

DRAFT ENTERPRISE LAW

(Version 2)

To help effectively mobilize, allocate and use resources for the cause of modernisation and industrialisation of the country; to accelerate the economic reform process; to ensure the rights to freedom and equality under and before the laws in business operations by all enterprises of all economic sectors; to protect the lawful rights and interests of investors; and to enhance economic integration and effectiveness of state management over business activities;

Pursuant to the 1992 Constitution of the Socialist Republic of Vietnam;

This Law provides for provisions on limited liability companies, share-holding companies, partnerships, and private enterprises.

CHAPTER I

GENERAL PROVISIONS

Article 1. Scope of application

1. This Law sets forth provisions on the establishment, organisation of management, and operations of the following types of enterprises: limited liability companies, share-holding companies, partnerships, and private enterprises.
2. State-owned enterprises, enterprises owned by political organisations, social-political organisations when converted into limited liability companies, share-holding companies, shall be regulated by this Law. The procedures, formalities and the time-limits for completion of such conversion shall be defined by the Government.

Article 2. Application of the Law on Enterprises and related Laws

The provisions hereof, and other relevant legal provisions, shall be applied to the establishment, organisation of management, and operations of enterprises on the territory of Vietnam.

Where there is a difference between the provisions hereof and the provisions of other Laws on the same issue within the scope of adjustment of this law, the provisions of this law shall prevail.

In case where with respect to the same subject matter, there are discrepancies between the provisions hereof and that of international agreements [and] international treaties, which Vietnam has concluded and acceded to , the provisions of the international agreements and international treaties shall apply.

Article 3. Interpretation of terminology

The following terms as used in this Law shall have the respective meanings ascribed to them hereunder:

1. "Enterprise" means an economic organisation that has its own name, assets, stable transactional office and that is registered in compliance with requirements of laws for the purpose of conducting business activities.

2. "Business" means the continuous implementation, of one, several or all stages of an investment process, from the production to the sale of products or provision of services in the market for the purpose of making profit.

2a. "Company" means a limited liability company, share-holding company, or partnership;

3. "Valid file" means a file that comprises of all documents as required by this Law , whose contents shall be declared correctly and fully in compliance with requirements of laws.

4. "Making capital contribution" means the act of contributing assets into a company for being the owner or one of the co-owners of the company. Assets for capital contribution can be Vietnamese Dong; freely convertible currency; gold; value of land use rights; value of intellectual property rights, technology and technical know-how; and other types of assets as stated in the Charter of the company contributed by members thereof for creation of the capital of the company.

5. "Proportion of capital contribution" means the share of equity that the owner or co-owners of the company has contributed to the charter capital.

6. "Charter capital" means the amount of capital that is contributed or committed by all members and is recorded in the Charter of the company.

7. "Legal capital" means the minimum level of capital that is required by laws to form an enterprise.

8. "Voting capital" means the proportion of capital contribution whose owners shall have the right to vote in matters that ar

holders of other important managerial titles stipulated in company's Charter as in the case of limited liability companies or shareholding companies.

12a. "Authorized Representatives" mean individuals authorized in writing by the members of limited liability or share-holding companies, to exercise the respective rights in the companies according to the regulations of this law.

13. "Reorganization of an enterprise" means any of the division, separation, consolidation, merger, and conversion of the enterprise.

14. "Related persons" of an enterprise means those who have direct or indirect relationships with the enterprise as provided hereunder:

a. A parent enterprise, managers of the parent enterprise, and those who have the competency to appoint the managers, if the enterprise is a subsidiary;

a.1. Subsidiaries, if the enterprise is the parent enterprise;

b. Individuals or a group of individuals with capabilities of control over decisions and/or operations of such enterprise via management bodies therein;

c. Enterprise managers;

d. Wife, husband, father, foster father, mother, foster mother, child, adopted child, or sibling of a manager, or a member or shareholder who holds controlling proportion of capital contribution or share.

e. Any individual who is authorized to represent those prescribed at (a) to(d);

h. Any person who lives in the same household with the persons prescribed at (a) to (e);

i. Any enterprise in which the persons prescribed at (a) to (h) of this Article hold shares to the level that they can control the decision-making process of the management bodies of the enterprise;

dd. 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

15. State-owned capital contribution means the capital contribution invested by expenditure from the state budget and owned by an authorized state agency;

State-owned shares means shares purchased by the state budget and owned by an authorized agencies .

16. State budget capital means capital directly allocated from the state budget or any other assets, which is considered as the state budget revenue in accordance with the laws

17. The market price of the capital contribution or shares is defined as the price of that capital contribution or shares agreed by a willing seller and a willing buyer at the

2. Business lines that cause harmful effects to national defense, security, order, social safety, historical traditions, culture, ethics, good morals and good customs of Vietnam and the health of the people are prohibited. A specific list of prohibited business lines shall be declared by the Government.

3. Where an enterprise desires to conduct business in industry(ies) that are subjected to condition(s) set up by a law, an ordinance, or a decree, the enterprise shall only be allowed to do its business in such industry(ies) after satisfying such conditions of the law, legislation or respective decree

4. Where an enterprise desires to conduct business in industry(ies) that are required by laws, ordinances, or decrees to have legal capital or professional certificate, the enterprise shall be registered only after contributing the specified minimum level of capital or possessing professional certificate as required by laws.

5. In addition to the regulations dictated in (2), (3) and (4) of this article, foreigners are prohibited or limited from conducting some other businesses in accordance with the law of investment

Foreign investors who have already been conducting business lines that are conditional or prohibited under this clause can continue to conduct that business lines until the investment licenses for that business lines expired

6a. Business conditions and the management of business conditions

1. Business conditions are expressed in term of licenses or other requirements provided by laws, ordinance or decrees requiring enterprises or the business location of the enterprise to fully acquire before any particular business activity to be implemented.

If an enterprise conducts business without meeting fully required conditions, the enterprise managers shall be jointly liable for any damages or loss caused by the business.

2. Licenses in this case means the outcomes of administrative procedures of screening and approving requirements and conditions of doing business as stipulated by the law

3. In any cases, the licensing procedures shall be clearly and in detail provided for, including application files, processes, conditions, and licensing authority, time-limit of licensing, validity of licenses, fee of issuing licenses and the consequences of refusing to issue licenses.

4. Every year or upon request of an enterprise or of the enterprise association, the Government shall review and evaluate all conditions for conducting business; to abolish or making suggestions for abolishing inappropriate conditions, amending, supplementing or proposing amendments and supplement unreasonable conditions or promulgating or proposing the issuance of new business conditions in conformity with the management demand.

5. The government shall promulgate regulations on principles to establish and manage business conditions.

Article 7. Rights of enterprises

In conformity with laws, an enterprise under application of this Law shall be entitled to:

1. Possess, utilise, and dispose its assets;
2. Select, by its own initiative, industry(ies), localities, and types of investment, including setting up a joint-vent

5. Declaration and periodically report following to the stipulated forms to the Business Registrar of full and accurate information about the enterprise and its financial situation; amending any declared or reported information, which is found incorrect, insufficient or falsified, at the Business Registrar;
6. Give priority to employment of domestic labor, ensure the rights and interests of labor in compliance with provisions of laws on labor; respect the right to organize trade union in conformity with regulations of laws on trade union;
7. Observe regulations of laws on national defense, security, public order and security, protection of nature resources and environment, and protection of historical, cultural places, famous spots;
8. Comply with other obligations as stipulated by laws.

CHAPTER II

ESTABLISHMENT AND BUSINESS REGISTRATION

Article 9. The right to establish, make capital contribution and manage enterprises

All organizations and individuals of Vietnam and foreigners of all nationalities have the right to establish, make capital contribution and manage enterprises in Vietnam according to the regulations of this law, except the following cases:

1. State bodies and units of the people's armed force using State assets and/or the public budget to establish profit-making enterprises for their own interests.
2. Cadres, civil servants in conformity with provisions of laws on cadres, civil servants;
3. Officers, non-commissioned officers, professional army members, military workers at bodies, units of the people's army; officers, professional non-commissioned officers at bodies, units of the people's police;
4. Cadres who hold leadership and/or professional management positions in State-owned enterprises, except those nominated as representatives to manage capital contribution of the State in other enterprise(s);
5. Minors; and/or adults who have lost or restricted capacity for civil acts;
6. Persons who are subject to criminal proceedings in accordance with decisions of relevant authorities or are imprisonment, or who have had the right to do business taken away by the Court.
7. Other cases according to provisions of bankruptcy law

1. Business registration application. Attached with this is a copy of identification card or passport or other lawful individual certification.
2. For enterprises conducting business that need the legal capital, the file must consist a confirmation in respect the capital by an authorized body or an authorized organization according to the law.
3. For enterprises or business industries, which are required operation licenses or other licenses before registering business, a copy of these licenses shall be provided.

Article 13b. Business registration file for a partnership

A business registration file for a partnership includes:

1. Business registration application
2. Company's charter
3. List of general partners with the copies of the Identification cards or passports or other legal individual certifications.

For foreign general partners, it is required a certification of owning a savings account with the minimum value equivalent to the initial investment capital or US\$100,000 deposited in a bank or at a branch of the bank for at least 6 months or an evidence to prove the legal ownership of other assets with the equivalent value in Vietnam.

4. For enterprises conducting business in industries that need the legal capital, the file must consist a confirmation in respect the capital by an authorized body or a organization in compliance with the law.
5. For enterprises conducting businesses in industries, that need the practicing license or other licenses before registering business, a copy of the practicing licenses of general partners or such other licenses shall be required.

Article 13c. Business registration file for limited liabilities companies and shareholdings companies.

A business registration file for a limited liabilities company should include:

1. Application for business registration
2. The company's charter
3. List of members of the limited liability company, list of founding shareholders of shareholding companies; The following documents should be attached with the two-mentioned lists:
 - a. A copy of the identification cards or passports or other legal certifications towards members who are individuals;
 - b. Copies of the establishment decision, business registration certificate or other relevant documents, charter or other equivalent documents, identification cards or passports or other legal individual certifications of the authorized party and the respective decision of authorization for members acting as legal entities.

For founder shareholders who are foreigners, a copy of certification of the business registration and the charter should be notarized not more than 3 months before the registration by the legal entity

4. For enterprises designing to conduct business in industries, that need the legal capital, the file must consist of a confirmation in respect to capital by an authorized body or organization in compliance with laws

5. For enterprises designing to conduct business in industries, that need the operation license or other licenses before registering business, the file must consist additionally of a copy of the respective operation licenses or other licenses.

Article 14. Contents of an application for business registration

1. An application for business registration shall include the following main contents:

- a. Name of the enterprise;
- b. Address of the head office of the enterprise, telephone number, fax, email address (if any);
- c. Objective(s) and business industry(ies) of the enterprises;
- d. Charter capital with respect to companies; initial investment capital of the owner with respect to private enterprises;
- e. Proportion of capital contribution of each member with respect to limited liability companies and partnerships; the number of shares hold 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;
- f. Full name, signature, permanent address, nationality, ID number, passports number or other individual certifications of the owner with respect to private enterprises; of all members or their authorised representatives, of all founding shareholders or their authorised repw[(sy91foundinr author]TJ11.2(r8a10 Ts(b).r8a10 Ts)-5.80327 Tw[(

4. Full name, permanent address 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 may request the company to buy back his/her proportion of capital contribution with respect to limited liability companies or shares with respect to shareholding companies;
11. Principles applied in profit contribution, dividend payment or loss settlement occurred in the course of business;
12. Cases of dissolution, procedures of dissolution and formalities for liquidating assets of the company;
13. Procedure for amending and supplementing the company's Charter;
14. Signature of all general partners of partnerships with respect to partnerships; of the legal representative, of all members or their authorised representatives with respect to limited liability companies ; of all founding shareholders or their authorised representatives with respect to shareholding companies;
15. Other contents as agreed upon by members or shareholders in compliance with provisions of laws.

Depending on specific circumstances and conditions and in order to help the company to better manage and operate, a joint-stock enterprise's charter can follow/ adapt best corporate governance practices from others, however, name of issuing agency and date of issuance must be provided.

Article 16. List of members of limited liability companies, partnerships; list of founding shareholders of shareholding companies

The list of members of limited liability companies, partnerships, and the list of founding shareholders of shareholding companies shall include the following principal contents:

1. Name of the enterprise, address of head office, branch(es) and/or representative office(s) (if any);

2. Business objective(s) and industry(ies);

3. Charter capital with respect to limited liability companies and partnerships; number of paid in shares and their value, and total authorised share capital of shareholding companies; initial investment capital with respect to private enterprises; the legal capital in respect to enterprises carrying out business subject to legal capital requirement;

4. Full name, address, nationality, ID, passports number or other individual certification number of the legal representative of the enterprise;

5. Name, permanent residential address, nationality, ID, passports or other individual certification numbers of members, or founder shareholders, who are individuals, registration numbers of members, founding shareholders, which are legal entities with respect to limited liability companies and shareholding companies; full name, permanent address, nationality, ID, passport or other individual certification numbers of general partners with respect to partnerships; full name, permanent residential address, nationality, ID, passport or other individual certification numbers of the owners of private enterprises

Article 19. Alterations in contents of the file for business registration

1. Where an alteration is made with respect to the name, address of head office, of branch(es) or representative office(s) (if any), the objective and business industry, the amount of charter capital, authorised share capital, and investment capital of the owner, a change in the legal representative, and other contents in the file for business registration of an enterprise, su

2. Any organisation or individual shall have the right to request the Business Registrar to provide information with regard to contents of the file for business registration of any enterprise, duplicates of the certificate of business registration and of the certificate of changes in business registration, and extracted forms thereof upon payment of a given fee in compliance with provisions of laws.

3. The Business Registrar is obliged to provide in full and in time information with regard to contents of the file of business registration upon the request of organisations or individuals provided in Section 2 of this Article.

Article 21. Announcement of the contents of business registration

1. An enterprise shall, within 30 days from the date of being granted the business registration, publish in three consecutive issues of a newspaper the following principal contents:

a. Name of the enterprise;

b. Address of its head office, branch(es) or representative office(s) (if any);

c. Objective(s) and business industry(ies);

d. Charter capital with respect to limited liability companies and partnerships; number of paid in shares and their value, and number of authorised shares of shareholding companies; amount of initial investment capital of the proprietor as to private enterprises;

e. Name, address, nationality, ID, passport or other legal individual certification numbers or the number of the decision of establishment or of the registration of the owner or all founding members;

f. Full name, address, nationality, ID, passport or other legal individual certification numbers of the legal representative of the enterprise;

g. Place of business registration.

2. Where a change is made to contents of the business registration, the enterprise shall notify information with regard to such a change in compliance with provisions stipulated in Clause 1 of this Article.

Article 22. Transfer of property ownership

1. Members of limited liability companies and partnerships, and shareholders of shareholding companies, are subject to transfer of ownership from founding members to such companies in compliance with the following provisions:

a) As to assets whose ownership has been registered or for the value of land-use rights, contributors shall transfer ownership right of such assets or land use right to the company at a State competent agency.

Transfer of assets used for capital contribution shall be exempted from registration fees;

b) As to unregistered assets, the contribution of capital shall be done by delivering and receiving of such assets with a written minute.

The minute shall consist of the following principal contents:

- Name and address of the company's head office;
- Name, address, permanent residential address, ID, passport or other legal individual certification numbers, the number of the establishment decision or of registration of the contributor;
- Type(s) and amount of contributed assets;
- Total value of contributed assets and the proportion taken thereby in the amount of the company's charter capital;
- Delivery date;
- Signatures of the contributors or their authorized representatives and the legal representative of the company.

c) Assets used for capital contribution or shares other than Vietnam Dong, freely convertible foreign currency, and gold, shall be deemed as fully contributed after the lawful ownership of such assets has been transferred to the company.

2. Assets utilised in business operations of a private enterprise are not subject to ownership transfer procedures.

Article 23. Appraisal of assets used for capital contribution

1. Assets used for capital contribution upon the establishment

1. Coinciding name happens when an enterprise wants to register a name, which is read and written in Vietnamese totally the same as the name previously registered by another enterprise.

2. The following cases are considered as causing confusion with the name of other enterprises:

a) The Vietnamese name of an enterprise to be requested for registration is read the same the name previously registered by another enterprise.

b) The Vietnamese name of an enterprise to be requested for registration is different from the name previously registered by another enterprise by sign “&”;

c) The abbreviated name requested for registration by an enterprise is the same of the abbreviated name previously registered by another enterprise

d) The foreign name of an enterprise requested for registration is the same as the foreign name previously registered by another enterprise.

dd) The name of an enterprise requested for registration is different from the name previously registered by another enterprise by numbers, Vietnamese letterings (A,B,C...) right next to the name of the enterprise except the case when the former is the subsidiary of the latter.

e) The name of an enterprise requested for registration is different from the name previously registered by another enterprise by the word “new”, which is located next to the name of the latter.

g) The name of an enterprise requested for registration is different from the name previously registered by another enterprise only by words “north”, “the north”, “south”, “the south”, “central”, “the central”, “west”, “the west”, “east”, “the east” except the former is the subsidiary of the latter.

Article 23dd. Rights of business registrars in naming enterprises

Based upon the provisions of these articles..... of this law, business registrars can refuse the request of names registration and the decision of the business registrar is the final decision.

Article 24. Head office of enterprises

1. The head office of an enterprise has to be in the territory of Vietnam; needs to have an address including the house number, name of street or name of villages,

communes, districts, communal town, provincial town, provinces, cities belonging to the central, telephone and fax numbers, and email address (if applicable).

2. The head office is the contacting, mailing place of the enterprise. Within 7 days from the date of receiving the certificate of business registration, the head office of the enterprise shall open daily; each day shall open at least 4 hours per day except the holidays in accordance with the lawful regulations.

The enterprise has to inform the working hours of the head office to the business registrar within 15 days from the date of reception of the certificate of business registration.

Article 24 a. The seal of enterprises

Enterprises have the separate seals according to the regulations of the government. The seals of enterprises shall be kept in the head office of enterprises.

The seal is a property of the enterprise. The legal representative of the enterprise must be responsible for the management of the use of the seal. In case of necessity, with the approval from the seal issuing agency, the enterprise may have two seals

Article 25. Representative offices, branches, and business place of enterprises

1. A representative office of an enterprise is an affiliated unit thereof. It shall represent interests of the enterprise according to its authorization and take actions to protect such interests. Operations of the representative office shall be in conformity with those of the enterprise.

2. A branch is an affiliated unit of an enterprise established to exercise the entire or a part of functions of such enterprise, including acting as an authorised representative. Business industry(ies) of branches shall be in conformity with those of the enterprise.

2a. Business location is the place of actual activities of an enterprise implemented. The business location can be outside from the head office.

2b. Branches, representative offices and business locations of enterprises must in the names of the enterprises, with additional information on the identification of those branches, representative offices and business locations.

3. An enterprise is entitled to establish its own representative office(s) and/or branch(es) domestically and abroad. A enterprise can establish one or more representative office(s) and/or branch(es) in one administrative geographical location. Procedures and formalities for establishment of branch(es) and/or representative office(s) shall be set out by the Government.

CHAPTER III

LIMITED LIABILITY COMPANY

PART I

LIMITED LIABILITY COMPANY WITH 2 OR MORE MEMBERS

Article 26. Limited liability companies

1. A limited liability company is an enterprise in which:

a. Members are responsible for liabilities and other liabilities of the enterprise to the extent of their capital contribution to the enterprise;

b. The transfer of capital contributed by members is subject to provisions stated in Article 32 of this Law;

c. Members are organisations and/or individuals; the number of members shall not exceed 50.

2. A limited liability company is not entitled to issue shares.

3. A limited liability company shall hold the legal status once it has been granted a certificate of business registration.

Article 27. Making capital contribution and issuing certificate of capital contribution

1. Members of a limited liability company are obliged to contribute in full and in time the assets as committed in the list of registered members. If a member wishes to change the type of assets he or she registered to contribute, the change must be agreed by all other members and the enterprise must inform in writing the registration office within 7 days from the date the change is agreed by all members.

The legal representative of the company has to report in writing the capital contribution progress according to the list of registered members to the business registrar within 15 days from the expiry date of the committed time limit for making periodical capital contribution.

After such time limit, if no such written report is made to the Business Registrar, or if the content of the report is not accurate, honest the legal representative of the company shall be personally liable for the company's damages and other individuals' damages resulted from such delay to report or report inaccurately

1.a. Where a member fails to contribute in full and in time the assets as committed, the amount of capital not yet contributed is deemed as debt of the member against the company; the member shall be liable for all debts and other asset obligations, if after the final round for contribution, the amount committed has not been contributed in full, all the members will be responsible for contributing the difference so that the enterprise has the amount of capital as registered.

2. As soon as the full payment of capital contribution is made, such member shall be

content of the Register book of members at the appropriate time during the registered working hours by the company.

Article 29. Rights of Members

1. A member of a limited liability company is entitled to:

a. Be distributed profits that remain after the company has paid taxes and fulfilled all other financial obligations as provided by laws pro rata to his/her proportion of capital contribution to the company;

b. Participate in meetings of Members' Council, discuss, propose and vote on matters within the power of the Meeting;

c. Possess a number of votes pro rata to his/her proportion of capital contribution;

d. Check, review, look and copy the Register book of members, transactions monitoring books, accounting books, annual financial statements, minutes of member meetings, and other papers and documents issued by the company;

dd. Be distributed a part of value of the remaining assets of the company upon its dissolution or bankruptcy proportionately to his/her capital contribution;

e. Take priority in contributing additional capital to the company where the company increases its charter capital; transfer a part or the entire his/her proportion of capital contribution;

g. Initiate a proceeding against the (General) Director of the company upon his/her

- a. Name, address, nationality, ID, passport or other legal individual certification or decision of establishment, registration numbers, the proportion of capital contribution and the number of the certificate d capital contribution by each requested member;
 - b. Reason(s) for requesting a meeting of the Members' Council and issues to be resolved during the meeting.
 - c. Proposed meeting agenda;
 - d. Signatures of each member or their authorized persons;
5. In the case the request of a meeting of the Members' Council does not include all the contents as regulated, the chairman of the Members' Council has to inform in writing to all members or groups of the relevant members within 7 days from the date of reception of the request.

In the case the written request consists of all contents as regulated, the chairman of the Members' Council has to organize a meeting of the Members' Council within 15 days from the date of reception of the written request; if the chairman of the Members' Council does not organize the meeting of the Members' Council as regulated, the requested member, or group of members can organized a meeting of the Members' Council. All appropriate expenses for organizing and conducting the meeting of the Members' Council will be reimbursed by the company.

Article 30. Obligations of members

1. Contribute in full and in time the committed capital and be liable for debts and other obligations of the company to the extent of the committed capital contribution; Cannot withdraw capital from the company in any forms except provisions in Articles 31, 32, 33 and 43 of this law

If any member withdrawals part or the entire capital contributions against the above regulations, all members will have to be jointly liable for all debts and other obligations of the company by their entire assets; and if the company cannot make in full and on time payment to any due debt, [the debtor] has the right to request any company's member to pay all remaining debt.

2. Conform to the company's Charter;
3. Perform all the resolutions made by the Members' Council;
4. Fulfill other obligations as stipulated in this Law and in the company's Charter.
5. Members will be personally responsible when they carry out the following under the name of the enterprise
 - a) Violate civil obligations committed to others;
 - b) Violate provisions of the Civil law;
 - c) 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;

- d) To pay in undue debts in the situation where there are financial dangers toward the company.

Article 31. Buy-back of capital contributions

1. A member of a limited liability company shall be entitled to request such company to buy back his/her capital contribution where such member votes against or protests in writing resolutions of the Members' Council on one or more of the following issues:

- a. Amendment and/or supplementation of contents of the company's Charter with respect to rights and obligations of members and of the Members' Council;
- b. Reorganisation of the company;
- c. Other matters as stipulated in the company's Charter.

The request of buy-back capital

2. Where the capacity for civil acts of a person as member of a limited liability company is restricted or lost, the rights and obligations of such member in the company shall be exercised via his/her guardian.

3. Where the heir to the dead member does not wish to be member of the company, the person who is donated, given or presented as stipulated in Clause 5 of this Article is not approved by the Members' Council or where an organisational member is dissolved or bankrupted, the capital contribution of such member shall be bought back by the company as provided in Article 31 of this Law, or transferred in accordance with provisions as stipulated in Article 32 of this Law.

4. Where there is a capital contribution of a person as member of a limited liability company whose heir is not existent or declines to receive inheritance or is deprived

- a. Giving resolutions with respect to development directions and yearly business plan of the company;
- b. Determining the increase or reduction of the charter capital, the methods and time at which additional capital for the company is mobilised;
- c. Approving the method of investment and investment projects that are worth 50% or more of the total asset value recorded in the company's accounting books, unless a smaller ratio is stipulated in the company's Charter;

b. The proportion of capital contribution, the issuance date of the certificate of capital contribution;

c. Full name, permanent address, nationality, ID, passport, or other legal individual certification number of the authorized person; .

dd. Duration of authorization

e. Full name, signature of the legal representative and the authorized representative of members;

The authorized representative can be replaced at any time, however, the replacement shall be informed to the company or the business registrar at least 7 days before the replacement is made. The member being the authorized representative shall be replaced from the date on which the company receives the notice.

2. The authorized representa

1. The Members' Council of a limited liability company shall elect one of its members as Chairman. The Chairman may simultaneously hold the post of (General) Director therein.
2. The Chairman of the Members' Council has the following rights and obligations:
 - a. Preparing working program and plan for the Members' Council activities;
 - b. Arranging the agenda, substance and materials for the Meeting or submit them to members for consultation;
 - c. Convening and presiding over meeting of Members' Council, or proceeding consultation of members;
 - d. Supervising the implementation of resolutions of the Members' Council;
 - e. Signing, on behalf of the Members' Council, resolutions approved thereof;
 - f. Other rights and obligations as stipulated in this Law or the company's Charter.
3. The term of chairmanship shall not exceed 3 years. The Chairman of the Members' Council can be re-elected.
4. Where the Chairman is simultaneously the legal representative of the company as stipulated in the company's Charter, such fact shall be noted clearly in the company transaction papers.
5. If case of absence or temporary loss of working capacity, the chairman of the Members' Council shall authorize in writing to a member to exercise his/her rights and obligations. If no member is authorized, the remaining members will select any of them to temporarily exercise rights and obligations of the Members' Council Chairman.

Article 37. Convocation of a meeting of the Members' Council

1. A Meeting of the Members' Council shall be convened any time upon the request of the Chairman or one or more members described in Clause 2, 3, 4, 5 of Article 29 of this Law. The Members' Council conduct their meeting in accordance with the provisions of this Law.

b. Proportion of capital contribution, number, date of issuance of the certificate of capital contribution;

c. Recommendations to be included in the meeting agenda;

d. Reasons for recommendations;

The Chairman of the Members' Council has to accept recommendations and supplement into the working program of the Members' Council if the recommendations have enough contents as regulated and proposed issues are within the decision authority of the Members' Council and sent to the head office of the company at least 1 day before the meeting of the Members' Council; if recommendations are submitted just before the opening of the meeting of the Members' Council, it will be accepted if all member attended the meeting approve.

2. Members of the Members' Council can be invited by sending invitations, emails or telephoning directly. The contents should clearly define the time, venue and working program.

The agenda of the Meeting and materials shall be sent to members prior to the opening of such Meeting. Materials used for meeting to discuss and make decisions on the supplement, changes of the company's charter, the approval of the company development directions, annual financial reports, re-organization or liquidation of the company have to be sent to all members at least 2 days prior to the opening. For other materials, the period prior [the meeting] in which [documents] shall be sent, shall be stipulated by the company's Charter.

3. If the Chairman of the Members' Council does not organize a meeting of the Members' Council as requested by members or groups of members as stipulated in section..... article of this law within 15 days from the date of reception of the request, the members or groups of members making requests can organize a meeting of the Members' Council.

4. If the Members' Council cannot organi

shall be deemed valid where participating members represent not less than 50% of the charter capital. The specific ratio is specified by the company's Charter.

3. Where the second meeting convened is deemed invalid as not complying with provisions stipulated in Clause

1. All meetings of the Members' Council shall be recorded in the minute book of the company.

2. Minutes of any such meeting must be completed and passed prior to the closing thereof. The minute shall include the following principal contents:

a. Purpose, agenda, time and venue of the meeting;

b. Name, ratio of contributed shares, date, and number of the certificate(s) of capital contribution of participating members / authorized representatives; Name, ratio of contributed capital, date, and number of the certificate(s) of capital contribution of absent members / authorized representatives;

c. Issues to be discussed and voted; summary of speeches/ opinions of each member for each of the discussed issues;

d. Name of and numbers of votes "for", "against" and "blank" of each member;

⑥. Total number of votes "for", "against" and "blank";

e. Approved decisions;

g. Names and signatures of all participating members/authorized representatives.

Article 40a . Procedures for approval of decisions of the Members' Council in the form of written opinion collection.

If the company's charter does not provide differently, the authority and modality of consulting in writing opinions in order to approve decisions in accordance with the provisions of this Article.

1. The Chairman of the Members' Council shall have the right to decide on consulting in writing with the members in order to approve decisions on issues that fall under [his/her] authority .

2. The Chairman shall have the responsibility to draft, send reports and explanations on issues to be decided on,

c. Issues for comments and relevant comments in the order of “agree”, “disagree” and “abstention”;

d. The deadline for sending the opinion sheets to the company;

⑥. Name and signature of the Chairman and members of the Members’ Council.

The opinion sheets that are filled in sufficient and accurate information and sent to the company by the deadline shall be considered valid.

3. Count the sheets, make a report, and inform the results and approved decisions to all members within 7 days from the deadline. Report on the opinion sheet counting results must contain main contents in accordance with Clause....., Article.... of this Law.

Article 41. The (General) Director

1. The (General) Director of the company shall execute day-to-day business operations of the company and be responsible to the Members’ Council for the performance of his/her rights and duties. Where the company’s Charter does not provide that the Chairman of the Members’ Council act as the legal representative thereof, the (General) Director shall so act.

2. The (General) Director is entitled to:

a. Arrange for the implementation of resolutions of the Members’ Council;

b. Make decisions on all matters arising from the day-to-day operation of the company;

c. Arrange implementation of business and investment plans of the company;

d. Issue the internal management regulations;

dd. Appoint, suspend, dismiss managerial positions in the company, except those whose appointment, suspension, and dismissal are within the power of the Members’ Council;

e. Sign contracts on behalf of the company, except where the signing authority rests within the power of the Chairman of the Members’ Council;

g. Make proposals with regard to the organisational structure of the company;

h. Submit the annual financial statements to the Members’ Council;

i. Propose and submit plans as to the distribution of profits or settlement of losses incurred from business operations of the company.

k. Recruit employees;

1. Perform other rights in compliance with the company's Charter or the contract signed between him/her and the company or with resolutions of the Members' Council.

Article 41a. Obligations of chairman, members of the Members' Council and the

6. The company is not allowed to give loans, guarantees or credits to the legal representative, the legal representative's family (or any other legal entity from which the legal representative can receive financial benefit except the case of receiving approval from the Members' Council.

2. The allowance of the Members' Council and the salary of the director (general director) will be calculated in the business expenses of the company.

The allowance of the Members' Council, the salary of the director (general director), the bonus given to the Members' Council and the director (general director) should be put in a separate line of the annual financial report of the company.

Article 42. Contracts subject to approval of the Members' Council

1. Contracts of all types and transactions between the company and:
 - a. Members and an authorized representative of a member, Director (General Director) of the company; or
 - b. Related persons of the people stipulated in item a of this clause; or
 - c. Managers of the parent company and the persons who have the authority in appointing managers of the parent company; or
 - d. Related persons of people stipulated in item c of this clause;shall be approved by the Members' Council.

The members related to above-mentioned contracts and transactions shall not have right to vote.

The legal representative of the company has to send a draft contract or announcement of main contents of the proposed transactions to all members of the Members' Council as well as posting them at the head office or the branches (if any) of the company. The Members' Council has to approve the above-mentioned contracts and transactions within 15 days from the date of posting. In that circumstance, the contracts and transactions shall be accepted/valid if they are approved by a number of member(s) who together represent at least 75% of the charter capital

2. If the contract(s) is signed but not strictly followed the Clause 1 of this Article, then the contract(s) shall be invalid and handled by laws. The legal representative, the related member(s), and the related persons of such member(s) shall compensate the company for all losses incurred or return back all benefits received from the implementation of such contract(s) or transaction(s), to the company.

Article 43. Increase and reduction of charter capital

1. A limited liability company is entitled, in accordance with resolutions of the Members' Council, to increase its charter capital by:
 - a. Raising capital contribution by the members;
 - b. Adjusting up the charter capital pro rata to the increased value of assets of the company;
 - c. Accepting capital contribution of new member(s).

The increase of the charter capital by receiving new members should be accepted by all members unless otherwise provided by the company's charter .

2. Where the capital contribution of members is raised, the additional capital contribution of each member shall be divided in proportion to his/her portion of capital contribution to the charter capital of the company. Members, who oppose the decision on increasing charter capital, do not have to contribute additional capital pro rata with their existing capital contribution to the company's charter capital; and if that members fail to contribute the extra capital, his/her respective additional proportion of capital contribution shall be distributed to other members in proportion to their portion of capital contribution to the charter capital of the company, unless otherwise agreed by members.

3. Upon resolutions of the Members' Council, a limited liability company can decrease its charter capital by means of:

a. Returning back its members a part of their capital contribution pro rata to their capital contribution in the charter capital of the company;

b. Adjusting down the charter capital pro rata to the decreased value of assets of the company;

c. The company is entitled to decrease its charter capital as provided in item (a) of this clause only if the company has been doing business for more than 3 consecutive years since the date of business registration, and after settling all payments to its members, the company still can assure to di

- a4. Decide solutions of market development, marketing and technology;
- a5. Decide the establishment of subsidiaries, making capital contribution to other companies, establishment of branches and representative offices.
 - a. Make decisions on contents, amendment, supplementation of the company's Charter;
 - b. Determine the management and organisation structures of the company; appoint, dismiss managerial positions in the company as stipulated in Article 49 and 49a of this Law;
 - c. Determine the adjustment of charter capital; determine the transfer part or entire

d. Name, signature of the legal representative, attached with the seal of the company's owner.

The list of registered authorized representatives has to be posted in the head office or the branches (if any) of the company.

2. The company's owner shall be obliged to:

a. Contribute in full and in time the registered amount of capital; if not, [the company's owner] shall be jointly liable for all debts and other assets obligations of the company;

b. Comply with the company's Charter;

c. Conform regulations of laws with respect to contracts on purchase, sale,

2. If there are more than 2 persons appointed as the authorized representatives of the company's owner, the organizational and managerial structure of the company includes the Members' Council, the (general) director and controllers. All of these authorized representatives form the Members' Council of the company .

Functions, obligations, rights, duties, forms and methods of implementation as stipulated from Articles 35 to 42 of this Law.

3. If there one and only one person to be appointed as the authorized representative is the company's chairman to exercise all rights of the owner. In this case, the organizational and management structure of the company consists of the company's chairman, the (general) director, and controllers.

The Chairman of the company is the authorized representative to exercise the rights and obligations of the owners stipulated in the Article 47 & 48 of this Law

Functions, obligations, rights, duties of the director (or general director) is specified in the Article 47 of this Law

Article 49a. Controllers

1. Controllers shall be appointed by the company's owner with a term of no more than 3 years, responsible to the company's owner for the performance of the assigned works. Unless stated differently in the company's charter, the controllers must be licensed auditors or accountants

2. Controllers shall have the following obligations:

a. Monitor the conformity of the legal regulations, the company's charter and the obligations of managers and the management of the company's business;

b. Appraise the financial reports, business reports, management evaluation reports and other reports before submitting them to the company's owner or the relevant state agencies.

c. Other obligations as requested or decided by the owner.

3. Controllers shall have the right to review any file or document of the company at the head office or any company's branch

have full capacity of a normal civil person, have the expertise and experience in business management or in industries which the company conducts business.

3. The following persons cannot be the authorized representatives, the (general) director, controllers of a one-member limited liability company:

- a. Related persons of the managers of the company and of the people, who have the authority in appointing these managers;
- b. The related persons of the (general) director, of controllers cannot be the authorized representative;
- c. The related persons of the authorized representative, of controllers cannot be the director;
- d. The related persons of the authorized representative, of the (general) director cannot be controllers.
- dd. . Persons who are prohibited to establish and manage enterprises.

Article 49c. Obligations of 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. Shall not implement contracts or transactions, from which the company's owner can withdraw a part or the whole of capital contribution from the company.

Article 50. Increase and reduction of charter capital

1. A one-member limited liability company can reduce the charter capital only with the approval of the authorized business registrar

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 absolute 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

c3. Review, search, extract or copy the company's charter, the minute book of Shareholders' Meetings and the resolutions of the Shareholders' Meetings, the minute book and the resolutions of the Board of Management, annual and mid-year financial reports according to the sample of the Vietnam accounting system and reports of the Control Board.

d. Where the company is dissolved, receive part

appropriateness, mistakes, if any, recommendations of methods to overcome, informing to all shareholders at the next meeting of the Shareholders' Meeting.

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

3. 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 54. Obligations of ordinary shareholders

1. To make a full payment for their subscribed shares 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. Common shareholders will be personally responsible for the following behaviors:

- a. Violate civil obligations committed to others;
- b. Violate provisions of the Civil law;
- c. 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;
- d. To pay in full all undue debts which encounter with financial dangers toward the company.

Article 55. Voting preference shares and 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 56. 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 and 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

5. 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.

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

Article 59. Share certificate

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:

1. Name, and head office of the company;
2. Registration number and the date the certificate of business registration was granted;
3. Number and type(s) of shares;
4. Face value of each share and the total face value of shares specified in the share certificate;
5. 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;
6. Summary of procedures of transfer of shares;
7. Specimen signature of the legal representative and seal of the company;
8. The number noted in the company's register book of shareholders and issuing date of shares;
9. Regarding preference share certificate(s), other contents as described in Article 55, Article 56 and Article 57 of this Law shall be included.

All mistakes, if any, in the contents and foblishmo4ao4stratoldsi areforTlosseslishmArmb not ftra.liA

- a. Name and head office of company.
 - b. Total number of shares, types and amount of shares 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.
2. 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.

Article 61. Issuance and transfer of shares

1a. 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.

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 but shall not exceeding 10% of the market price.
- d. Other cases and discount rate in such cases regulated by the company's charter.

2a. 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.

2. A share shall be deemed to be sold when they are paid in full and information of the buyer stipulated in item d, Section 1 Article 60 of this Law is sufficiently and truthfully recorded in the Register book of shareholders. From then on, the buyer of

can ask the shareholder(s) to publish the lost or destruction of the share certificate on

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 65. 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

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.

3. 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 68. 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 64, or the payment of dividend is contrary to Clause 1 of the Article 67, 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 the all debts born by the company.

Article 69. 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 lawful representative.

Article 70. 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. 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.

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

c. 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;

d. Determine the reconstruction and dissolution of the company;

dd. 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;

e. Approve the annual financial statements;

g. Make decisions on directions of development of the company,

h. 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

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

i. 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.

4. Persons stipulated in items a and b, section 3 of this Article and the item 4 of the Article 35 of this Law shall not select the authorized representatives for shareholders.

Article 71. 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.

1a. 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

2. 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;

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.

Article 72. 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 73. 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 53 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 74. 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 75. 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 authorize another to participate in a session of the Shareholders' Meeting. If shareholders are institutions and do not authorize a

1a. 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; or
- c. cancel the authority of the authorized person;

1b. The provisions in clause 1a 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.

2. 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 76. 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

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.

c. The person who receives the highest number of votes shall chair the Meeting.

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

®. 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

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.

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 78. 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.

a) Time and venue of the session of the Shareholders' Meeting;

b) Meeting agenda and contents;

c) Names of the chair and secretary of the session;

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

e) 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;

g1. Approved resolutions

h) 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 79. Request to cancel resolutions of the Shareholders' Meeting

g. Approve the organisational structure, intern

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 in alternative forms;

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.

4. If the entire Board of Management does not or is not able to exercise its rights and obligations so that it can cause losses to the company, the business registrar upon request of shareholders or relevant parties shall appoint a person to be the chairman and some others to be members of the Board of Management. Within 6 months from the appointment, the Board of Management appointed in accordance with this clause will convene a meeting of the Shareholders' Meeting to elect the replacing Board of Management.

The business registrar is responsible for monitoring activities of the appointed Board of Management for the optimal benefits of the company.

Article 82. The meeting of the Board of Management

1a. 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.

1. The Board of Management can conduct a regular or an irregular meeting. The Board of

- 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.

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.

2c. 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

The Board of Management shall dismiss members, who lost membership status and report to the Shareholders' Meeting in the first coming meeting.

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 85. (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.

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) Other rights and obligations as stipulated in this Law, the company's Charter and resolutions of the Board of Management.

3. 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 85a. Salary and other benefits of members of the Board of Management, (general) director

1. 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 according to the main goals of the business plan at the beginning of the fiscal year of the company.

d. The (general) director will receive the full salary as anticipated if all goals of the business plan used to determine the salary achieved. If the goals were not achieved as planned, the (general) director shall be punished according to the decision of the Board of Management;. If the plan is over accomplished, the members of the Board of Management and the (general) director will receive bonus. The level of bonus for each member of the Board of Management and the (general) director is determined by the Board of Management, however, should be reported at the annual general shareholders' meeting.

Article 85b. 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 86. Obligations of managers

The Board of Management, the (Gener

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;

4. Declare and inform 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 control

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 88. The Control Board

1. Shareholding companies with more than 11 individual shareholders or [having] legal entity shareholders holding more than 50% of the company's total number of shares must have Control Board. The Control Board shall have 3-5 members elected by the Shareholders' Meeting by accumulating votes. The term of the Control Board shall be no more than 3 years and the members of the Control Board can be re-elected.
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.
4. If the entire Control Board loses the membership status, or it cannot exercise the assigned rights and obligations, the Board of Management shall convene a meeting of the Shareholders' Meeting to elect a new Control Board within 30 days from the happening of such event.

Article 88a. The qualifications of members of the Control Board

1. If the company's charter does not differently regulate, members of the Control Board shall be more than 21 years old, having capacity of civil acts, expertise and experience in accounting, auditing or business law or in the main business industry of the company. Members of the Control Board are not necessarily shareholders of the company
2. Members of the Control Board shall not keep the managerial position in the company, or employees of the company.
3. The following people shall not be elected as members of the Control Board:
 - a. Persons who are prohibited to establish and manage enterprises
 - b. Related persons of the Board of Management, the (general) director and other managers of the company.

Article 88b. 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

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 as well as propose solutions.

Members of the Control Board, who violates their obligations in executing the assigned duties can be subject to consideration and dismissal.

Article 89c. Dismissal of members of the Control Board

Members of the Control Board can be dismissed in following cases:

1. No longer have sufficient qualifications as stipulated in clause..... Article of this Law or belong to the group, who cannot be appointed as members of the Control board as stipulated in Article 88a of this Law or do not exercise their rights and obligations for 6 consecutive months without approval from the Control Board.

In this case, the Control Board shall determine the dismissal of related members, notify the Shareholders' Meeting at its first coming meeting. The dismissal decision shall be notified to all members of the Board of Management and posted in the head office and branches of the company.

2. Have Letter of resignation and be approved by the Shareholders' Meeting.

3. Members of the Control Board can be dismissed at any time according to the resolution of the Shareholders' Meeting.

4. 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 92. Submission of the financial statement and auditing request

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 must be audited before submitting to the General Shareholders Meeting for approval.

3. 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 93. Disclosure of information as to shareholding companies

1. Within 90 days from the closing date of a financial year, a shareholding company shall forward its annual financial statement already approved by the Shareholders' Meeting to the Tax Agency and a brief of the annual financial statement as per the

c) Limited partners shall bear debts of the partnership only to the extent of their capital contribution to the enterprise.

Article 95c. 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 96. 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 supervise 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 a

- 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 w

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 industry 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.

3. Chairman of the Members' Council cum the (general) director of the company. The chairman of the company has 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.
- e. 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

Article 96d. 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;

- 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 95c 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. The value of capital contribution returned depends on the financial status of the company at the time of withdrawal. The capital contribution withdrawal of such partner as stipulated in clause 1 of this article shall only be made in cash.
6. 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.
7. 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 96dd. Enrolment of new partners

The company can receive one or more new general partners. The new comers shall become general partners or limited partners upon approval of all general partners.

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 the Members' Council decides otherwise.

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.96e. Rights and obligations of limited partners

- 1. Limited partners can be individuals or a legal entity;
- 2. 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.

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;

d. Freely transfer their capital contribution to others;

dd. Conduct the same business of the company on behalf of themselves or others.

e. If a individual partner is dead, the heir or the replacing person of the deceased partner shall become the partner of the company.

If a partner is a legal entity, which is liquidated or filed bankruptcy, the capital contribution of such entity partner in the company shall be on sale like other assets.

g. Other rights as stipulated in this law and the company's charter.

3. Obligations of limited partners

Limited partners are obliged to:

a. Contribute in full and on item the committed capital and responsible for all liabilities and other obligations of the company to the context of the capital contribution; if the committed capital cannot be paid in full and in time, he/she shall be responsible for all liabilities and other obligations of the company by his/her entire equity or shall be fired from the company if $\frac{3}{4}$ of the general partners approve.

b. Cannot manage the company, conduct business activities on behalf of the company; if the general partner makes others misunderstand his/her.

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 99. Private enterprises

A private enterprise is an enterprise owned by an individual who is liable for all of its operations with his/her entire property.

Each individual shall only be entitled to establish one private enterprise

Article 100. The amount of investment capital of the proprietor

1. The amount of investment capital of a private enterprise shall be declared by the owner thereof. The owner shall be obliged to notify exactly the total amount of investment capital, in which the amount of Vietnam dong, of freely convertible

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.

Article 104. Suspension of business

The owner of a private enterprise is entitled to suspend its business operations on a temporary basis provided that the duration of such suspension shall be notified in writing to the Business Registrar and the Tax agency no less than 15 days prior to such suspension. During the suspension period, the owner is obliged to discharge the outstanding taxes, remains liable to creditors and stays responsible to customers and employees for the performance of signed contracts, unless the owner, customers, employees agree otherwise.

Chapter Vi a.

Parent companies, subsidiaries or AFFILIATES

Article 104a. Affiliates

1. Companies that are legally independent, have legal status but ally with each other by cross holding shares of each are called affiliates.
2. Affiliates can establish subsidiaries and contribute capital to other enterprises with the capital not in excess 50% of total equity capital of the company at the time of capital contribution except the case of capital trading company.

Article.104b. Parent companies and subsidiaries

1. One company is considered as a subsidiary of another.
 - a. If the latter is the owner of the former or the latter keep the majority of capital or issued ordinary shares of the former; or
 - b. the former is the subsidiary of the latter; and the latter shall be called the parent company.
- 2..Beside the relationship stipulated in clause 1 of this article, one company which can directly or indirectly supervise managers, business or financial activities of another company shall be the parent company and the latter shall be called a subsidiary.
3. The parent companies together with its affiliates, which are subsidiaries to create a group of companies.
4. The highest parent company is the one which is not a subsidiary of any other company.

Article 104c. 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, s 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 compa ny 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 and 4 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 1 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 104d. Financial statement of the parent company and its subsidiary

1. The fiscal year of a subsidiary shall be the same as one of the parent company unless the laws provide otherwise.

2. By the end of the fiscal year, beside the report and materials stipulated in article 118 of this law, a parent company shall have to make and submit the Members' Council or the Shareholders' Meeting the following additional reports:

a. The final accounting report on loss or gain of the parent company and of all subsidiaries and of the whole group.

b. Report on business situation, financial and management reports of the parent company and other subsidiaries at the end of the fiscal year.

Reports shall provide fair, trustful information and evaluation on loss, profits, the situation of the company and the group of companies.

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 and 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

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 107. 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. After the completion of business registration of the consolidating company, the consolidated companies are wound up. 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 108. 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

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.

1a. 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 .

2. 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 ente

- e. to mortgage , increase or lease assets
 - f. to terminate the execution of in-effect contracts
 - g. to borrow
2. The following transactions of dissolved enterprises can be implemented within 3 months before the dissolution decision can be consider invalid:
- a. To increase movable and immovable assets to others
 - b. To pay bilateral contracts, of iNo8 iNo80 Twterm

3. People Committee of provinces and cities has the responsibility to:
- 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.
 - c. Direct the departments, other related agencies and district people committees to

Article 117. Inspection of business operations of enterprises

1. Inspection of business activities of enterprises can be undertaken periodically, by sector or ad hoc, through the business registrar as coordinating agency.

Periodic inspections are aimed to review the overall compliance with laws. Inspections by sector are aimed to assess the compliance of legal regulations in a specific business sector. The periodic and by sector inspections shall not be made more than once a year for a specific enterprise.

The ad hoc inspection or investigation of an enterprise's business activities can only be made when there is a sign that the enterprise violates laws or specific case arises.

2. Enterprises have the rights to appeal or bring to the court the relevant governmental authorities or the relevant civil servants for the decisions to inspect and investigate that are against the laws. The appeal and prosecution shall be done in accordance with the law on appeal and prosecution.

The person who make illegal decision of inspection or make use of inspection for self-seeking, harassing for bribes, causing awkwardness for operations of enterprises shall be disciplined or held criminally responsible according to violation; or shall make compensation for enterprises' losses (if any) in accordance with provisions stipulated by laws.

3. The Government shall provide detailed guidance on the authorities, content, formality and the process of inspection, investigation and the coordination between relevant government agencies in this regard.

Article 118. Accounting system, statistics and financial statements of enterprises

1. Enterprise accounting and statistic system is implemented in accordance with Vietnamese laws on accounting and statistic. In case the enterprise needs to follow another popular accounting system, with reasonable justification, it can do so with the approval of the Ministry of Finance.
2. The financial year of an enterprise shall commence on 1st January and end on 31st December of the calendar year. The first financial year of an enterprise shall start from the date it is granted the certificate of business registration and end at the last day of the year.

In case an enterprise needs to apply another financial year, it needs the approval of the Ministry of Finance

Enterprise's manager shall make, take notes, update and keep accounting documents, accounting books and notes to fully reflect transactions and financial situation of the enterprise; make financial statements and other reports trustfully and fairly.

A parent company's financial statements are the consolidated statements of the group of companies.

3. All enterprises shall send complete financial statements to the Tax Agency according to the lawful regulations.

4. Within 30 days regarding private enterprises and partnerships, 90 days regarding limited liability companies and shareholding companies, from the end date of the fiscal year a brief financial report or the annual consolidated financial report of the enterprise made according the regulated form must be sent to the competent Business Registrar; for the consolidated financial statement, a brief of financial statements of subsidiaries shall be enclosed.

5. Invoices, accounting books, financial statements, reports and other related document enterprises should be kept for at least 5 years.

6. If enterprises do not make, take notes, update and keep invoices, accounting books , financial statements, reports and other documents trustfully and in accordance with the lawful regulations, members of the Board of members, the chairman of the company or members of the Board of Management shall be jointly responsible for all liabilities and other obligations of the enterprise.

Article 118.a Audit of annual financial statements

Annual financial statements of enterprise with more that 50% of capital owned by the State or foreign investors and of joint stock companies must be audited.

The audit shall be implemented in compliance with the relevant laws and regulations

Organisations and individuals that make excellent achievements in doing business, in developing and enhancing effectiveness and competitiveness of enterprises, and make great contributions into the country's task of construction, protection, and development shall be commended and rewarded in accordance with provisions of laws.

Article 120. Breaches of the Enterprise Law

1. Granting the certificate of business registration to unqualified applicants, or rejecting applicants deemed eligible in compliance with this Law for such certificate.
2. Violating regulations on controlling and inspecting enterprises' operations.
3. Doing business in the status of an enterprise without having made registration for it in compliance with this Law; or continue business after having the certificate for business registration withdrawn.
4. Notifying untruthfully, inaccurately, untimely contents and changes in contents of the file for business registration of enterprises.
5. Deliberately drawing an evaluation of assets used for the purpose of making capital contribution at a higher value than their real value.
6. Failing to lodge the annual financial statements to the authorised state agencies as provided by this Law, or submitting untruthful and inaccurate version of such statements.
7. Preventing members, owners, or shareholders from exercising their lawful rights as stipulated in this Law or the enterprise Charter.
8. Other behaviors violating provisions of this Law.

Article 121. 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.
2. 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.
3. 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 1 year 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;
- f. 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;
- g. Undertakes business operations in prohibited industries.
- h. Other circumstances regulated by the Government.

CHAPTER X ENFORCEMENT PROVISIONS

Article 122. Enforcement

1. This Law shall be of full force and effect as of the 1st January 2000.
2. This Law shall replace the Enterprises Law no 13/1999/QH10 dated 12 June, 1999.
3. All previous regulations in contradiction with this Law shall be removed, including but not limited to the following regulations:

Article 123. 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

Article 124. Enforcement guides

The Government shall make detailed stipulations and guidance to enforcement of this Law./.

This Law was approved on2005 ..at the Session by the 11th Legislature of the National Assembly of the Socialist Republic of Vietnam.