessions.

2. Shareholders whether in person or in group as described in Clause 2 of Article 79 of this Law shall be entitled to make proposals as to matters to be included in the meeting agenda of the Shareholders' Meeting. Such proposals shall be made in writing and forwarded to the company no later than 3 days prior to the opening date of such meeting. A proposal so forwarded shall specify the names of such shareholders, the amount of shares held by them under each type, number and date of shareholders registration in the company, and matters proposed for inclusion in the meeting agenda.

3. The convener(s) of the Shareholders' Meeting shall be entitled to refuse such proposal as stipulated in Clause 2 of this Article in the following circumstances:

a. Such proposals fail to be forwarded within the specified time-limit or fail to include all the required information;

b. The proposed matters are not within authority of the Shareholders' Meeting.

c. Other circumstances as stipulated in the company's Charter.

4. Except otherwise provided in Clause 3 of this Article, the convener(s) of the Shareholders' Meeting shall accept and put the recommendations in Clause 2 of this Article in the proposed meeting agenda and contents; the recommendations will be

officially added into the meeting agenda and contents subject to the approval of the Shareholders' Meeting.

Article 100. Invitation to sessions of the Shareholders' Meeting

1. The convener(s) of the Shareholders' Meeting shall forward invitations to all shareholders eligible for participation in sessions of the Shareholders' Meeting no later than 7 days prior to the opening date thereof. The company's Charter can determine longer period. The notice shall be forwarded to the permanent address of shareholders by certified mail.

The invitation shall include: name, address of head office, number and date of business registration, place of business registration, name and permanent address of shareholders or the authorized person of shareholders, time and venue of meetings.

2. Such invitations shall be enclosed with the form of authorization for attending the session, the agenda and discussion materials as grounds for adoption of resolutions, and the draft resolutions for each issued to be discussed in the meeting agenda.

If the company has a website, the meeting invitation and other relevant materials shall be posted on the website as well as forwarded to the shareholders.

Article 101. Authorisation to participate in sessions of the Shareholders' Meeting

1. A shareholder whether in persons or in the authorized representative of shareholders may directly or in writing authorise another to participate in a session of the Shareholders' Meeting. If shareholders are institutions and do not authorize a representative as stipulated in Section 3 Article 70 of this law, they can appoint a person to participate in the Shareholder's meeting.

2. The appointment of the authorized representative to attend the meeting shall follow the form provided by the company:

a. If the shareholder is an individual, there shall be a signature of that shareholder and the authorized person.

b. If the shareholder is an organization, there should be a signature of the authorized person, the legal representative of shareholders and the person authorized to attend the meeting.

c. In other circumstances, there shall be a signature of the legal representative of shareholders and the person authorized to attend the meeting.

The person authorized to attend the Shareholder's Meeting must submit the authorization document prior to attending the meeting.

3. Unless provided clause 1b of this Article, the voting of the personal authorized to attend the meeting within the authorization will be effective even when the person appoint the authorization:

- a. is dead or his/her capacity of civil acts are lost;
- b. cancel the authorization.

4. The provisions in clause 2 of this Article will not be applicable if the company receives a written notice of one of these events no less than 24 hours prior to the opening of the Shareholders' meeting.

5. Where a shareholder transfers his/her own shares within the period from the completion date of the list of shareholders to the opening date of the Shareholders' Meeting session, the transferee shall have the right to participate in such session in place of the transferor with respect to such transferred shares.

Article 102 Conditions, procedures of the Shareholders' Meeting sessions

1. A session of the Shareholders' Meeting shall be deemed valid where it is attended by a number of shareholders that own 65% or more of the voting shares. The specific ratio shall be stipulated in the company's Charter.

2. Where the first convocation fails to satisfy the conditions required in Clause 1 of this Article, the Shareholders' Meeting shall be convened for the second time within 30 days from the proposed opening date of the first session. A session so convened shall be deemed valid where participating shareholders represent no less than 51% voting shares. The specific ratio shall be stipulated in the company's Charter.

3. Where the second session so convened also fails to satisfy the conditions provided in Clause 2 of this Article, the Shareholders' Meeting shall, within 20 days from the proposed opening date of the second session, be convened for the third time. In such case, the third session of the Shareholders' Meeting shall be carried out regardless of the number of participating shareholders.

4. Only the Shareholders' Meeting shall have right to alter the meeting agenda being enclosed with the invitations in accordance with Article 100 of this Law.

Article 103. Procedures of conducting meeting and voting procedures of the Shareholders' Meeting

Unless otherwise provided in the company's Charter, procedures of convention and voting procedures of the Shareholders' Meeting will be conducted according to the following regulations

1. The day prior to the opening [of the Shareholders' Meeting], registration procedures must be undertaken and continued until all eligible participating shareholders are registered. Upon registration, participants shall be provided with voting cards corresponding with the number of issues to be voted in the meeting agenda.

2. The Chairperson, secretary and vote counting committee of a session of the Shareholders' Meeting shall be defined according to the following regulations:

a. The Chairperson of the Board of Management shall chair meetings convened by the Board of Management. Where the Chairperson is absent or temporarily lost the ability to work, the remaining members shall select one of them to be the Chairperson of the meetings. In case none of the members can be the Chair, the highest ranking member of the Board of Management shall guide the Shareholders' Meeting to vote for a Chair.

b. In other cases, the person who signs the decision to convene the Shareholders' Meeting shall guide the Shareholders' Meeting to vote for a Chair; the person who receives the highest number of votes shall chair the Meeting.

c. The Chair shall nominate a person to be the secretary in charge of taking the meeting minutes.

d. The Shareholders' Meeting shall select a vote counting committee consisting of not more than 3 persons at the request of the Chairperson.

3. The meeting agenda and contents must be approved by the Shareholders' Meeting in the opening session. The meeting agenda must define details and timing for each of the issues to be discussed.

4. The Chair and secretary of the Shareholders' Meeting shall have the right to perform activities that they find relevant in order to chair the session properly, in

order, and in compliance with the approved agenda; or to make the session reflect the opinions of the majority of participants.

5. The Shareholders' Meeting shall discuss and vote for each of the issues identified in the meeting agenda. The voting shall be in the way of firstly collecting voting cards that support the resolutions, then collecting "against" voting cards; and finally counting the supporting voting-cards, "against" voting-cards, and "blank" ones. The counting results shall be announced by the Chair before the session is closed.

6. Shareholders or authorized representatives who come after the Meeting opened shall be entitled to register and shall have right to vote after registration. The Chair must not stop the session for the late comers to register; and effectiveness of votes that have already been done shall not be affected.

7. The person who convenes the Shareholders' Meeting shall have the right to:

a. Ask all participants to go through screening checks or other security measures;

b. Ask competent agencies to maintain the order of the Meeting; expel those who do not comply with the Chair's instructions, or intentionally make disorders and hinder the smooth progress of the Meeting, or refuse to comply with the security checking requirements.

8. The Chair shall have the right to delay a Meeting which is attended by a sufficient number of participants till another time or at another location in the following cases:

a. There is not enough space for the participants at the current meeting location;

b. The participants of the Shareholders' Meeting have acts that violate or hinder the order of the Meeting that are beyond the control of current security measures, which might make the Meeting unfair and improper.

The delay time shall not exceed 3 days from the intended date of the meeting.

9. In case the Chair delays or temporarily postpones the Shareholders' Meeting contrary to the provisions at points a and b of the Clause 8, the Shareholders' Meeting shall have the right to vote for any other participant to be the Chairperson, who shall chair the session until it closes, and effectiveness of votes approved by that session shall not be affected.

Article 104. Adoption of resolutions by the Shareholders' Meeting

1. The Shareholders' Meeting shall adopt resolutions within its authority by voting during its sessions or by collecting written opinions.

2. Unless otherwise provided in the company's Charter, the adoption of resolutions on the following issues shall be voted during sessions of the Shareholders' Meeting:

a. Supplement and amendment of the company Charter;

b. Decision on the company development directions

c. Decision on types of shares and numbers of each type of share which can be offered for sale.

d. Election, dismissal of members of the Board of Members, and the Control Board

dd. Decide on the investment or sale of assets which are more than or equal to 50% of the total value of the company's assets written in the latest financial report, unless otherwise provided another percentage by the company's charter.

e. Approval of the annual financial report.

g. Re-organization or dissolution of the company.

2. A resolution made by the Shareholders' Meeting shall be passed when:

a. Approved by no less than 65% of total votes of participating shareholders. The specific ratio shall be stipulated in the company's Charter.

b. Approved by no less than 75% of total votes of participating shareholders with respect to resolutions involving type of shares and a number of shares to be issued under each type, amendments and supplements of the company's Charter, the reorganization and dissolution of the company, or investment, the sale of 50% or more of the total value of assets recorded in the company's accounting books except the company's charter different regulates. The specific ratio shall be stipulated in the company's Charter;

c. Voting for electing members of the Board of Members and the Control Board will be implemented by accumulatively calculating the votes, that is each shareholder shall be entitled to have the voting cards corresponding to the total amount of shares

they own multiplied by the number of elected members of the Board of Management or the Control Board, and the shareholder can accumulate their voting cards for one or a number of candidates.

4. The resolutions approved during the sessions of the Shareholders' Meeting by shareholders and their authorized persons representing 100% of the voting shares shall be lawful and take immediate effect even in the case where the order and procedures of convention, the meeting agenda and the conducting procedures do not implementing accordance with the regulations.

5. In a case where a resolution of the Shareholders' Meeting proposes to be approved by collecting written opinions, such resolution shall be passed if approved by no less than 75% of the total votes. The specific ratio shall be stipulated in the company's Charter.

6. Resolutions adopted by the Shareholders' Meeting must be notified to shareholders eligible to attend sessions of the Shareholders' Meeting within 15 days from the date of adoption thereof.

Article 105. Authority and Procedures of collecting written opinions of shareholders to pass resolutions of the Shareholders' Meeting

Unless otherwise provided in the company's Charter, authority and procedures of collecting written opinions of shareholders to pass resolutions of the Shareholders' Meeting are regulated as follows:

1. The Board of Management shall have right to seek shareholders' written opinions in order to pass resolutions of the Shareholders' Meeting at any time, if necessary for the benefits of the company.

2. The Board of Management shall prepare opinion sheets, drafted resolutions of the Shareholders' Meeting and explanatory documents for the drafted resolutions. These will be sent by certified mail to the residential addresses of shareholders.

3. The opinion sheet shall have the main following contents;

a. Name, head office, number and date of business registration, place of business registration;

b. Purpose for collecting opinions.

c. Name, permanent address, nationality, passport no, or other legal individual certification, establishment decision number or registration of shareholders or their authorized persons; number of shares per type and number of votes of shareholders.

d. Issues to be commented for the adoption of resolutions.

dd. Voting proposals: “Yes”, “No” and “Blank”

e. The deadline to send the filled-in opinion sheets to the company.

g. Signature of the Chairperson of the Board of Management and the legal representative of the company.

4. Filled-in opinion sheets must be signed by individual shareholders , or by the authorized representative or the legal representative of shareholders being legal entities.

Filled-in opinion sheets must be put in sealed envelopes and no person shall have right to open [filled-in opinion sheets] before vote counting. Those filled-in opinion sheets that are sent to the company after the deadline provided in the opinion sheets or opened shall be considered improper.

5. The Board of Management shall count the votes and make the minutes in the presence of the Control Board or shareholders who do not hold management titles at the company.

The minutes must contain the following contents:

a. Name, head office address, business registration number and date, and business registration location;

b. Purposes and issues for collecting opinions;

c. Number of participating shareholders and total of votes, in which the proper and improper votes shall be clearly determined, and a list of participating shareholders shall be attached.

d. Total number of votes that are “for”, “against” or “abstention” in regards to each of the issues;

dd. Resolutions that are approved.

e. Signature of the Chairperson of the Board of Management, the legal representative of the company, and the vote counting supervisors.

Members of the Board of Management and vote counting supervisors shall be jointly responsible for the accuracy and integrity of the minutes; and share liabilities for any losses resulted from approved resolutions due to inaccurate and dishonest vote counting results.

6. The minutes must be sent to all shareholders within 15 days from the completion date of vote counting.

7. All filled-in opinion sheets, vote counting minutes and full texts of the approved resolutions and related documents attached with opinion sheets must be filed at the company's head office.

8. Resolutions approved by collecting written opinions from shareholders shall have equally value as the resolutions approved at the sessions of the Shareholders' Meeting.

Article 106. Minutes of sessions of the Shareholders' Meeting

1. Any session of the Shareholders' Meeting shall be recorded in a minute that shall be written in Vietnamese and may also be in foreign languages and shall contain the following essential contents:

a. Name, address of the head office, number and date of business registration, place of registration.

b. Time and venue of the session of the Shareholders' Meeting;

c. Meeting agenda and contents;

d. Names of the chair and secretary of the session;

e. Summary of the meeting progress and statements and speeches made during the session on each issue in the meeting agenda;

f. Number of shareholders and total votes of the participating shareholders, attached with the annex of registration list of shareholder /authorized representatives to participate with respect to shares and voting rights;

g. Aggregate number of votes with respect to each issue voted; in which clearly recorded the numbers of "for", "against" or "blank" votes, the respective proportion over the total votes;

h. Approved resolutions

i. Full names and signatures of the chair and secretary.

The minutes written in Vietnamese and foreign language shall have equal legal value.

2. The minutes of the Shareholders' Meeting shall be completed and approved before closing the meeting.

3. The chair and the secretary will be jointly responsible for the accuracy and accuracy of the minutes.

The minutes of the Shareholders' Meeting will be sent to all shareholders within 15 days from the opening of the meeting.

The minutes of the Shareholders' Meeting attached with the list of shareholders registration, the whole text of the adopted resolutions and other materials attached with the meeting invitations shall be kept in the head office of the company.

Article 107. Request to cancel resolutions of the Shareholders' Meeting

Within 90 days from the date of adoption of a resolution [of the Shareholders' Meeting] or the voting minute in case of collecting written opinions of shareholders, member of the Board of Management or the Control Board, or the (General) Director shall be entitled to file a petition requesting the Court to consider and cancel such resolution on the following grounds:

1. Order and procedures of the convocation of the concerned session of the Shareholders' Meeting fail to comply with stipulations of this Law and the company's Charter.

2. Order and procedures of issuing the decision or such resolution of the Shareholders' Meeting has one or more contents in breach of laws or the company's Charter.

Article 108. The Board of Management

1. The Board of Management shall act as the management body of the company, be fully authorised on behalf of the company to decide and exercise all the rights and for the benefits of such company, except those under the authority of the Shareholders' Meeting.

2. The Board of Management shall hold the following rights and obligations:

i. Supervise and guide the (general) directors and other managers in managing normal business activities of the company.

a. Determine the development strategy and the annual business plan of the company;

b. Make proposals with regard to the types of shares and the total number of shares to be issued under each type;

c. Decide the issuance of new shares limited to the number of shares authorized to offer for each type; determine the additional raising of capital for the company through alternative means;

d. Set the price of shares and bonds issued by the company;

dd. Determine the share buy-backs as stipulated in Clause 1 Article 91 of this Law;

e. Make decisions on investment policies within the rights and limitation stipulated in this law or the company's charter

g. Make decisions on market promoting, marketing and technology solutions; approve all contracts of sales, purchase, borrowing, lending or any other types of contracts worth not less than 50% of the total value of assets recorded in the company's accounting books, or a smaller ratio stipulated in the company's Charter;

h. Appoint and dismiss the (General) Director and other key managerial positions of the company, decide salary and other benefits applied to such persons; appoint the authorized representative to exercise the ownership rights of shares or the rights of capital contribution in other companies, decide allowances and other benefits to be applied to such persons.

i. Supervise and guide the (general) directors and other managers in managing normal business activities of the company.

k. Approve the organisational structure, internal rules and regulations within the scope of the company; make decisions on the formation of branches, representative offices and subsidiaries thereof; decide the contribution of capital to or buying of shares issued by other enterprises;

l. Approve the agenda, materials used in sessions of the Shareholders' Meeting, convene sessions of the Shareholders' Meeting or carry out the collection of written opinions for the purpose of passing resolutions of the Shareholders' Meeting;

m. Submit annual financial statements of the company to the Shareholders' Meeting;

n. Make decisions on the amount of dividend paid, time and procedures for payment of such dividend or methods in settlement of losses incurred during the course of business operations of the company;

o. Make proposal with respect to reorganization or dissolution of the company;

p. Other rights and obligations as stipulated in this Law and the company's Charter.

3. The Board of Management may opt to have its resolutions adopted by means of voting at the sessions, by collecting written opinions or other means as stipulated in the company's Charter. Each member of the Board of Management shall hold a single vote.

4. When exercising the rights and obligations, the Board of Management has to comply with all provisions of the law, the company's Charter and resolutions of the Shareholders' Meeting. If resolutions adopted by the Board of Management are in breach of the laws or the company's Charter causing losses to such company, the members adopting resolutions will be jointly responsible for compensating the company's losses; members who are recorded in the minutes of the Shareholders' Meeting as persons oppose these resolutions shall be exempt from liabilities. In this case, every shareholder who continuously owns shares in the company for at least one year can request the Board of Management to suspend the exercise of such resolution.

Article 109. Terms and members of the Board of Management

1. Unless otherwise provided in the company's charter, the Board of Management shall consist of at least 3 members and no more than 11 members. At least half of the members of the Board of Management shall reside in Vietnam. The term of the Board of Management is not more than 5 years and members of the Board of Management can be re-elected.

2. After the end of the, the Board of Management of the previous term will continue working until the new Board of Management will be elected and take over the management.

3. If a new member is additionally elected or replaces a dismissed member during the term, the term of this member will be the remaining term of the Board of Management.

4. Members of the Board of Managements are not necessarily the company's shareholders.

Article 110. Criteria of members of the Board of Management.

1. Members of the Board of Management should meet the following criteria:

a. Having enough capacity for civil acts and are not prohibited to establish enterprises as stipulated by this Law;

b. Any individual shareholders own at least 5% of ordinary shares of the company or others owning expertise and experience in business managements or in business line (s) of the company, or other criteria as stipulated by the company's charter.

2. For subsidiaries of companies which the State holds more than 50% of the charter capital, related persons of managers of and persons who have authority in appointing managers of the parent company shall not be elected as members of the Board of Management.

Article 111. Chairman of the Board of Management

1. The company's Charter shall regulate whether the Shareholders' Meeting or the Board of Management elect the Chairman. In the later case, the Board of Management shall elect one among its members as the Chairman. The Chairman may hold at the same time the post of the (General) Director, unless otherwise stipulated by the company's Charter.

2. The Chairman shall have the following rights and obligations:

a. Develop working programs, plans for the Board of Management;

b. Prepare agenda, contents and materials for the meetings of the Board of Management, make convocation thereof and chair such meetings

c. Arrange for the adoption of resolutions by the Board of Management;

d. Monitor the implementation of resolutions adopted by the Board of Management;

dd. Chair sessions of the Shareholders' Meetings;

e. Other rights and obligations as stipulated by this Law and the company's Charter.

3. Where the Chairman of the Board of Management is absent or incapable of executing his/her assigned rights and obligations, members authorised by the Chairman of the Board of Management shall exercise the rights and obligations of the Chairman. In the event there is no such authorisation, other members shall appoint one among themselves to hold the temporary chairmanship of the Board of Management.

Article 112. The meeting of the Board of Management

1. If the Board of Management elects the Chairman, the first meeting of the term of the Board of Management to elect the chairman and adopt other resolutions within the authority shall be conducted within 7 days from the closing for the election of the Board of Management for such term. This meeting is convened by the member with the highest votes. If more than one members having equal and highest votes, they shall make an agreement and appoint one of them to convene the meeting of the Board of Management.

2. The Board of Management can conduct a regular or an irregular meeting. The Board of Management can be held in the head office of the company or in another place.

3. Regular meetings of the Board of Management is convened by the chairman at any time necessary, however, at least one meeting per quarter has to be conducted.

4. The chairman of the Board of Management shall convene a meeting of the Board of Management if there is a written request of:

a. Control Board; or

b. The (general) director or at least 5 other managerial officers; or

c. At least 2 members of the Board of Management;

d. Other circumstances as stipulated in the company's charter.

The request shall clearly mention the objectives, issues to be discussed and decisions under the authority of the Board of Management.

5. The chairman shall convene a meeting of the Board of Management within 15 days from the receipt of the request. If the chairman fails to do so, requesters can convene a meeting of the Board of Management to discuss and to make decision on the proposed issues.

6. If the company's charter does not provide differently, the chairman of the Board of Management or the person who convenes the meeting of the Board of Management has to send invitations at least 5 days prior to the meeting. The invitation shall specify the time and venue, agenda, issues to be discussed and resolved. Relevant materials used in the meeting and voting-papers shall be attached to the invitations.

Invitations can be sent by post, fax, emails or other means, however, they shall be ensured to reach the registered address of each member of the Board of Management in the company.

7. The chairman or the person who convenes the meeting has to forward invitations and relevant materials to members of the Control Board and the (general) director as of to other members of the Board of Management.

Members of the Control Board, the (general) director, who are not members of the Board of Management can participate in all meetings of the Board of Management, [they] have the right to discuss but not the right to vote.

8. A meeting of the Board of Management shall be deemed valid where attendance to such meeting covers more than 3/4 of members thereof.

Members who do not directly participate can vote by writings. The voting-papers shall be put in a sealed envelop and sent to the chairman of the Board of Management 1 hour prior to the opening of the meeting. The voting-papers can only be opened in front of all participants in the meeting.

A resolution of the Board of Management shall be adopted where it is so done by the majority of the attending members. In the event there is equality to the numbers of contradicting votes, decision of the Chairman shall be the final one.

9. Members have to fully participate all meetings of the Board of Management. Members can authorize another person to participate meetings of the Board of Management, if approved by the majority members of the Board of Management.

Article 113. Meeting Minutes of the Board of Management

1. All meeting minutes of the Board of Management shall be recorded in the minutes book. Minutes shall be in Vietnamese and possibly in foreign languages and shall consist of the following contents:

a. Name, head office, number and date of business registration, place of business registration.

b. Objectives and meeting agenda and contents

c. Time and venue of meetings

d. Full name of each participant or of the authorized person, full name of absent members and reasons for absence.

dd. Issues to be discussed and voted during meetings.

e. Summary of opinions by each participant according to the order of the meeting progress.

g. The voting result shall clearly states members who support, against and leave blank votes.

h. Adopted resolutions

i. Names and signatures of all members or authorized participants.

Chairman and secretary of the meetings shall jointly be liable to the accuracy and honesty of a minute of the Board of Management.

2. Minutes of the Board of Management and materials used during meetings will be kept in the head office of the company.

3. The minutes, in Vietnamese and English alike, are equally legal.

Article 114. The right to be supplied information of members of the Board of Management

1. Members of the Board of Management are entitled to request from the (General) Director, the Deputy (General) Director, and other managing staff in different units of the company to provide information and documents with regard to the financial situation, business performance of various units in the company and of the company.

2. A person so requested shall be obliged to make an in-time, adequate and accurate information, materials in accordance with the request of members of the Board of Management.

Article 115. Exemption, dismissal of and supplement to members of the Board of Management

1. A member of the Board of Management shall lose the membership status under such circumstances as where:

a. [He/she is] no longer a member of the Board of Management due to not meeting criteria as stipulated in Article 100 of this Law;

b. Do not participate in meetings of the Board of management for 6 consecutive months;

c. Have letter of resignation;

d. Other circumstances as provided in the company's Charter.

2. Beside the cases stipulated in Clause 1 of this Article, a member of the Board of Management could be dismissed at any time by a decision of the Shareholders' Meeting.

3. Where the number of members of the Board of Management is reduced to more than 1/3 of the required number as stipulated in the company's Charter, the Board of Management shall convene a session of the Shareholders' Meeting within 60 days in order to supplement new members.

In other cases, the first coming meeting of the Shareholders' Meeting shall elect new members to replace dismissed or removed members of the Board of Management.

Article 116. (General) Directors

1. The Board of Management shall appoint one among its members, or others to act as the (General) Director of the company. The Chairman of the Board of Management may at the same time be the (General) Director. The (General) Director shall act as the legal representative of the company unless the company's Charter specifies that the Chairman of the Board of Management shall so act.

2. The (General) Director shall manage the normal business operations of the company under the supervision of the Board of Management and be liable to the Board of Management for his/her performance of assigned rights and obligations.

The term of the (general) director is not more than 5 years and can be renewed with unlimited number of terms.

The criteria of the (general) director are applied as stipulated in Article 57 of this Law.

The (general) director of the company cannot be at the same time the (general) director of another enterprise.

3. The (General) Director shall have the following rights and obligations:

a. Make decisions on all matters arising from the normal business operations of the company, which do not require resolutions of the Board of Management.

b. Arrange for the implementation of resolutions adopted by the Board of Management;

c. Arrange for implementation of business and investment plans of the company;

d. Make proposals as to the organisational structure plan and the internal management regulations of the company;

dd. Appoint, dismiss or remove the managerial positions of the company, except those whose appointment, dismissal or removal are within the power of the Board of Management;

e. Determine the salary and other allowances (if any) for employees of the company, including those managerial positions whose appointment is within the power of the (General) Director;

g. Recruit labourers;

h. Propose plans to pay dividends or deal with the losses of the company.

i. Other rights and obligations as stipulated in this Law, the company's Charter and decisions of the Board of Management.

4. The (general) director shall manage the normal business operation of the company in accordance with the regulations of the law, the company's Charter, the

labor contract with the company and the resolutions of the Board of Management. If the management violates the above-mentioned regulations causing losses to the company, the (general) director shall be responsible for compensating losses to the company.

Article 117. Salary and other benefits of members of the Board of Management, (general) director

1. The company has the right to pay the remuneration, salaries of the members of the Board of Management, (General) directors and other managerial officers according to the results and profits of the business.

2. If the company's charter does not differently regulates, the remuneration, salaries, and other benefits of the members of the Board of Management, (General) directors shall be paid according to the following regulations:

a. Members of the Board of Management will receive remuneration and bonuses. The remuneration is calculated based on the needed working days to complete the tasks of members of the Board of Management and the daily remuneration. The Board of Management estimates the remuneration for each member on the agreed principle. The total remuneration of the Board of Management shall be determine by the Shareholders' Meeting in its regular meetings.

b. Members of the Board of Management can reimbursed all expenses such as meals and accommodation, travel expenses and other reasonable expenses that they have to pay to fulfill their responsibilities as the members of the Board of Management.

c. The (general) director receives salary and bonus. The salary of the (general) director is determined by the Board of Management.

3. Remuneration of the Board of Management and salaries of (general) Director or other managers of the company shall be recorded to the business expenses of the company and shall be presented in a separate line of the company's annual financial statement and reported to the annual Shareholders' Meeting.

Article 118. Disclosure of related benefits

1. Members of the Board of Management, the (general) director and other managers of the company shall list all benefits related to them in the company including:

a. Enterprise (name, head office, business, number and date of business registration, location of business registration) in which they have capital contribution or shares; proportion and time of holding such capital contribution or shares.

b. Enterprise (name, head office, business, number and date of business registration, location of business registration) in which their related people individually or collectively holds capital contribution or shares greater than 35% of the charter capital.

2. Declaration mentioned in clause 1 of this Article shall be made within 7 days from the date of obtaining related benefits; all supplements, changes, if any, shall be declared within 7 days from the date of such supplements or changes.

3. Declarations as stipulated in clauses 1 and 2 of this Article shall be informed to the Shareholders' Meeting during its regular meetings and shall be posted or kept in the head office of the company. All shareholders, authorized persons of shareholders, members of the Board of Management, the Control Board, the (general) director shall have right to review the content of any declaration at any time if necessary.

4. Members of the Board of Management, the (general) director on their personal behalf or on behalf of others to do any work, at any form within the scope of the business operations of the company shall explain the nature and contents of such work to the Board of Management and the Control Board and this can only be done with the approval of the majority of the remaining members of the Board of Management.

If activities are implemented without declaration or approval of the Board of Management, all income generating from such activities shall belong to the company's ownership.

Article 119. Obligations of managers

1. The Board of Management, the (General) Director and any other managers of a company, within his/her powers and responsibilities, shall have the responsibilities to:

a. Exercise rights and obligations assigned in accordance with the provisions of this Law and other related laws;

b. Exercise all assigned rights and duties in honest, diligent and best manner like any normal person in the similar position and situation would act to protect the optimal interests of the company;

c. Sincere to the company's benefits, not using business opportunities, for personal purposes or for others, which can bring back benefits to the company, not using information gained from the managerial position for benefits of his/her own or of any other; not abusing [managerial] position, power and using the company's assets and capital for benefits of his/her own or of any other;

If a member of the Board of Management or the (general) director or other manager violates the above regulations of this clause, all incomes generated from such violation will be kept by the company;

d. Declare and inform on time, sufficiently and exactly to the company all related enterprises including enterprises owned by himself or his related persons or enterprises in which he himself or his related persons have shares or controlling shares.

This notice shall be posted in the head office or branches (if any) of the company;

2. When the company cannot pay in full due debts and other obligations, the Board of Management or the (general) director shall not be allowed to increase the salary, pay bonus to the company's employees including managers of the company;

3. Exercise other obligations as stipulated by the law and the company's charter.

Article 120. Contracts, transactions subject to approval by the Board of Management or the Shareholders' Meeting

1. Contracts of all types and transactions between the company and the following entities shall be approved by the Shareholders' Meeting or the Board of Management.

a. Shareholders/ authorized representatives of shareholders own more than 35% of the ordinary shares of the company and their related persons.

b. Members of the Board of Management, the (general) director of the company; or

c. Enterprises stipulated in clause 1, Article 118 and other related persons of the members of the Board of Management, the (general) director.

2. Contracts and transactions under 50% the total value of the company in the latest financial report or other smaller percentage as stipulated in the company's Charter shall be approved by the Board of Management prior to signing. In this case,

the legal representative of the company shall send a draft contract or inform the main content of intended transactions to all members of the Board of Management as well as posting them in the head office or branches (if any) of the company. The Board of Management will decide to whether or not approve such contracts or transactions within 15 days from the date of posting. Members, who have benefits related [to such contracts or transactions] shall not have right to vote.

3. Other contracts and transactions except the ones stipulated in clause 2 of this Article shall be approved by the Shareholders' Meeting prior to signing. The Board of Management shall submit draft contracts or explain the main content of intended transactions during the meeting of the Shareholders' Meeting or to collect written opinions of shareholders. In this case, shareholders related [to such contracts or transactions] cannot vote and the contracts or transactions will be approved when shareholders representing 65% of the remaining votes approve.

4. If contracts signed or transactions are conducted without the approval as stipulated in clauses 2 and 3 of this Article, such contracts shall be invalid and will be handled according to the laws. The legal representative of the company, shareholders, members of the Board of management or the (general) director related [to such contract or transaction] shall compensate for any incurred losses and return to the company all benefits from the exercise of such contracts or transactions.

Article 121. The Control Board

1. Unless otherwise provided in the company's charter, the Control Board shall have 3-5 members; the term of the Control Board shall be no more than 5 years and the members of the Control Board can be re-elected with unlimited number of terms.

2. Members of the Control Board shall appoint one of them to be the head of the Control Board. Rights and obligations of the head of the Control Board are determined in the company's charter. More than half of the members of the Control Board must reside in Vietnam, and at least one member is an accountant or auditor.

3. At the end of the term and the Control Board of a new term has not been elected, the former Control Board can continue exercising rights and obligations until the new Control Board shall be elected.

Article 122. The qualifications of members of the Control Board

1. Members of the Control Board shall meet the following criteria and conditions:

a. More than 21 years old, having capacity of civil acts and not persons who are prohibited to establish and manage enterprises as stipulated in this Law.

b. Not related persons of the Board of Management, the (general) director and other managers of the company.

2. Members of the Control Board shall not keep the managerial position in the company, or employees of the company. Members of the Control Board are not necessarily shareholders of the company.

Article 123. Rights and obligations of the Control Board

1. The Control Board shall monitor the management and control of the company conducted by the Board of Management and the (general) director; be responsible in front of the Shareholders' Meeting for the exercise of assigned obligations.

2. Verify the reasonableness, lawfulness, trustworthiness and carefulness of business management and direction, accounting books, and financial statements.

3. Verify periodic business reports, annual and 6 month reports of the company, and evaluation report on the company's management of the Board of Management.

Submit to the regular meetings of the Shareholders' Meeting the appraisal report on the annual financial report, annual business progress report of the company and the management evaluation report of the Board of Management.

4. Check the business and financial operations of the company, review accounting books and other materials of the company, or problems specifically related to the management and direction of the company's activities at any time if necessary or by a resolution of the Shareholders' Meeting, or at the request of shareholders or group of shareholders in accordance with the provisions of clause 2, Article 79 of this Law.

5. If there is a request from one or a group of shareholders stipulated in clause 2 Article 79 of this Law, the Control Board shall investigate within 7 days from the date of receipt of such request, shall make explanation report on investigated issues. The inspection report shall be made and sent the report to the shareholder or the group of shareholders who have made the request within 15 days from the date of completion of the investigation.

The investigation of the Control Board stipulated in this clause shall not prevent the normal operations of the Board of Management, intervene the normal business operations of the company.

6. Propose to the Board of Management or the Shareholders' Meeting on measures to adjust and improve organizational and management structures of the company.

7. When members of the Board of Management, the (general) director or other managers are discovered to violate the obligations of managers stipulated in Article 119 of this Law, a written notification shall be immediately sent to the Board of Management and request the termination of such violation or/and solutions to overcome shall be provided.

8. Exercise other rights and obligations in accordance with the provisions of this Law and the company's charter or in accordance with the resolutions of the Shareholders' Meeting.

9. The Control Board shall have right to use independent consultants, auditors or accountants to execute the assigned obligations.

The Control Board can consult the opinions of the Board of Management before submitting reports, conclusions and recommendations to the Shareholders' Meeting.

Article 124. Right to be provided with information of the Control Board

1. Invitations or collecting opinion sheets of the members of Board of Management and other relevant materials shall be sent to the Control Board at the same time and in the same way as to the members of the Board of Management.

2. Reports made by the (general) director submitted to the Board of Management and other relevant materials issued by the company shall be sent to members of the Control Board at the same time and in the same way as applied to members of the Board of Management.

3. Members of the Control Board shall have right to get access to all files, documents of the company, which are gathered and kept in the head office, branches of the company and other locations during working hours and at an appropriate duration, shall have right to come to all locations where managers and employees of the company work.

4. The Board of Management and members of the Board of Management, director (general director) must report, provide fully and in time information and documents on the management and supervision of the company's business operations at the request of the Control Board.

Article 125. Remuneration and other benefits for members of the Control Board

Unless otherwise provided in the company's Charter, remuneration and other benefits for members of the Control Board are paid according to the following regulations:

1. Members of the Control Board shall receive remuneration for the work done and other benefits according to the resolutions of the regular meetings the Shareholders' Meeting. The total remuneration and the annual budget operations for the Control Board will be determined by the Shareholders' Meeting based on estimated number of working days, amount and nature of work, the average daily remuneration of member.

2. Members of the Control Board shall be paid for meals, accommodations, travel expenses and fees for hiring independent consultants at appropriate level. The total remuneration and expenses cannot exceed the total annual budget for operations of the Control Board approved by the Shareholders' Meeting unless the Shareholders' Meeting has a different decision

3. Remuneration and operations expenses of the Control Board shall be recorded to the business expenses of the company and shall be presented in a separate line of the company's annual financial statement.

Article 126. Obligations of members of the Control Board

1. Comply with the law, the company's Charter, the resolutions of the Shareholders' Meeting, the professional ethics in executing assigned rights and obligations as members of the Control Board.

2. Exercise assigned rights and obligations with the trustfulness, in the best way and with the carefulness, which owned by any normal person in the similar position and expertise in order to ensure the legal optimal benefits of the company.

3. Sincere to the company's benefits and shareholders; not using business opportunities, which can bring back benefits to the company for personal purposes or for others, not using information gained from the managerial position to act for

benefits of his/her own or of any other; not abusing position and power, and using the company's assets and capital for his/her own benefits or of benefits of others ; not disclosing any of the company's business secrets, unless approved by the Members' Council.

4. Other obligations as stipulated in this law and the company's charter.

5. If a member of the Control Board violates obligations stipulated in clauses 1,2, 3 and 4 of this Article causing losses to the company or others, the members of the Control Board shall be individually or jointly responsible for compensating such losses.

Every income and other benefits gained directly or indirectly by members of the Control Board from violating regulations stipulated in clause 3 of this Article will be returned to the company.

6. In case where the violation of members of the Control Board in the execution of the assigned rights and duties is discovered, the Board of Management shall notify in writing to the Control Board, requiring the violators to cease their activities and propose solutions.

Article 127. Dismissal of members of the Control Board

1. Members of the Control Board can be dismissed in following cases:

a. No longer have sufficient qualifications and meet the conditions as stipulated in Article 122 of this Law;

b. Do not exercise their rights and obligations for 6 consecutive months without approval from the Control Board except the case of ...

c. Have Letter of resignation and be approved by the Shareholders' Meeting.

d. Other cases as stipulated in the company's Charter.

2. Members of the Control Board can be dismissed at any time according to the resolution of the Shareholders' Meeting.

3. If the Control Board seriously violates its obligations, which probably cause losses to the company, the Board of Management shall convene the Shareholders' Meeting to consider and dismiss the on-going Control Board and elect a replacing one.

Article 128. Submission of the annual statements and reports

1. By the end of a fiscal year, the Board of Management shall prepare and send to the Control Board the following reports and materials for appraisal:

- a. Report on the business operation of the company;
- b. Financial statements;
- c. Evaluation report on the management and supervision of the company;
- d. Recommendations on profits sharing or loss resolution;

2. Annual financial statements of a shareholding company, if required, must be audited before submitting to the General Shareholders Meeting for approval.

3. Unless otherwise provided in the company's Charter, the reports and materials stipulated in clause 1 of this Article shall be sent to the Control Board at least 30 days prior to the opening of the regular meetings of the Shareholders' Meeting.

4. Reports and documents prepared by the Board of Management together with the appraisal report of the Control Board and the auditing report shall be available at the head office of the company and its branches at least 7 days prior to the opening of the regular meeting of the Shareholders' Meeting.

All shareholders, who hold shares of the company for at least 1 consecutive year, shall have the right to review the above-mentioned reports at a appropriate time by themselves or with their lawyers, or certified auditors or accountants.

Article 129. Disclosure of information as to shareholding companies

1. Shareholding company shall forward its annual financial statement already approved by the Shareholders' Meeting to the authorised state agency according to laws on accounting and related issues.

2. A brief of the annual financial statement of the company shall be notified to all of its shareholders.

3. All individuals or organizations shall be entitled to have access to or make copies of the annual financial statements of a shareholding company at the Business Registrar.

CHAPTER V

PARTNERSHIP

Article 130. Partnerships

1. A partnership is an enterprise in which:

a. There are no less than two partners who are joint owners of the company, jointly conduct business under one common name (hereby so called general partners) ; besides general partners, there may also be limited partners;

b. General partners to a partnership shall be liable for all enterprise liabilities with his/her own entire property;

c. Limited partners shall bear debts of the partnership only to the extent of their capital contribution to the enterprise.

2. A partnership will have legal entity from the date of the receipt of the business registration certificate.

3. A partnership shall not issue any type of securities.

Article 131. Making capital contribution and the issuance of capital contribution certificate

1. General partners and limited partners shall make capital contribution in full and on time as committed.

2. If a general partner does not contribute capital in full and in time as committed, which causes losses to the company, such and only such partner will be responsible for compensating losses to the company.

3. If a limited partner does not contribute capital in full and in time as committed, such partner shall be jointly responsible for all debts and other liabilities of the company by his/her entire property.

4. At the time of making full capital contribution, partners shall be granted a certificate of capital contribution. A certificate of capital contribution shall have the following main contents:

a. Name, head office of the company

b. Number and date of the issuance of the business registration certificate

c. Charter capital of the company

d. Name, address, nationality, ID, passport or other legal individual certification of partners and types of partners

dd. Value of contributed capital and type of assets contributed to capital of partners

e. Number and date of certificate of capital contribution

g. Main rights and obligations of the owner of the certificate of capital contribution;

h. Signature of the owner of the certificate of capital contribution and all general partners of the company.

5. If the certificate of capital contribution is lost, torn, burnt or destroyed, partners of the company shall be entitled to be granted a new certificate.

Article 132. Property of a partnership includes

1. Asset contributions by partners, which have been transferred to the company's ownership.

2. Assets generated by the company.

3. Assets generated from any business operations by partners using the company's name or from any business operations within the business of the company, which is implemented and on behalf of general partners.

4. Other assets as stipulated in laws.

Article 133. Restrictions to rights of general partners

1. General partners cannot be owner of a private enterprise or general partners of other partnerships if the remaining general partners do not agree.

2. General partners cannot conduct the same business of the partnership whether on behalf of themselves or others.

3. Without approval from all remaining general partners, general partners cannot transfer a portion or the whole of their capital contribution in the company to others.

Article 134. Rights and obligations of general partners

1. General partners have rights to

a. Participate in meetings, discuss and vote to all issues in the company; each general partner has one vote unless the company's charter provides otherwise.

b. On behalf of the company, manage the company, conduct normal business activities of within the business industry of the company

c. Use the company's property including seals to execute the normal business operations within the company's industry and the day-to-day activities; if money is advanced by a partner to conduct the company's business, he/she can request the company to return the principal and interest of the advanced money.

d. Request the company to cover the loss or damages from conducting business operations within their powers if such losses or damages incurred not due to mistakes of thereof partners.

dd. Request the company or any other general partners to provide information on the company's business operations; investigate assets, accounting books and other documents of the company at any time if necessary.

e. Receive profits sharing pro rata with the proportion of capital contribution or agreed as stipulated in the company's charter.

g. Receive a portion of the remaining equity with respect to the capital contribution if the company's charter does not provide for another ratio when the company is liquidated

h. If a general partner is dead or declared dead by the court, the heir – by the will or the law, to such partner shall receive the portion of asset, which the deceased partner shall be entitled to receive after his/her debt to the company has been paid. The heir can become a general partner if he/she have competency, relevant qualification and accepted by the other Partners.

i. Other rights as stipulated in this law and the company's charter.

2. Obligations of general partners

a. General partners shall manage and carry out business operation with trustworthiness and with carefulness which owned by any normal persons and in the same situations to ensure the legal optimal benefits of the company and all partners.

b. General partners shall manage and supervise business activities of the company in accordance with the lawful regulations, the company's charter and the resolutions of the Members' Council; general partners, who violates the above-mentioned contents of this point causing losses or damages to the company shall be responsible for compensating such losses or damages to the company.

c. General partners shall not be allowed to use the company's property for making benefits of themselves or others, or abuse the company's property to give, present or grant to others.

d. If a general partner receives money by using the company's name or on behalf of his/her-self or any others receive money from activities within the company's operations and do not return to the company within an appropriate time for any reason, they will have to return the money received and make compensation for any losses caused to the company.

dd. General partners shall be responsible by their entire equity for all liabilities and other obligations of the company; if the property of the company cannot be used to pay off all the company's debt, general partners shall jointly pay off all the remaining debts. In this case, creditors can ask any general partner to pay the debts for the company.

e. If the company makes business loss, general partners will be responsible for losses pro rata to their capital contribution to the company or upon agreement stipulated in the company's Charter.

g. A monthly trustworthy and accurate report shall be made in writing to inform the company their business progress and results and provide information on their [business] progress and results to partners who have a request

h. Other obligations as stipulated in this law and the company's charter.

Article 135. Members' Council

1. All partners shall form the Members' Council. The Members' Council will select one of the general partners to be the chairman of the Members' Council cum the director, unless otherwise provided in the company's Charter.

2. All general partners shall be eligible for convening meetings of Members' Council, if necessary, to discuss and determine any business activities of the company. Partners, who convene the meeting shall prepare the content, agenda and materials for the meeting.

3. The Members' Council shall determine all issues and business operations of the company. If the company's charter does not provide otherwise, decisions on the following issues shall be approved by all general partners:

- a. company's development directions;
- b. supplement and changes of the company's charter.
- c. enrolment of new general partners;
- d. acceptance of the withdrawal of general partners from the company and decision on the removal of members from the company
- dd. decision on investment plan;
- e. decision on lending, borrowing with the value higher or equal 50% of the company's charter capital unless the company's charter provides otherwise
- g. decision on purchase, selling assets with the value equal or greater than the company's charter capital unless the company's charter provides otherwise
- h. decision on approval of the annual financial statement and total profits and profits granted to each partner;
- i. decision on the company's liquidation;

4. If the company's charter does not provides otherwise, decisions on other issues shall be approved if more than 2/3 of general partners accept.

5. The right to vote of members who contribute capital is stipulated in the company's charter.

Article 136. Convene a meeting of the Members' Council.

1. The chairman of the Members' Council can convene a meeting of the Members' Council at any time if necessary or upon request of general partners. If the chairman does not convene the meeting, the partners having the request shall convene the meeting.

2. Convening may be by invitation, telephone, fax, telex or other electronic equipments. The content shall include the purpose, requirements and content, agenda, place of meetings and the name of the partner, who request for convention of the meeting.

Materials used for determining issues as stipulated in clause 3 Article 135 of this Law should be forwarded to all partners. The time-limit for sending such material shall be determined by the company's charter.

3. The chairman of the Members' Council or partners who convene the meeting shall chair the meeting. All meetings of the Members' Council shall be recorded in the minutes book of the company. The content of the minute shall have the following main contents:

- a. Name of the company, head office, number and date of business registration, place of business registration;
- b. Purpose, content and meeting agenda;
- c. Time and place of meetings;
- d. Full name of the chairman and of participated partners;
- dd. Opinions, discussion of participated partners;
- e. Adopted resolutions, number of partners who accept and the main content of those resolutions;
- g. Signatures of all participated partners.

Article 137. Business management of a partnership

1. All general partners shall have right to be legal representatives of the partnership; shall manage and conduct daily business activities of the company. Any restriction to general partners in conducting daily business activities of the company shall have effect to the third party if this party is informed.

2. In managing and conducting business activities, general partners shall divide duties for managing and supervising the company.

When some or all general partners jointly conduct a business activity, the decision will be made on the principle of majority.

Any activity, which is clearly out of the normal business operations in the scope of the company's registered lines of business and is conducted by any partner shall not fall within the responsibilities of the company unless otherwise it is accepted by the remaining partners.

3. The company can open one or several accounts with a bank. The Members' Council appoints one authorized person to deposit and withdraw money from those accounts.

4. Chairman of the Members' Council, the (general) director of the company have duties to:

a. Manage and control daily business operations of the company as a general partner;

b. Convene and hold meetings of the Members' Council ; sign decisions or resolutions of the Members' Council .

c. Assign, regulate and coordinate business operations among partners; sign decisions on rules, regulations and other internal arrangements of the company;

d. Arrange, keep in full and trustfully all accounting books, invoices, and documents of the company according to the legal regulations. Each general partner have right to get access to these documents, to get copies of these documents for an appropriate duration.

dd. represent the company in working with a state agency; represent the company as a plaintiff or a defendant in lawsuits or in other commercial disputes.

e. Other duties as stipulated in the company's Charter.

Article 138. Termination of general partner status

1. A general partner status shall be terminated in one of the following cases:

a. Voluntary capital withdrawal from the company;

b. Dead or being declared dead by the court;

c. Being declared missing by the court or restricted or lost capacity of civil acts;

d. Fired from the company.

dd. Other cases as stipulated in the company's Charter.

2. General partners can withdraw investment capital from the company if all other remaining general partners accept. Partners, who want to withdraw capital from the company shall notify in writing the capital withdrawal request at least 6 months before. Capital shall only be allowed to be withdrawn at the end of the fiscal year and the financial statement of such fiscal year has been approved.

3. General partners shall be fired from the company in the following cases:

a. They are not able to contribute capital or do not contribute capital as committed after the company has sent the second notification;

b. violate Article 133 of this Law;

c. do not manage and conduct business activities trustfully and carefully or have inappropriate behaviors causing serious losses to the company's and others partners' benefits.

d. Do not exercise correctly obligations of general partners.

4. Being restricted or lost capacity of civil acts; the capital contribution of such member will be returned fairly and properly.

5. Within 2 years from the date of terminating the general partner status as stipulated in point a and d of clause 1 of this Article, partners withdrawing from the company shall still be jointly responsible for the company's debts by their entire equity.

6. After the termination of the general partner's status, if the name of such partners has been used as a part or the whole name of the company, such partners can request the company to stop that usage.

Article 139. Enrolment of new partners

1. The company can receive one or more new partners. The new comers shall partners upon approval of all general partners.

2. A new general partner or limited partner shall make full capital contribution to the company within 15 days from the date of acceptance, unless otherwise provided by the Members' Council.

3. New general partners shall jointly be responsible for all liabilities and other obligations of the company by their entire equity unless otherwise new partners and the remaining partners agree otherwise.

Article 140. Rights and obligations of limited partners

1. Limited partners shall have the rights to:

a. Participate in meetings, discuss and vote in the Members' Council on the changes, supplement of the company's charter, supplement and changes of rights and obligations of limited partners, re-organization and liquidation of the company, other content of the company's charter that is directly relative to their rights and obligations

b. Receive profits sharing pro rata the proportion of capital contribution in the company's charter capital;

c. Receive the annual financial statement of the company; request the chairman of the Members' Council, general partners to provide fully and trustfully information on business progress and results of the company; review accounting books, minutes book, contracts, files and other relevant documents issued by the company.

d. Freely transfer their capital contribution to others;

dd. Conduct the same business of the company on behalf of themselves or others.

e. Decide on their capital contribution by offering inheritance, giving-presenting, morgaging, taking as collateral and other activities as stipulated by laws and the company's charter; if an individual partner is dead or declared dead by the court, the heir or the replacing person of the deceased partner shall become the partner of the company.

g. Receive a part of the remaining assets pro rata to the proportion of capital contribution in the company's charter capital when the company is liquidated;

h. Other rights as stipulated in this law and the company's charter.

2. Limited partners are obliged to:

a. Be responsible for all liabilities and other obligations of the company to the context of the committed capital contribution.

b. Cannot manage the company, conduct business activities on behalf of the company;

c. Comply with the company's charter, content and resolutions of the Members' Council.

d. Other obligations as stipulated in this law and the company's charter.

CHAPTER VI

PRIVATE ENTERPRISE

Article 141. Private enterprises

1. A private enterprise is an enterprise owned by an individual who is liable for all of its operations with his/her entire property.

2. Private enterprise is not allowed to issue securities.

3. Each individual shall only be entitled to establish one private enterprise

Article 142. The amount of investment capital of the proprietor

1. The amount of investment capital of a private enterprise shall be registered by the owner thereof. The owner shall be obliged to register exactly the total amount of investment capital, in which the amount of Vietnam dong, of freely convertible foreign currency, of gold, and of other assets shall be clarified; as to other assets, types, quantity and remained valued thereof shall be made clearly.

2. All invested funds and assets including borrowed money and leased property, once employed for business operations of the enterprise, shall be fully reflected in accounting records and the balance sheet thereof.

3. During the course of business, the owner of a private enterprise is entitled to make an addition to or withdrawal from his/her current investment into the enterprise that shall be so reflected in the accounting records thereof. Where the remaining capital after being withdrawn is less than the registered amount, the owner shall be so doing only after notifying the Business Registrar of such event.

Article 143. Management of private enterprises

1. The owner of a private enterprise has the full decision-making power on any business operation therein and the distribution of its profits after payment of taxes and other financial obligations as provided by laws.

2. The owner may directly manage and run the business of the enterprise or employ a person other than him/herself to do so. Where the latter is the case, the owner shall so notify the Business Registrar and remain fully liable on his/her own for all the business operations of the enterprise.

3. The owner of any private enterprise shall be plaintiff, defendant, or the person who has related rights, interests, and obligations before arbitration tribunals or courts in all disputes relating to the enterprise.

4. The owner shall act as the legal representative of the enterprise.

Article 144. Leasing of private enterprises

The owner of a private enterprise is entitled to lease his/her entire business, provided the owner shall, in writing, so notify the Business Registrar and the Tax agency and such written notification shall be enclosed with a notarised duplicate of the leasing contract. During the lease term, the owner shall remain liable for the enterprise as its owner. Rights and obligations of the owner and the lessee with respect to operations of the enterprise shall be defined in the leasing contract.

Article 145. Sale of a private enterprise

1. The owner of a private enterprise is entitled to sell his/her enterprise to another. No less than 15 days before the transferring date of the enterprise, the owner shall notify in writing the Business Registrar of such act. The notice shall include name, head office of the sold enterprise; name and address of the buyer; the total amount of outstanding debts of the enterprise; name, address, and the amount of debts of each creditor, the date of payment to each creditor; labor contract and other contracts that have been concluded but not yet completed and methods of settlement of such contracts.

2. The owner, after the date of selling his/her enterprise, shall still be liable for all debts and other liabilities of the enterprise that were not handled, unless otherwise agreed by the buyer, the seller, and the creditors thereof.

3. The seller and the buyer thereof shall comply with regulations of laws on labor.

4. The buyer thereof shall re-register the business in conformity with provisions as provided by this Law.

Chapter VII.

Group of Companies

Article 146. Group of Companies

1. Group of companies is a set of companies which have long-term relation in terms of economic benefits, technology, market and other business services.

2. Groups of companies include:

a. Parent company – subsidiary

b. Economic Conglomerate

c. Other forms.

Article 147. Rights and responsibilities of the parent company in affiliation with its subsidiaries

1. Depending on the legal form of a subsidiary, the parent company shall exercise rights and obligations as a member, an owner or a shareholder in affiliation with subsidiaries with respect to the provisions of this law.

2. Beside the affiliation as stipulated in clause 1 of this Article, all contracts, transactions and other relationship between the parent company and its subsidiaries shall be created and implemented equally and in accordance with market-oriented mechanism.

3. In case the parent company interferes beyond its authority as the owner, a member or shareholder, or forces the subsidiaries to carry out business activities that run in counter with normal business activities or to conduct not-for-profit activities without proper compensation in the fiscal year, the parent company must be liable for the damage.

4. Managers of the parent company shall be responsible for making intervention or forcing the subsidiaries to conduct business activities prescribed at Clause 1 of this Article, and be jointly liable with the parent company for such losses.

5. If the parent company shall not make compensation to its subsidiary as stipulated in clauses 3 of this Article, the creditors or shareholders, who hold at least 1% of the company's charter capital on behalf of themselves can request the parent company to pay for any losses caused to its subsidiary.

6. In case when the business operations as stipulated in clause 3 of a subsidiary makes profits for other subsidiaries of the same parent company, such subsidiaries shall jointly with the parent company responsible for returning profits to the subsidiary suffering from losses.

Article 148. Financial statement of the parent company and its subsidiary

1. By the end of the fiscal year, beside the report and materials stipulated in laws, a parent company shall make the following additional reports:

a. The consolidated financial report of the whole group of companies as stipulated by laws on accounting.

b. The annual report on business results of the whole group of companies.

c. The general report on the management and operation of the group of company.

2. Who is responsible for making reports stipulated in clause 1 of this Article shall not make or submit such reports if he/she does not receive all financial statements from all subsidiaries.

3. Upon request from the legal representative of the parent company, the legal representatives of its subsidiaries has to provide necessary information for making profits-loss statement for the whole company, for all subsidiaries and the evaluation report on the management of the parent company.

4. If do not know or there is doubt that there is inaccurate, fake or wrong information on the reports made and submitted by subsidiaries, the manager of the parent company can use these reports to make a consolidated report for the whole group.

5. If the manager of the parent company has used all necessary methods within his/her power but do not receive reports, materials and information needed from subsidiaries, managers from the parent company still make and submit consolidated reports of the whole group. The consolidated report can consist or exclude information from such subsidiaries, however, necessary explanation shall be made to avoid misunderstanding or wrong understanding.

6. All reports, financial final accounting materials of the parent company, subsidiaries and all consolidated reports of the whole group shall be kept in the head

office of the parent company. Copies of all such reports, materials and information shall be available in all branches of the parent company in the territory of Vietnam.

7. If a company is a subsidiary, beside reports stipulated in Article 118 of this Law, by the end of the fiscal year it shall have to make and submit a report on the affiliation situation with the parent company, in which all transactions, cash flows and profits/loss between the parent company and the subsidiary in the last fiscal year shall be clearly mentioned.

Article 149. Economic Conglomerate

Economic Conglomerate is a large group of companies. The Government shall regulate and instruct the criteria, the organization, management and operation of economic conglomerate.

CHAPTER VIII REORGANISATION, DISSOLUTION, AND BANKRUPTCY OF ENTERPRISES

Article 150. Division of enterprises

1. Limited liability companies and shareholding companies can be divided into several enterprises of the same type.

2. Division of a limited liability company or a shareholding company shall be conducted in the following procedures:

a. A decision as to the division of a limited liability company or a shareholding company shall be subject to adoption by the Members' Council, the company owner, or the Shareholders' Meeting in conformity with this Law and the company's Charter. Such a decision shall contain the following principal contents: name, address of head office of the divided enterprise; number of enterprises formed as a result of such division; principles and procedures for the division of the enterprise assets, the plan of labor usage, the duration and procedures as to the conversion of capital contribution, shares and bonds of the divided company into newly-formed ones; principles and procedures as to the settlement of obligations of such divided enterprise; duration for

such division. Within 15 days from the date of such adoption, the decision so adopted shall be forwarded to all creditors and employees of the divided entity.

b. Members, the owner, or shareholders of the newly-formed companies shall adopt the Charter thereof, elect or appoint the chairman of the Members' Council, the Chairman of the company, the Board of Management, (General) Director; and proceed with business registration as provided by this Law. If it is the case, the file for business registration shall be accompanied by the decision as to the division as stipulated in item a of this Clause.

3. After the completion of business registration of new companies, the divided company ceases to exist. All newly-formed entities shall jointly be liable to the outstanding debts, labor contracts, and/or other liabilities born by such divided enterprise or upon agreement so that one of the above companies exercise the above-mentioned obligations.

Article 151. Separation of enterprises

1. Separation of a limited liability company or a shareholding company is the transfer of a portion of the assets of the existing company (hereinafter called the separated company) into one or more newly-formed one(s) [hereinafter called the separating company(ies)]; a proportion of rights and liabilities shall be transferred from the separated company to the separating company(ies) without causing the winding up of the former.

2. Separation of a company, either of limited liability or shareholding nature, shall be proceeded as follows:

a. A decision on the separation of a limited liability company or a shareholding company shall be subject to adoption by the Members' Council, the company owner, or the Shareholders' Meeting in conformity with this Law and the company's Charter. Such decision shall consist of the following main contents: name and head office of the separated company; the name of the separating company(ies); plan of labor usage; assets value; rights and obligations to be transferred from the separated company to the separating company(ies); duration for conducting such separation. A decision as to such separation shall be notified to creditors and employees thereof within 15 days from the date of adoption of such decision.

b. The members, the owner, or the Shareholders' Meeting of the separating company shall adopt the Charter thereof, elect or appoint the Chairman of the Members' Council, the Chairman of the company, the Board of Management, the

(General) Director, and proceed with business registration as provided by this Law. If it is the case, the file for business registration shall be accompanied by the decision on separation as stipulated in item a of this Clause.

3. After the completion of business registration of new company(ies), the separated company and the separating company(ies) shall jointly be liable to the outstanding debts, labor contracts, and/or other liabilities born by the such separating company(ies) except when separating company(ies), new established companies, creditors, customers and employees of companies have made different agreements.

Article 152. Consolidation of Enterprises

1. Two or more companies of the same type [hereinafter called the consolidated companies)] can be consolidated to form a new company (hereinafter called the consolidating company) by means of transferring all legal assets, rights, liabilities, and interests into the consolidating simultaneously with the winding up of the consolidated.

2. A consolidation shall be proceeded as follows:

a. Related companies prepare the consolidation contract. The contract so prepared shall include the following principal contents: names and head offices of the consolidated companies; name and head office of the consolidating company; procedures and conditions for the consolidation; plans of labor usage; duration, procedures and conditions as to the transferal of assets; conversion of members' capital contribution, shares and bonds of the consolidated companies into those of the consolidating company; duration for executing such consolidation; draft of the Charter of the consolidating company;

b. Members, the owner, or shareholders of the consolidated companies shall adopt the consolidation contract, the Charter thereof, elect or appoint the Chairman of the Members' Council, the Chairman of the company, the Board of Management, the (General) Director of the consolidating company; proceed with business registration as provided by this Law. If it is the case, the file for business registration shall be accompanied by the consolidation contract; the consolidation contract shall be forwarded to all creditors and shall be notified to employees within 15 days from the date of adoption;

3. If the new company has the market share from 30% to 50% in related market, legal representative of the company shall report to the competition controlling agency before the merging, unless otherwise provided by laws on competition.

Consolidations leading to new companies with market share of more than 50% in related market shall be prohibited, unless otherwise provided by laws on competition.

4. After the completion of business registration of the consolidating company, the consolidated companies cease to exist. The consolidating company shall enjoy the legal rights and interests, and be liable for the outstanding debts, labor contracts, and/or other liabilities born by such consolidated companies; except otherwise agreed by the companies.

Article 153. Merger of Enterprises

1. One or more companies of the same type (hereinafter called the merged company(ies)] can be merged into another company (hereinafter called the merging company) by means of transferring all legal assets, rights, liabilities, and interests

into the merging, simultaneously with the winding up of the merged company.

2. A merger shall be proceeded as follows:

a. Related companies prepare the merger contract and draft of the Charter of the merging company. The contract so prepared shall include the following principal contents: name and head office of the merging company; name(s) and head office(s) of the merged company(ies); procedures and conditions for the merger; plans of labor usage; duration, procedures and conditions as to the transferal of assets and conversion of members' capital contribution, shares and bonds of the merged company(ies) into those of the merging company; and duration for executing such merger;

b. Members, the owner, or shareholders of related companies shall adopt the merger contract, the Charter of the merging company; proceed with business registration as provided by this Law. If it is the case, the file for business registration shall be accompanied by the merger contract. The merger contract shall be forwarded to all creditors and shall be notified to employees within 15 days from the date of adoption.

c. After the completion of business registration of new companies, the merging company shall enjoy legal rights and interests, and be liable for the outstanding debts, labor contracts, and/or other liabilities born by such merged company(ies).

3. If the merging company has the market share from 30% to 50% in related market, legal representative of the company shall report to the competition controlling agency before the merging, unless otherwise provided by laws on competition.

Mergers leading to merging companies with market share of more than 50% in related market shall be prohibited, unless otherwise provided by laws on competition.

Article 154. Transformation of enterprises

A limited liability company can be transformed into a shareholding company or vice versa. Such transformation of a limited liability company, or a shareholding company (hereinafter - the transformed company) into a shareholding company, or a limited liability (hereinafter - the transforming company) shall be made in compliance with the following regulations:

1. The Members' Council, the company Owner, or the Shareholders' Meeting shall adopt the resolution of transformation and the Charter of the transformed company. A resolution of transformation so adopted shall consist of the following major contents: name and head office of the transformed company; name and head office of the transforming company; duration and conditions as to the transfer of assets and conversion of capital contribution, shares, and bonds of the transformed company into those of the transforming company; plans of labor usage; duration for executing such transformation.

2. The resolutions of such transformation shall be forwarded to all creditors and shall be notified to employees within 15 days from the date of adoption.

3. The transforming company shall be registered in conformity with provisions of this Law. If it is the case, the file for business registration shall be accompanied by the resolution of transformation.

After the completion of business registration, the transformed company wound up. The transforming company shall enjoy the legal rights and interests, and be liable for the outstanding debts, labor contracts, and/or other liabilities born by the transformed company.

Article 155. Transformation of a one-member limited liability

1. Where the owner of a one-member limited liability company makes a transfer of a part of the company's charter capital to (an)other organisation(s) and/or individual(s), such owner and the transferee(s) thereto, within 15 days from the date of transfer, shall register the change of the company's number of members with the

Business Registrar. As of registering such change in the number of members as provided in this Clause, the company shall be managed and operated in compliance with provisions as to limited liability companies with 2 or more members.

2. Where the owner of a one-member limited liability company makes a transfer of the whole of its company's charter capital to an individual, such owner, within 15 days from the date of completion of transfer, shall make a request to the Business Registrar to eliminate its company's name in business registration book, and the transferee shall register his/her business under the form of a private enterprise in compliance with regulations provided by this Law. The transferee shall receive all obligations, enjoy all legal rights and interests of the one-member limited liability company, unless otherwise agreed between the owner, the transferee, and the creditors thereof.

Article 156. Pause to do business

1. Enterprises have the rights to pause their business after sending written notice to the Business Registrar and Tax Agency on the date they pause and restart the business no later than 15 days before those dates.

2. The Business Registrar, the authorised state agency shall ask the enterprise to pause to do their business on conditional lines of business if they discover that the enterprise does not meet all the conditions as required by laws.

3. During the period of pausing the business, the enterprise has the responsibility to pay in full the tax obligations, continue to pay other debts, fulfill the responsibilities in signed contracts with consumers and laborers, unless otherwise agreed by the creditors, consumers and laborers.

Article 157. Circumstances and conditions where enterprises are subject to dissolution

1. The enterprise shall be dissolved in the following cases:

a. Termination of the operation duration as stated in the company's Charter for which there is no resolution to renew.

b. Where a decision is made by the proprietor of private enterprises, by all general partners of partnerships, or by the Members' Council, the company owner of limited liability companies, or by Shareholders' Meeting of shareholding companies.

c. Where a company or a partnership no longer satisfies the minimum number of member as required by this Law in 6 consecutive months.

d. Where there is a withdrawal of the certificate of business registration.

2. The enterprise shall be dissolved only after paying in full all its debts and other asset duties.

Article 158. Dissolution procedures

An enterprise shall be dissolved in compliance with the following provisions:

1. Adopting a resolution for such a dissolution in accordance with this Law. A resolution so adopted shall include the following principal contents:

a. Name and head office of the enterprise;

b. Reasons for such dissolution;

c. Duration and procedures for liquidation of contracts and payment of the enterprise's debts; Such duration for payment and liquidation shall not exceed 6 months from the date of adoption of the dissolution resolution;

d. Methods for handling obligations raised from labor contracts;

dd. Name and signature of the legal representative of the enterprise.

2. Owner, the Members' Council or company's owners, the Board of Management shall directly organize the liquidation of enterprise's assets unless the company's charter provides otherwise .

3. Within 7 days from the date of adopting the dissolution resolution, such decision shall be forwarded to the Business Registrar, to all creditors, to people having related rights, interests, and obligations, to employees of the enterprise; such decision shall be publicly posted at the enterprise's head office.

If the laws request newspaper publishing, the dissolution decision of the enterprise shall be published in 3 consecutive issues of a printed or electronic newspaper.

Such resolution shall be sent to creditors along with a notice on the method of settlement of debts. Such notice shall contain the name and address of the creditors, the amount of debts, the time-limit, the place and method as applied to payment of such debts, procedures and duration for handling complaints of creditors.

4. The asset allocation of the dissolved enterprise should be conducted according to the following order:

a. Obligations owed to salaries, allowance, social insurance as stipulated by the law, other benefits agreed according to labor union agreement and signed labor contracts.

b. Tax obligations and other obligations

After paying in full all the debts and fees of dissolution, the remaining shall belong to private enterprises, members, shareholders or the company's owner.

5. Within 7 days from the date of making full payment of all debts born by the enterprise, the legal representative of the enterprise shall submit a file on such dissolution to the Business Registrar. The Business Registrar, within 7 days from the date of receiving such file on the dissolution of the enterprise, shall erase the name of the enterprise in its business registration book.

6. Where an enterprise is withdrawn its certificate of business registration, such enterprise shall be dissolved within 6 months from the date of such withdrawal. Order and procedures for such dissolution shall be proceed in compliance with provisions as stipulated in this Article.

After the six months if the business registrar does not receive the dissolution file from the enterprise, the enterprise shall be considered as dissolved and the Business Registrar can delete its name from the Business registration book. In this case, the legal representative, all members (for limited liability), the company's owner (for one-member limited liability company), all members of the Board of Management (for shareholding company) and all general partners shall jointly be responsible for any unpaid debt (if any) including tax duties and other financial obligations.

Article 159. Activities prohibited since the company dissolution

Since the decision is made on dissolution of the enterprise, it is prohibited enterprises, enterprise managers to conduct the following activities:

1. To hire or give away assets

2. To remove or to reduce the debting rights

3. To transfer non-guarantee debts to guarantee debts by using enterprise's assets

4. To sign different types of contracts except contracts to dissolve enterprises
5. To mortgage, take as collateral, give-present or lease assets
6. To terminate the execution of in-effect contracts
7. To increase capital in other methods.

Article 160. Bankruptcy

The bankruptcy of an enterprise shall be subject to legal regulations on bankruptcy.

CHAPTER IX STATE MANAGEMENT UPON ENTERPRISES

Article 161. Contents of state management upon enterprises

1. To issue, disseminate, and enforce legal documents on enterprises.
2. To administrate business registration; make guides to business registration in order to ensure the fulfillment of strategies, master plans and development plans orienting social-economical development.
3. To organise and manage training, fostering of professional skills, enhancing of business virtuous character for enterprises' managers; of political quality, morality, and professional qualification for officers involving in state management upon enterprises; and training and building a skilful line-up of workers.
4. To implement incentive policies for enterprises in compliance with orientation and objectives of strategies, master plans and social-economical development plans.
5. To control and inspect enterprises; and to supervise business operations of enterprises by the regime of periodical financial reports and other statements.

Article 162. State management responsibilities as to enterprises

1. The Government consolidates the state management of enterprises, appoints an agency responsible in front of the Government for coordinating other ministries and agencies in state management upon enterprises.

2. Ministries, state agencies at ministerial level, and governmental bodies responsible in front of the Government for their assigned duties which are to:

a. Periodically or at the request of enterprises, business associations, review and evaluate the business conditions and recommend the removal of unnecessary business conditions; making changes to inappropriate business condition; promulgate or submit to the Government for the issuance of business conditions for the sectors and business segments under the ministerial state management

b. Instruct the implementation of legal documents on business conditions towards conditional business industries; inspect and investigate and deal with the violations toward conditional business industries within the state managerial authority by the Ministry;

c. Communicate and disseminate legal documents.

d. Manage the business activities in conditional business lines, inspect, control and deal with the environmental pollution, protection; ensure the management of food safety, the labour hygiene;

dd. Develop the Vietnamese standard system, quality standards for goods and services; monitor and supervise the management of quality standard system of Vietnam and the quality of goods and services.

e. Other rights and responsibilities as stipulated by laws.

3. People Committee of provinces and cities consolidate the state management of enterprises within the locality; the assigned responsibilities include:

a. Coordinate departments and other related agencies and the district people committees to provide information about enterprises and be responsible to solve difficulties and the constraints to investments and business within their authorities; and to be responsible to inspection and supervision of enterprises according to law.

b. Organize the business registration and direct the supervision of enterprises and households as per the businesses lines registered; investigate and deal with the violations as stipulated by laws.

c. Direct the departments, other related agencies and district people committees to implement legal regulations about taxes and business conditions according to the laws and guidelines from the ministries and ministerial agencies or governmental agencies; directly solve or recommend the related authorities to deal with violations.

d. Organize the business registrar, decide on the personnel for the registrar of the provinces and implement the business registration in line with the regulations of the relevant laws and guidelines of the Ministry of Planning and Investment; direct and provide guidelines for the district and commune people committees to deal with administrative violations in business registration.

Article 163. Organizational structure, power and responsibility of the Business Registrar

1. The Business Registrar has the following responsibilities and rights:

a. Settling business registration and granting the certificate of business registration in compliance with provisions stipulated by laws.

b. Setting up and managing the system of information on enterprises; providing information to state bodies, and interested organizations and individuals in conformity with regulations provided by laws.

c. Where it is necessary for the enforcement of this Law, asking enterprises for reports of their business situation; supervising and speeding up performance of reporting regime of enterprises.

d. Examining directly or requesting authorized state bodies to check on enterprises as to the content of the file for business registration.

dd. Settling breaches of provisions on business registration in compliance with regulations provided by laws; withdrawing of the certificate of business registration and asking enterprises whose certificate of business registration is withdrawn to

proceed procedures for dissolution in accordance with provisions stipulated in this Law.

e. Being responsible before laws for beaches on administration of business registration.

g. Conducting other rights and responsibilities in compliance with provisions stipulated by laws.

2. Organizational structure of the Business Registrar shall be decided by the Government.

Article 165. Measures in settlement of breaches

1. Depending on the nature and extent of breaches made, performers of behaviors breaking provisions of this Law shall be disciplined, receive an administrative fine, or be subjected to criminal prosecution in accordance with laws. Where the breaches causes damages to either the enterprise, its owners, creditors, or others, the performers will be liable to, either personally or jointly, make full compensation in accordance with laws.

2. An enterprise shall have its certificate of business registration withdrawn in the following cases:

- a. The content declared in the business registration file is fake;
- b. Enterprise is established by people, who are prohibited from forming enterprises according to the Article 9 of this law;
- c. The tax ID is not registered for 1 year since the issuance of the business registration certificate;
- d. Do not operate in the registered location within 6 consecutive months from the date of issuance of the business registration certificate or the certificate of changing head office.
- dd. No reports on business operations of the enterprise are sent to the business registrar for two consecutive year.
- e. Stop business activities for a year without notifying the business registrar;
- g. Do not submit reports as provided for at Clause 3, Article 116 of this Law to the Business registrar within 3 months from the date of receiving a written notice;
- h. Undertakes business operations in prohibited lines of business.

CHAPTER X

ENFORCEMENT PROVISIONS

Article 166. Transformation of State Owned Companies

1. All State Owned Companies established under the Law on State Owned Enterprises 2003 shall be transformed to Limited Liability Company or Shareholding Company as stipulated in this Law in not more than 4 years from the date this Law comes into effect, depending on the annual transformation plans.

The Government shall regulate and instruct the transformation procedures.

2. Within the period of transformation, issues that are not stipulated in this Law shall be regulated in accordance with the Law on State Owned Enterprises 2003.

Article 167. Enterprises for the purpose of security, defense

State owned enterprises established directly for the purpose of security, defense or the combination of security and defense shall be organized and managed in accordance with regulations of this Law and other specific regulations of the Government.

Article 168. Exercise the rights of the state owner of the capital contributed to the enterprises

1. The State exercises the rights of an owner of the capital contributed to the enterprises in accordance with the following principles:

a. Exercise the rights of an owner as an investor.

b. Secure and develop the state capital.

c. Separate the role of an owner and the functions of administrative management.

d. Separate the exercise of the owner's rights and the rights of actively doing business of the enterprises; respect the rights of doing business of the enterprises.

dd. Exercise identically and concentratedly the rights and obligations of the capital owner.

2. Functions, duties and rights of the state owner-representing agency ; procedures to exercise the rights of state capital owner; methods and criteria to evaluate the results and situation of state capital security and development; the mechanism of coordination and investigation and evaluation upon the state owner-representing agency; policy and measures to reorganize, rearrange, reform and

improve the effectiveness of the operations of the State owned enterprises shall be exercised as stipulated in laws.

3. The Government shall submit to the National Assembly the annual reports on the situation of State-owned-capital related business, situation of capital investment and State-owned assets security and development in enterprises.

Article 169. State owned enterprise establishment

State owned enterprises established after this Law comes into effect shall be registered, organized and managed in accordance with provisions of this Law and other related laws.

Article 170. Application as to enterprises established prior to enforcement of this Law

1. Limited liability companies, shareholding companies, private enterprises and partnerships which were set up in accordance with the Enterprise Law dated 12 June 1999 do not need to re – register

2. Enterprises with foreign investment capital established before the enactment of the Law have the right to :

a. Re- register and organize the management and activities according to this Law. The re-register must be done within 2 years from the date of effect of this Law. In this case, the business registration certificate will replace the Investment License and the enterprise shall no longer be entitled to rights and benefits stipulated in the Investment License.

b. Do not re-register according to this Law; in this case the enterprise shall only be allowed to carry business activities in the sector and in the period as stipulated in the Investment License and will continue to be entitled to the rights and benefits mentioned in the Investment Licenses.

3. Enterprises with foreign investment capital with commitment of transferring all the assets invested after the operation time-limit shall be transformed only if allowed by the authorised state agency as stipulated by the Government.

4. Household businesses that employ over 10 permanent employee or have more than one business location should register to operate as enterprise according to this Law.

Smaller-size business households shall register and operate under regulations set by the Government.

Article 171.

1. This Law shall be of full force and effect as of the 1 July,2006.

2. This Law shall replace the Enterprises Law no 13/1999/QH10 dated 12 June, 1999; Law on State owned Enterprises 2003, except otherwise stipulated in clause 2 Article 166 of this Law; other provisions on the organization and management and operation of the enterprise in the Law on Foreign Investment 1996 and the Law on the Amendment and Supplement of some provisions of the Law on Foreign Investment 2000.

Article 172. Enforcement guides

The Government shall make detailed stipulations and guidance to enforcement of Articles 7, 24, 36, 37, 61, 87, 149, 163, 165, 166, 168, 169, 170 of this Law and other necessary contents according to the need of state management upon enterprises./.

This Law was approved on 29 November 2005 at the 8 Session by the 11th Legislature of the National Assembly of the Socialist Republic of Vietnam.