

Hanoi, 17 November 2016

**LAW ON
ASSET AUCTION**

Pursuant to the Constitution of the Socialist Republic of Vietnam;

The National Assembly issues the Law on Asset Auction

CHAPTER I

General Provisions

Article 1 *Governing scope*

This Law regulates the principles, order and procedures for asset auction; auctioneers, asset auction organizations; remuneration for auction services, asset auction costs; dealing with breaches, cancellation of asset auction results, compensation for loss and damage; and State administration of asset auction.

Article 2 *Applicable entities*

1. Auctioneers, asset auction organizations, and asset auction councils
2. Organizations 100% of the charter capital of which is owned by the State and which are established by the Government to deal with bad debts of credit institutions [hereinafter referred to as 100% State owned, Government established bad debt – dealing organizations].
3. People having assets for auction, people participating in auctions, auction winners and successful auctioned asset purchasers.
4. Other individuals and organizations related to asset auction activities.

Article 3 *Application of the Law on Asset Auction and provisions on order and procedures of asset auction in other laws*

1. Where there are inconsistencies among the provisions on order and procedures for auction of this Law and the provisions of other laws, the provisions of this Law shall apply, except for the case

prescribed in clause 2 below.

2. Auction of securities is carried out in accordance with the law on securities; auction of State assets in foreign countries is carried out in accordance with the law on management and use of State assets.

Article 4 *Assets to be auctioned*

1. Assets which as prescribed by law must be sold via auction comprise:
 - (a) State assets [property] in accordance with the law on management and use of State assets;
 - (b) Assets over which the entire people's ownership has been established in accordance with law;
 - (c) Assets being land use rights in accordance with the law on land;
 - (d) Security assets in accordance with the law on security transactions;
 - (dd) Assets for judgment enforcement in accordance with the law on civil judgment enforcement;
 - (e) Assets being exhibits, means of administrative breaches which are confiscated and paid into the State budget, and assets attached to secure enforcement of penalty decisions on administrative breaches in accordance with the law on dealing with administrative breaches;
 - (g) Assets being national reserve goods in accordance with the law on national reserves;
 - (h) Fixed assets of enterprises in accordance with the law on management and use of State capital invested in production and business at enterprises;
 - (i) Assets of enterprises or cooperatives declared bankrupt in accordance with the law on bankruptcy;
 - (k) Road infrastructure assets [facilities] and right to collect tolls for use of road infrastructure assets in accordance with the law on management, use and exploitation of road transport infrastructure;
 - (l) Assets being rights to exploit minerals in accordance with the law on minerals;
 - (m) Assets being rights to use and ownership of production forests being planted forests in accordance with the law on forest protection and development.
 - (n) Assets being rights to use of radio frequencies in accordance with the law on radio frequencies;
 - (o) Assets being bad debts and security assets of bad debts of 100% State owned,

Government established bad debt – dealing organizations in accordance with law;

- (p) Other assets which as prescribed by law must be sold via auction.
2. Assets under the ownership of individuals or organizations voluntarily selecting sale via auction in accordance with the order and procedures prescribed in this Law.

Article 5 *Interpretation of terms*

In this Law, the following terms are construed as follows:

1. *Bid increment* means the minimum difference between the subsequent bid and the immediately preceding bid in the case of an auction by the ascending price method. The bid increment is decided by the person having the auctioned asset and as informed to the asset auction organization in writing for each auction.
2. *Asset auction* means the form of asset sale with two or more people participating in the auction in accordance with the principles, order and procedures prescribed in this Law, except for the case prescribed in article 49 of this Law.
3. *Starting price* means the lowest initial price of the auctioned asset in the case of an ascending price auction; or the highest initial price of the auctioned asset in the case of a descending price auction.
4. *Bid decrement* means the minimum difference between the subsequent price and the immediately preceding price in the case of a descending price auction. The bid decrement is decided by the person having the auctioned asset and as informed to the asset auction organization in writing for each auction.
5. *Person having the auctioned asset* means the individual or organization owning the asset, the person authorized by the asset owner to sell the asset by auction, or the person having the right to auction the asset as agreed or in accordance with law.
6. *Successful auctioned asset purchaser* means the auction winner who enters into a contract for sale and purchase of the auctioned asset, or whose asset auction result is approved by a competent authority.
7. *Auction participant* means an individual or organization satisfying the conditions for participating in an auction to buy the auctioned asset in accordance with this Law and other provisions of relevant laws.
8. *Auction winner* means the individual or organization paying the highest bid compared to the starting price, or paying the starting price if no bidder makes a higher bid than the starting price in an ascending price auction; or the individual or organization accepting the starting price or

the reduced price in the case of a descending price auction.

9. *Descending price auction* means an auction method whereby the auctioneer sets a price and then lowers it until a person accepting the price asked by the auctioneer is determined.
10. *Ascending price method* means an auction method whereby auction participants bid from low to high until the highest bidder compared to the starting price is determined.
11. *Auctioned asset* means an asset permitted for trading in accordance with law.
12. *Asset auction organizations* comprise asset auction service centres and asset auction enterprises.

Article 6 *Principles of asset auction*

1. To comply with provisions of law.
2. To ensure independence, truthfulness, public disclosure, transparency, fairness and objectivity.
3. To protect legitimate rights and interests of people having assets for auction, auction participants, auction winners, successful auctioned asset purchasers, asset auction organizations and auctioneers.
4. An auction must be administered by an auctioneer, except where the auction is conducted by an asset auction council.

Article 7 *Protection of legitimate rights and interests of people having assets for auction, auction participants, auction winners and bona fide successful auctioned asset purchasers*

1. Competent State authorities are responsible, within the scope of their duties and powers, to ensure the exercise of legitimate rights and interests of people having assets for auction, auction participants, auction winners and bona fide successful auctioned asset purchasers.
2. If a third person disputes the ownership of an auctioned asset, ownership still belongs to the bona fide successful auctioned asset purchaser.

Resolution of disputes over ownership of auctioned assets, complaints and actions against the validity of a successful auction, and cancellation of asset auction results as prescribed in articles 72.2, 72.3 and

72.4 of this Law are carried out in accordance with shortened procedures of the law on civil proceedings.

3. If there is a judgement or decision of a competent State authority on partial amendment or cancellation of all decisions relating to an auctioned asset made before the asset is auctioned, but the order and procedures of asset auction are ensured to comply with this Law, such asset still belongs to the ownership of the bona fide successful auctioned asset purchaser, except

where the asset auction result is cancelled in accordance with article 72 of this Law.

Article 8 *Starting price and assessment of auctioned asset*

1. The starting price of an auctioned asset is determined at the time:
 - (a) Before the asset auction service contract is signed;
 - (b) Before an asset auction council is established, except where otherwise prescribed by law;
 - (c) Before a 100% State owned, Government established bad debt – dealing organization conducts an auction itself.
2. The starting price of an auctioned asset is determined as follows:
 - (a) With respect to auctioned assets prescribed in article 4.1 of this Law, the starting price is determined in accordance with the law applicable to such type of assets;
 - (b) With respect to auctioned assets prescribed in article 4.2 of this Law, the person having the auctioned asset itself determines, or authorizes the asset auction organization or another individual or organization to determine, the starting price.
3. An auctioned asset is assessed in accordance with law or at the request of auction participants as agreed by the person having the auctioned asset. The order and procedures for assessment are conducted in accordance with the law applicable to such asset. In the case of assessment as per a request, the person requesting shall pay the assessment costs.

Article 9 *Strictly prohibited acts*

1. An auctioneer is strictly prohibited from conducting the following acts:
 - (a) Letting another individual or organization use his or her auctioneer practice certificate;
 - (b) Taking advantage of the position of auctioneer for personal benefits;
 - (c) Colluding or linking with people having auctioned assets, auction participants, price evaluation organizations, auctioned asset assessment organizations, or other individuals or organizations to falsify information on auctioned assets, to drive prices down, or to falsify auction files or asset auction results;
 - (d) Restricting individuals or organizations from participating in an auction incorrectly in terms of the law;
 - (dd) Breaching the Code of Professional Ethics of Auctioneers;

- (e) Other acts strictly prohibited under relevant laws.
2. An asset auction organization is strictly prohibited from conducting the following acts:
- (a) Letting another organization use its name or operation registration to practise asset auctioning;
 - (b) Colluding or linking with people having auctioned assets, auction participants, price evaluation organizations, auctioned asset assessment organizations, or other individuals or organizations to falsify information on auctioned assets, to drive prices down, or to falsify auction files or asset auction results;
 - (c) Hindering or causing difficulty to auction participants in registering their participation in an auction or in participating in an auction;
 - (d) Disclosing information on registered auction participants for personal benefit purposes;
 - (dd) Receiving any sum of money, asset or benefit from a person having an auctioned asset other than remuneration for the auction service, asset auction costs in accordance with law, or other service costs relating to the auctioned asset as agreed;
 - (e) Other acts strictly prohibited under relevant laws.
3. An asset auction council is strictly prohibited from conducting any of the acts prescribed in sub-clauses (b), (c), (d) and (e) of clause 2 above.
4. A person having an auctioned asset is strictly prohibited from conducting the following acts:
- (a) Colluding or linking with the auctioneer, auction participants, price evaluation organizations, auctioned asset assessment organizations, or other individuals or organizations to falsify information on auctioned assets, to drive prices down, or to falsify auction files or asset auction results;
 - (b) Receiving any sum of money, asset or benefit from the auctioneer or an auction participant to falsify the asset auction result;
 - (c) Other acts strictly prohibited under relevant laws.
5. Auction participants, auction winners, other individuals and organizations are strictly prohibited from conducting the following acts:
- (a) Providing untrue information or materials; or using falsified documents to register auction participation or to participate in an auction;
 - (b) Colluding or linking with the auctioneer, the asset auction organization, the person having

the auctioned asset, other auction participants, or other individuals or organizations to drive prices down, or to falsify asset auction results;

- (c) Hindering asset auction activities; causing trouble or disorder at an auction;
- (d) Threatening or forcing the auctioneer or other auction participants in order to falsify the asset auction result;
- (dd) Other acts strictly prohibited under relevant laws.

CHAPTER II

Auctioneers And Asset Auction Organizations

Section 1

Auctioneers

Article 10 *Standards of auctioneers*

An auctioneer must satisfy all the following standards:

1. Being a Vietnamese citizen residing permanently in Vietnam, complying with the Constitution and the law, and having good ethics and character;
2. Having a University or postgraduate degree majoring in one of the fields of law, economics, accounting, finance or banking;
3. Having graduated the auctioneer professional training course prescribed in article 11 of this Law, except where auctioneer professional training is exempted as prescribed in article 12 of this Law;
4. Having passed the required test result of auctioneer apprenticeship.

Article 11 *Auctioneer professional training*

1. People who satisfy the standards prescribed in articles 10.1 and 10.2 of this Law and have worked in their trained field for three years or more may participate in an auctioneer training course.
2. The duration of an auctioneer professional training is six months. A person completing auctioneer professional training is issued with a certificate for auctioneer professional training graduation by the auctioneer professional training establishment.

Article 12 *Persons exempted from auctioneer professional training*

1. A person who has practised as a lawyer, notary, bailiff, asset management officer or arbitrator for two or more years.
2. A person who has been a judge, prosecutor or executor.

Article 13 *Auctioneer apprenticeship*

1. People who have certificates for auctioneer professional training graduation and people exempt from auctioneer professional training may practise as apprentice auctioneers at asset auction organizations.
2. The duration of auctioneer apprenticeship is six months. The duration of auctioneer apprenticeship is calculated from the time an asset auction organization notifies the list of apprentice auctioneers at such organization to the Department of Justice where the office of the asset auction organization is based.
3. The asset auction organization assigns auctioneers to mentor apprentice auctioneers. The mentoring auctioneer must mentor, supervise and be responsible for the tasks carried out by his or her apprentice.

An apprentice auctioneer is guided on practising skills, carries out tasks relating to asset auction as assigned by the mentoring auctioneer, and is responsible to the mentoring auctioneer for such tasks. An apprentice auctioneer may not administer an auction.

4. A person who has completed the apprenticeship duration prescribed in clause 2 above may attend a test on auctioneer apprenticeship result.

The contents of the auctioneer apprenticeship test comprise auction practising skills, the law on asset auction, relevant laws, and the Professional Ethics Code of Auctioneers.

5. Testing of auctioneer apprenticeship results is conducted by the Auctioneer Apprenticeship Result Testing Council. The Ministry of Justice establishes the Auctioneer Apprenticeship Result Testing Council which comprises a representative of the Ministry of Justice as the Chairperson, representatives of relevant agencies and organizations, and a number of auctioneers as members.

Article 14 *Issuance of auctioneer practice [practising] certificate*

1. A person satisfying the standards prescribed in article 10 of this Law sends one set of a file to request issuance of an auctioneer practice certificate to the Ministry of Justice and pays fees in accordance with law. The file consists of:
 - (a) Request for issuance of an auctioneer practice certificate;
 - (b) Certified copy, or a copy accompanied by the original for comparison purpose, of

University or postgraduate degree majoring in one of the fields of law, economics, accounting, finance or banking;

(c) Certified copy, or a copy accompanied by the original for comparison purpose, of the auctioneer professional training graduation certificate;

(d) Written confirmation of having passed the test of auctioneer apprenticeship

result; (dd) Judicial record certificate;

(e) One 3 cm x 4 cm colour photo.

2. Within a time-limit of fifteen (15) days from the date of receipt of a valid file, the Minister of Justice decides on issuance of an auctioneer practice certificate; in the case of rejection, the reason must be notified in writing. A person whose [request for] issuance of an auctioneer practice certificate is rejected has the right to complain or initiate a legal action in accordance with law.
3. A person having an auctioneer practice certificate is issued with an auctioneer card by the Department of Justice at the request of the asset auction organization where such person practises. The auctioneer card is revoked when the auctioneer practice certificate of such person is revoked in accordance with article 16 of this Law.

The Government makes detailed provisions for the issuance and revocation of auctioneer cards.

Article 15 *Cases where auctioneer practice certificates are not issued*

1. Not satisfying all the standards prescribed in article 10 of this Law.
2. Currently serving as an officer, professional military personnel, national defence worker or employee in an agency or entity of the people's army; professional officer or non-commissioned officer, technical officer or non-commissioned officer in an agency or entity of the people's police; State cadre, official or employee, except for an official or employee to whom an auctioneer practice certificate is requested to be issued to work for an asset auction service centre.
3. Having lost or restricted capacity for civil acts; having difficulty in awareness and controlling acts.
4. Currently being prosecuted for criminal liability; being sentenced and the judgment has taken legal effect; having been sentenced and the police record has not been expunged; having been sentenced for fraud in order to appropriate assets, or for corruption crimes, including the case where the police record has been expunged.
5. Currently being subject to an administrative measure of sending to a compulsory drug rehabilitation establishment or a compulsory educational establishment in accordance with the

law on dealing with administrative breaches.

Article 16 *Revocation of auctioneer practice certificate*

1. A person who has been issued with an auctioneer practice certificate has the certificate revoked in the following cases:
 - (a) Falling into one of the cases prescribed in article 15 of this Law;
 - (b) Not practising the asset auction profession as prescribed in article 18.1 of this Law for two years from the date of issuance of the auctioneer practice certificate, except in the case of force majeure;
 - (c) Being penalized in accordance with the law on dealing with administrative breaches for an administrative breach prescribed in article 9.1(b) or 9.1(c) of this Law;
 - (d) Wishing to stop practising;
 - (dd) Being declared missing or deceased.
2. Revocation of an auctioneer practice certificate is carried out in accordance with the following order and procedures:
 - (a) Within a time-limit of twenty (20) days from the date of receipt of information about a person who has been issued with an auctioneer practice certificate falling into one of the cases of revocation of auctioneer practice certificate prescribed in clause 1 above, the Department of Justice in the location of the office of the organization where such person is practising or the Department of Justice in the place of permanent residence of a person issued with the auctioneer practice certificate who has not started practising is responsible to consider and verify [the information];
 - (b) Within a time-limit of seven working days from the date on which there are grounds to confirm that a person who has been issued with an auctioneer practice certificate falls into one of the cases of revocation of auctioneer practice certificate, the Department of Justice sends a written request, accompanied by relevant documents, to the Ministry of Justice to revoke the auctioneer practice certificate of such person;
 - (c) Within a time-limit of fifteen (15) days from the date of receipt of the written request from the Department of Justice, the Minister of Justice issues a decision revoking the auctioneer practice certificate. The decision revoking an auctioneer practice certificate is sent to the person from whom the certificate is revoked, the organization where such person practised, and the Department of Justice which sent the written request. Where there are insufficient grounds to revoke an auctioneer practice certificate, the Ministry of Justice notifies relevant agencies, organizations and individuals in writing.

Article 17 *Re-issuance of auctioneer practice certificate*

1. A person whose auctioneer practice certificate is revoked as prescribed in article 16.1(a) of this Law is considered for re-issuance of the auctioneer practice certificate when all the standards prescribed in article 10 of this Law are satisfied and the reason for revocation of the auctioneer practice certificate no longer exists.
2. A person whose auctioneer practice certificate is revoked as prescribed in article 16.1(b) of this Law is considered for re-issuance of such certificate after one year from the date of revocation of the auctioneer practice certificate.
3. A person whose auctioneer practice certificate is revoked as prescribed in article 16.1(d) of this Law is considered for re-issuance of the such certificate upon request for re-issuance.
4. A person issued with an auctioneer practice certificate whose certificate is lost or damaged to the extent it cannot be used may be considered for re-issuance of such certificate.
5. A person whose auctioneer practice certificate was revoked may not be re-issued the certificate in the following cases:
 - (a) The auctioneer practice certificate was revoked as prescribed in article 16.1(c) of this Law;
 - (b) The person was convicted of fraud to appropriate assets or a corruption crime, including the case where the police record has been expunged.
6. A person whose auctioneer practice certificate was revoked as prescribed in clause 1 above sends one set of a file to request re-issuance of an auctioneer practice certificate to the Ministry of Justice and pays fees in accordance with law. The file consists of:
 - (a) Request for re-issuance of an auctioneer practice certificate;
 - (b) Documents proving that the reason for revocation of the auctioneer practice certificate no longer exists;
 - (c) One 3 cm x 4 cm colour photo.
7. A person whose auctioneer practice certificate was revoked as prescribed in clauses 2 and 3 above and who falls into the case prescribed in clause 4 above sends one set of a file to request re-issuance of the auctioneer practice certificate to the Ministry of Justice and pays fees in accordance with law. The file consists of the documents prescribed in clauses 6(a) and 6(c) above.
8. Within a time-limit of 10 working days from the date of receipt of a complete and valid file, the Minister of Justice decides on re-issuance of an auctioneer practice certificate; in the case of

rejection, the reason must be notified in writing. A person whose [request for] re-issuance of an auctioneer practice certificate is rejected has the right to complain or initiate a legal action in accordance with law.

Article 18 *Forms of practice by auctioneers*

1. An auctioneer practises in the following forms:
 - (a) Practising at an asset auction service centre;
 - (b) Practising at an asset auction enterprise;
 - (c) Practising at a 100% State owned, Government established bad debt – dealing organization.
2. Practice by auctioneers as prescribed in clause 1(a) above is carried out in accordance with this Law, the law on State cadres and officials and the law on State employees.
3. Practice by auctioneers as prescribed in clause 1(b) above is carried out via establishment of, participation in establishment of, or working under a labour contract at an asset auction enterprise. Each auctioneer may establish or participate in the establishment of one asset auction enterprise only, or sign a labour contract with one asset auction enterprise only in accordance with this Law and other provisions of relevant laws.
4. Practice by auctioneers as prescribed in clause 1(c) above is carried out in accordance with this Law and the law on labour.

Article 19 *Rights and obligations of auctioneers*

1. An auctioneer has the following rights:
 - (a) To practise within the entire territory of Vietnam;
 - (b) To administer an auction directly;
 - (c) To deprive an auction participant conducting an act in breach of article 9.5 of this Law of the right to participate in the auction;
 - (d) To cease an auction upon discovery of an act of collusion, driving prices down, or causing trouble or disorder at the auction, and to notify the asset auction organization;
 - (dd) To administer the auction according to the contract between an asset auction council and the asset auction organization where the auctioneer practises, if the auction is carried out by the council or by a 100% State owned, Government established bad debt – dealing organization and such organization conducts the auction itself;

- (e) To mentor and supervise apprenticeship of apprentice auctioneers;
 - (g) Other rights in accordance with law.
2. An auctioneer has the following obligations:
- (a) To comply with the principles, order and procedures for asset auction prescribed in this Law;
 - (b) To comply with the Code of Professional Ethics of Auctioneers;
 - (c) To bear responsibilities before the law and to the asset auction organization for the auction conducted by him or her;
 - (d) To be responsible for the tasks carried out by the apprentice auctioneer mentored by him or her as prescribed in article 13.3 of this Law;
 - (dd) To participate in professional liability insurance as prescribed in article 20 of this Law;
 - (e) Other obligations in accordance with law.

Article 20 *Professional liability insurance of auctioneers*

1. Auctioneers participate in professional liability insurance through asset auction organizations or 100% State owned, Government established bad debt – dealing organizations.
2. Asset auction organizations and 100% State owned, Government established bad debt – dealing organizations have the obligation to purchase professional liability insurance for their auctioneers.

Article 21 *Socio-occupational organization of auctioneers*

1. A socio-occupational organization of auctioneers is a self-managed organization established to protect the legitimate rights and interests of auctioneers; to provide refresher training on legal knowledge and practising skills for auctioneers; to supervise compliance with the Code of Professional Ethics of Auctioneers; and to carry out other tasks in accordance with the law on associations and the charter of such socio-occupational organization.
2. The establishment, organizational structure, functions, duties and powers of a socio-occupational organization of auctioneers are carried out in accordance with the law on associations and provisions of this Law.

Section 2

Asset Auction

Organizations Article 22 *Asset auction service centres*

1. Asset auction service centres are established under decisions of provincial people's committees.
2. Asset auction service centres are public professional entities belonging to the Department of Justice, having their own offices, seals and accounts. The director of an asset auction service centre is an auctioneer.

Article 23 *Asset auction enterprises*

1. Asset auction enterprises are established and organized, and operate in the forms of private enterprises or partnerships in accordance with this Law and other provisions of relevant laws.
2. The name of a private auction enterprise is selected by the enterprise owner, and the name of an auction partnership is selected as agreed by the partners in accordance with the *Law on Enterprises*, but must include the phrase "private auction enterprise" or "auction partnership".
3. Conditions for registration of operation of asset auction enterprises:
 - (a) A private auction enterprise whose owner is both an auctioneer and the director of the enterprise; an auction partnership having at least one partner being an auctioneer, and the general director or director of the auction partnership is an auctioneer;
 - (b) Having an office, physical facilities and necessary equipment to ensure asset auction activities.
4. The contents relating to establishment, organization, operation and termination of operation of asset auction enterprises not prescribed in this Law shall be carried out in accordance with the law on enterprises.

Article 24 *Rights and obligations of asset auction organizations*

1. An asset auction organization has the following rights:
 - (a) To provide asset auction services in accordance with this Law;
 - (b) To recruit auctioneers to work for the organization in accordance with law;
 - (c) To request that persons having auctioned assets provide complete and accurate information and documents relating to the auctioned assets;
 - (d) To receive remuneration for auction services and asset auction costs in accordance with asset auction service contracts;
 - (dd) To assign auctioneers to administer auctions;

- (e) To perform the services of carrying out procedures for transfer of ownership, right to use assets, right to manage assets and other services relating to auctioned assets as agreed;
- (g) To determine the starting price upon sale of an asset by auction prescribed in article 4.2 of this Law as authorized by the person having the auctioned asset;
- (h) To assign auctioneers to mentor apprentice auctioneers;
- (i) To terminate or cancel an asset auction service contract unilaterally or to request that a court declare an asset auction service contract invalid in accordance with civil law and the provisions of this Law;
- (k) Other rights in accordance with law.

2. An asset auction organization has the following obligations:

- (a) To conduct asset auctions in accordance with the principles, order and procedures prescribed in this Law and to be responsible for asset auction results;
- (b) To issue rules of an auction as prescribed in article 34 of this Law and other provisions of relevant laws;
- (c) To organize a continuous auction at the time and location notified, except in the case of force majeure;
- (d) To request that the person having the auctioned asset deliver the asset and documents relating to the auctioned asset to the successful auctioned asset purchaser; where it is assigned with safeguarding or management thereof by the person having the auctioned asset, to deliver the asset and documents relating to the auctioned asset to the successful auctioned asset purchaser.
- (dd) To compensate for loss and damage upon conducting an auction in accordance with law;
- (e) To perform the obligations under the asset auction service contract;
- (g) To prepare the auctioned asset monitoring book and auction register;
- (h) To request that the Department of Justice where the organization is based issue or revoke auctioneer cards;
- (i) To purchase professional liability insurance for its auctioneers in accordance with article 20 of this Law;

- (k) To report on the list of practising auctioneers and apprentice auctioneers at the organization to the Department of Justice where the organization is based;
- (l) To report to the Department of Justice where the organization is based on its organization and operation annually or on an ad-hoc basis as required; enterprises which have branches must also report to the Departments of Justice where their branches register operation;
- (m) To comply with requirements of competent State agencies on examination and inspection;
- (n) Other obligations in accordance with law.

Article 25 *Registration of operation of asset auction enterprises*

1. An enterprise satisfying the provisions in article 23 of this Law sends one set of a file to request registration of asset auction operation to the Department of Justice where the enterprise is based and pays fees in accordance with law. The file consists of:
 - (a) Request for registration of operation;
 - (b) Charter of the enterprise in the case of an auction partnership;
 - (c) Certified copy, or a copy accompanied by the original for comparison purpose, of the auctioneer practice certificate of the owner of a private auction enterprise, or auctioneer practice certificates of partners [and of] the general director or director of an auction partnership;
 - (d) Documents evidencing the office of the asset auction enterprise, and commitment to ensure necessary physical facilities and equipment for asset auction operation.
2. Within a time-limit of ten working days from the date of receipt of a complete and valid file, the Department of Justice issues an operation registration to the asset auction enterprise; in the case of rejection, the reason must be notified in writing. An enterprise whose [request for] issuance of an operation registration is rejected has the right to complain or initiate a legal action in accordance with law.
3. An asset auction enterprise operates from the date of issuance of the operation registration.

Article 26 *Change to contents of operation registration and re-issuance of operation registration of asset auction enterprises*

1. An asset auction enterprise which changes its contents of operation registration with respect to its name, office address, branch(es), representative office(s) or its legal representative shall carry out the following:

- (a) Within a time-limit of ten working days from the date the change is decided, the asset auction enterprise sends a request for change to the Department of Justice where it registered operation;
 - (b) Within a time-limit of five working days from the date of receipt of the request for change, the Department of Justice decides on changing the contents of operation registration for the asset auction enterprise; in the case of rejection, the reason must be notified in writing. An enterprise whose [request for] change to the contents of operation registration is rejected has the right to complain or initiate a legal action in accordance with law.
2. If there has been a decision to change the contents of operation registration of an enterprise but subsequently it is discovered that the information declared in the file to change the contents of operation registration of the enterprise is fraudulent, the Department of Justice issues a notice on the act of breach of the enterprise, cancels the change to the contents of operation registration, and at the same time, notifies the competent authority for resolution in accordance with law.
3. An asset auction enterprise requesting re-issuance of its operation registration because it was lost, torn, burnt or destroyed in other forms shall carry out the following:
 - (a) The asset auction enterprise sends a written request for re-issuance of operation registration to the Department of Justice where it registered operation;
 - (b) Within a time-limit of seven working days from the date of receipt of the written request, the Department of Justice re-issues an operation registration to the asset auction enterprise; in the case of rejection, the reason must be notified in writing. An enterprise whose [request for] re-issuance of an operation registration is rejected has the right to complain or initiate a legal action in accordance with law.

Article 27 *Supply of information on contents of operation registration of asset auction enterprises*

Within a time-limit of seven working days from the date of issuance of an operation registration or change to the contents of operation registration of an asset auction enterprise, the Department of Justice issues a written notice to the tax office, the statistics agency and the planning and investment agency where the enterprise is based; and announces the contents of operation registration of the asset auction enterprise prescribed in article 28.1 of this Law on the electronic portal of the Department of Justice.

Article 28 *Announcement of contents of operation registration of asset auction enterprises*

1. Within a time-limit of thirty (30) days from the date of issuance of an operation registration,

an asset auction enterprise must publish in a central or local daily newspaper in the place of operation registration in three consecutive issues the following main contents:

- (a) Name of the asset auction enterprise;
 - (b) Address of the office of the asset auction enterprise, branches and representative offices;
 - (c) Number and date of issuance of the operation registration and place of operation registration;
 - (d) Full name and number of the auctioneer practice certificate of the owner of a private auction enterprise; full names and numbers of the auctioneer practice certificates of the partners and of the general director or director of an auction partnership.
2. In the case of changes to the contents of operation registration, an asset auction enterprise must publish the changed contents as prescribed in clause 1 above.

Article 29 *Branches of asset auction enterprises*

1. Branches of an asset auction enterprise are established within or outside the province or city under central authority where the asset auction enterprise registered its operation. The asset auction enterprise is responsible for the operation of its branch(es). The asset auction enterprise assigns an auctioneer of the enterprise to act as the head of the branch.
2. The asset auction enterprise submits one set of a file for operation registration of the enterprise's branch to the Department of Justice where the branch is located. The file consists of:
 - (a) Request for registration of operation of the branch;
 - (b) Decision on establishment of the branch;
 - (c) Certified copy, or a copy accompanied by the original for comparison purpose, of the operation registration of the enterprise;
 - (d) Certified copy, or a copy accompanied by the original for comparison purpose, of the auctioneer practice certificate of the head of the branch;
 - (dd) Documents evidencing the office of the branch.
3. Within a time-limit of seven working days from the date of receipt of a complete and valid file, the Department of Justice issues an operation registration to the branch; in the case of rejection, the reason must be notified in writing. An enterprise which is rejected has the right to complain or initiate a legal action in accordance with law.
4. The branch operates from the date of issuance of the operation registration. Within a time-limit of seven working days from the date of issuance of the operation registration of the branch, the

enterprise must send a written notice, accompanied by a copy of the operation registration of the branch, to the Department of Justice where the enterprise registers its operation.

Article 30 *Representative office of asset auction enterprise*

1. A representative office of an asset auction enterprise is established within or outside the province or city under central authority where the asset auction enterprise registered its operation. A representative office may not conduct asset auction.
2. Within a time-limit of five working days from the date of establishment of a representative office, the enterprise must notify the address of its representative office in writing to the Department of Justice where the representative office is based and the Department of Justice where the enterprise registered its operation.

Article 31 *Termination of operation of asset auction enterprises*

1. An asset auction enterprise terminates its operation in the following cases:
 - (a) Dissolution;
 - (b) Merger or consolidation;
 - (c) Bankruptcy;
 - (d) Revocation of operation registration as prescribed in article 32.1 of this Law.
2. Within a time-limit of seven working days from the date of termination of operation of an asset auction enterprise, the Department of Justice issues a written notice to the tax office, the statistics agency and the planning and investment agency where the enterprise is based; and announces information on the termination of operation registration of the asset auction enterprise on the electronic portal of the Department of Justice.

Article 32 *Revocation of operation registration of asset auction enterprises*

1. The operation registration of an asset auction enterprise is revoked in the following cases:
 - (a) Not satisfying the provision in article 23.3 of this Law;
 - (b) The contents declared in the operation registration file were fraudulent;
 - (c) Suspending operation for one year without notice to the Department of Justice where the enterprise registered its operation;
 - (d) Having been penalized for an administrative breach for the act of failure to send a report as prescribed in article 24.2.1 of this Law and committing the same breach again;

- (dd) Other cases as decided by a court.
2. Revocation of the operation registration of an asset auction enterprise is carried out in accordance with the following order and procedures:
 - (a) In the case prescribed in clause 1(a) above, the Department of Justice sends a written request to the asset auction enterprise to satisfy the conditions in article 23.3 of this Law within a time-limit of thirty (30) days from the date of the written request; if the enterprise fails to satisfy such conditions, the Department of Justice shall issue a decision revoking the operation registration of the enterprise;
 - (b) In the case prescribed in clause 1(b) above, the Department of Justice issues a notice on the act of breach of the enterprise and issues a decision revoking the operation registration of the enterprise;
 - (c) In the case prescribed in clause 1(c) above, the Department of Justice sends a written notice to the asset auction enterprise and requests that the legal representative of the enterprise visit the office of the Department of Justice for explanation; if the requested person fails to come after ten working days from the expiry date of the period mentioned in the notice, the Department of Justice issues a decision revoking the operation registration of the enterprise;
 - (d) In the case prescribed in clause 1(d) above, the Department of Justice issues a decision revoking the operation registration of the enterprise.
 3. The Department of Justice where an asset auction enterprise registered its operation announces information on revocation of the operation registration of such enterprise on the electronic portal of the Department of Justice; notifies the tax office, the statistics agency and the planning and investment agency where the enterprise registered its operation in writing, and reports to the Ministry of Justice.

CHAPTER III

Order And Procedures For Asset

Auction Article 33 *Asset auction service contract*

1. The person having the auctioned asset enters into an asset auction service contract with an asset auction organization to conduct an asset auction. The asset auction service contract must be made in writing and is performed in accordance with civil law and the provisions of this Law.
2. Upon entering into an asset auction service contract, the person having the auctioned asset is

responsible to supply to the asset auction organization evidence proving his or her ownership, right to use or right to sell the asset in accordance with law and is responsible before the law for such evidence.

3. The asset auction organization is responsible to check the information on the right to sell assets supplied by the person having the auctioned asset. The asset auction organization is not responsible for the value or quality of the auctioned asset, except where the asset auction organization fails to notify fully and accurately auction participants of necessary information relating to the value or quality of the auctioned asset under the asset auction service contract.
4. Rights and obligations of the asset auction organizations and the person having the auctioned asset are performed in accordance with the asset auction service contract, provisions of this Law, provisions of civil law and other provisions of relevant laws.
5. The person having the auctioned asset or the asset auction organization has the right to terminate the asset auction service contract unilaterally in accordance with civil law before the asset auction organization receives auction participation files of auction participants, except where otherwise prescribed by law.
6. The person having the auctioned asset has the right to cancel the asset auction service contract where there is one of the following grounds:
 - (a) The organization which conducted the auction did not have the function of asset auction operation or the individual who administered the auction was not an auctioneer, except where an auction is conducted by an asset auction council;
 - (b) The asset auction organization deliberately allowed people who were ineligible to participate in the auction pursuant to the law on auction participation and to win the auction;
 - (c) The asset auction organization conducted one of the following acts: not listing notice of the auction; not publicly announcing the asset auction; not complying with provisions on sale of registration files for auction participation or on organization of registration for auction participation; or hindering or restricting auction participants in registering auction participation;
 - (d) The asset auction organization colluded with or contacted auction participants during the process of auction organization, resulting in misleading information on the auctioned asset, auction participation files, or the asset auction result;
 - (dd) The asset auction organization organized the auction not in accordance with the rules of the auction on the form of auction and method of auction, leading to a falsified asset auction result.

Article 34 *Rules of an auction*

1. An asset auction organization issues the rules of an auction applicable to each auction before the date of listing notice of the auction.
2. The rules of an auction consist of the following main contents:
 - (a) Name of the asset or list of assets, quantity and quality of the auctioned asset; location of the auctioned asset; documents on ownership or right to use of the auctioned asset;
 - (b) Time and location to view the auctioned asset;
 - (c) Time and location where auction participation files are sold;
 - (d) Starting price of the auctioned asset if the starting price is public; (dd) Price of auction participation file and escrow deposit;
 - (e) Time, location, conditions and method to register participation in the auction;
 - (g) Time and location where the auction is to be conducted;
 - (h) Form and method of auction;
 - (i) Cases where the right to participate in the auction will be deprived; and cases where the escrow is not refundable.
3. The asset auction organization is responsible to publicly announce the rules of an auction.

Article 35 *Listing notice of an asset auction*

1. An asset auction organization lists notice of an asset auction as follows:
 - (a) Where the asset is a movable asset, the asset auction organization must list notice of the asset auction at its office, the place where the asset is on display (if any) and the place where the auction is conducted at least seven working days before the day the auction is opened;
 - (b) Where the asset is an immovable asset, the asset auction organization must list notice of the asset auction at its office, the place where the auction is conducted and the commune people's committee where the immovable asset is located at least fifteen (15) days before the day the auction is opened.

2. The main information to be listed includes:
 - (a) Names and addresses of the asset auction organization and the person having the auctioned asset;
 - (b) The contents prescribed in sub-clauses (a), (b), (c), (d), (dd), (e), (g) and (h) of article 34.2 of this Law.
3. The asset auction organization keeps the documents and images of the listing of notice of the asset auction prescribed in clauses 1 and 2 above in the auction file. In the case of listing notice at the commune people's committee where the auctioned immovable asset is located, the asset auction organization keeps the documents and images of the listing of notice, or prepares a document on the listing of notice to be certified by the commune people's committee.
4. In addition to the listing of notice prescribed in clauses 1 and 2 of this article, the asset auction organization publicly announces the asset auction in accordance with article 57 of this Law as requested by the person having the auctioned asset.

Article 36 *Viewing of assets to be auctioned*

1. From the date notice of the asset auction is listed to the date the auction is opened, the asset auction organization organizes direct viewing of the asset or sample of the asset for auction participants for a consecutive period of at least two days. The name of the person having the auctioned asset and information on such asset must be specified on the asset or sample of the asset.
2. From the date notice of the asset auction is listed to the date the auction is opened, if the auctioned asset is a property right or an asset the ownership or use right of which must be registered, the asset auction organization organizes viewing of documents on ownership or use right of the asset and relevant documents for auction participants for a consecutive period of at least two days.

Article 37 *Location of auction*

An auction is conducted at the office of the asset auction organization, the location of the auctioned asset, or another location as agreed between the person having the auctioned asset and the asset auction organization, except where otherwise prescribed by law.

Article 38 *Registration of participation in auction*

1. Individuals and organizations register participation in an auction by submitting valid auction participation files and escrow deposits to the asset auction organization in accordance with this Law and other provisions of relevant laws. Where the law prescribes conditions for participating in an auction, auction participants must satisfy such conditions. Auction

participants may authorize other people in writing to participate in an auction on their behalf.

2. The asset auction organization sells auction participation files and receives auction participation files in normal working hours consecutively from the date notice of the asset auction is listed to the day two days before the date the auction is opened.
3. The person having the auctioned asset and the asset auction organization may not set any additional requirements or conditions for auction participants other than the conditions for registration of participation in the auction prescribed in this Law and relevant laws.
4. The following people may not register to participate in an auction:
 - (a) People who do not have capacity for civil acts, people who have lost or restricted capacity for civil acts, people who have difficulty in awareness and controlling acts, and people who at the time of registration of participation in an auction are not aware of or able to control their own acts;
 - (b) People who work in the asset auction organization which conducts the auction; parents, spouses, children or biological siblings of the auctioneer administering the auction; people who directly assessed or valued the asset; and parents, spouses, children or biological siblings of the people who directly assessed or valued the asset.
 - (c) People authorized by the asset owner to deal with the asset, people having the right to decide on the sale of the asset, people signing the asset auction service contract, and people having the right to decide on the sale of assets of other people in accordance with law;
 - (d) Parents, spouses, children or biological siblings of the people prescribed in clause (c) above;
 - (dd) People not having the right to purchase the auctioned asset in accordance with the law applicable to such type of asset.

Article 39 *Escrow deposit and dealing with escrow deposit*

1. An auction participant must pay an escrow deposit. The escrow deposit is agreed by the asset auction organization and the person having the auctioned asset, which shall not be less than five per cent and not more than twenty per cent (20%) of the starting price of the auctioned asset.

Escrow deposits are deposited in a separate payment account of the asset auction organization opened at a commercial bank or a foreign bank branch in Vietnam. If the escrow deposit is under five million dong in value, an auction participant may pay it directly to the asset auction organization. An auction participant and the asset auction organization may agree to substitute the escrow deposit with a bank guarantee.

2. The asset auction organization may collect escrow deposits from auction participants only within

the time limit of three working days before the date the auction is opened, except where otherwise agreed between the asset auction organization and auction participants, but it must be before the date the auction is opened. The asset auction organization may not use escrow deposits of auction participants for any other purpose.

3. An auction participant has the right to refuse to participate in the auction and be refunded his or her escrow deposit where there is a change to the starting price, quantity, or quality of the asset which has been publicly listed or notified; where interest has accrued on the escrow deposit, the auction participant is entitled to such interest.
4. The asset auction organization is responsible to refund the escrow deposit and pay interest (if any) to an auction participant who did not win the auction within three working days from the date the auction ended, or within another time-limit agreed by the parties, except in the case prescribed in clause 6 below.
5. If [an auction participant] wins the auction, the escrow deposit and interest (if any) is converted to a deposit to ensure performance of the agreement, performance of the auctioned asset sale and purchase contract, or performance of the obligation to purchase the auctioned asset upon approval by a competent authority. Deposits are dealt with in accordance with civil law and other provisions of relevant laws.
6. An auction participant shall not be refunded his or her escrow deposit in the following cases:
 - (a) Having paid the escrow deposit but not participating in the auction or the price announcement session where there is no force majeure;
 - (b) Having the right to participate in the auction deprived due to an act of breach as prescribed in article 9.5 of this Law;
 - (c) Refusing to sign the auction minutes as prescribed in article 44.3 of this Law;
 - (d) Withdrawing a bid placed or a price already accepted as prescribed in article 50 of this Law; (dd) Refusing the auction winning result as prescribed in article 51 of this Law.
7. The asset auction organization may not stipulate any cases where an auction participant shall not be refunded his or her escrow deposit in the rules of an auction other than the cases prescribed in clause 6 above.
8. The escrow deposit prescribed in clause 6 above belongs to the person having the auctioned asset. If the person having the auctioned asset is a State agency, escrow deposits are paid into the State budget in accordance with law after deducting the asset auction costs.

Article 40 *Forms and methods of auction*

1. The asset auction organization agrees with the person having the auctioned asset in selecting one of the following forms to conduct an auction:
 - (a) Direct bidding in oral form at the auction;
 - (b) Bidding by direct voting at the auction;
 - (c) Bidding by indirect voting;
 - (d) Online bidding.
2. Forms of auction include:
 - (a) Ascending price auction method;
 - (b) Descending price auction method.
3. The form and method of auction must be stipulated in the rules of the auction and publicly announced to auction participants.
4. The Government makes detailed provisions for clause 1(d) of this article.

Article 41 *Direct bidding in oral form at the auction*

1. The auctioneer administers the auction in the form of direct bidding in oral form at the auction in the following order:
 - (a) Introducing himself or herself and the assistants; announcing the list of auction participants and calling the roll to identify auction participants;
 - (b) Reading the rules of the auction;
 - (c) Introducing each auctioned asset;
 - (d) Repeating the starting price if the starting price is public;
 - (dd) Announcing the bid increment[/decrement] and the maximum interval between two bids or between two prices;
 - (e) Giving out numbers to auction participants;
 - (g) Guiding the method to place a bid or accept a price, and answering questions from auction participants;

- (h) Administering the bidding and price acceptance in accordance with clauses 2 and 3 below.
2. Bidding in an ascending price auction is conducted as follows:
 - (a) The auctioneer requests that auction participants place bids;
 - (b) Auction participants place bids. A bid must be at least equal to the starting price if the starting price is made public. A subsequent bidder must place a bid higher than that of the immediately preceding bidder;
 - (c) The auctioneer announces the bid after each bid is placed by an auction participant and asks other auction participants to continue placing bids;
 - (d) The auctioneer announces the person placing the highest bid as the auction winner after repeating the highest bid three times and which is higher than the starting price where no one placed a higher bid.
 3. Price acceptance in a descending price auction is conducted as follows:
 - (a) The auctioneer sets a price for auction participants to accept. The person accepting the starting price is the auction winner;
 - (b) The auctioneer announces the bid decrement and continues the auction if no one accepts the starting price or the decreased price. The person accepting the decreased price is the auction winner;
 - (c) If two or more persons accept the starting price or the decreased price, the auctioneer organizes a draw of lots to select the auction winner.

Article 42 *Bidding by direct voting at the auction*

1. The auctioneer administers an auction in the form of direct voting at the auction in the following order:
 - (a) Carrying out the provisions in sub-clauses (a), (b), (c), (d), (dd), (e) and (g) of article 41.1 of this Law;
 - (b) Repeating the requirements for a valid vote and the time for writing the vote;
 - (c) Administering the bidding and price acceptance in accordance with clauses 2 and 3 below.
2. Bidding in an ascending price auction is conducted as follows:
 - (a) Each auction participant is given a vote and writes his or her bid on the vote. When the

time for writing votes has ended, the auctioneer requests that auction participants submit votes or put

votes in the vote box; tallies the number of votes given out and the number of votes collected; and then announces each vote and the highest vote under the supervision of at least one auction participant;

- (b) The auctioneer announces the highest bid placed in that bidding round and asks auction participants to continue placing bids for the next round. The starting price of the next round is the highest bid placed in the immediately preceding auction round;
- (c) The auction ends when no one else participates in bidding. The auctioneer announces the highest bidder and announces that such person is the auction winner;
- (d) If two or more people both placed the highest bid, the auctioneer organizes a further bidding among the people who placed the highest bid to select the auction winner. If a highest bidder does not agree to a further bidding, or no one places a higher bid, the auctioneer organizes a draw of lots to select the auction winner.

3. Price acceptance in a descending price auction is conducted as follows:

- (a) Each auction participant is given a price acceptance slip and writes the acceptance of the starting price set by the auctioneer on his or her slip. When the time for writing slips has ended, the auctioneer requests that auction participants submit price acceptance slips or put slips in the slip box; and then tallies the number of slips given out and the number of slips collected;
- (b) The auctioneer announces the price acceptance of each auction participant under the supervision of at least one auction participant;
- (c) The auctioneer announces the person accepting the starting price and announces that such person is the auction winner. If no one accepts the starting price, the auctioneer announces the bid decrement and conducts voting at the decreased price;
- (d) If two or more persons accept the starting price or the decreased price, the auctioneer organizes a draw of lots to select the auction winner.

4. The person having the auctioned asset and the asset auction organization agree on the method of voting and the number of bidding rounds prescribed in clauses 2 and 3 of this article.

Article 43 *Auction by indirect voting*

1. Upon registration to participate in an auction, auction participants receive bidding votes, guidelines on how to write the vote, the time to submit the bidding vote and the bid

announcement session. The asset auction organization introduces auction participants to each auctioned asset, repeats the starting price if the starting price is made public, answers queries of auction participants and other contents under the rules of the auction.

2. Bidding votes of auction participants must be wrapped in confidentiality-protective material initialled by the bidder at the edges of the vote-containing envelope. Bidding votes are sent by post or directly submitted and are put in the vote box by the asset auction organization. The vote box must be sealed as soon as the time limit for vote receipt expires.
3. At the announcement session of the bids placed by auction participants, the auctioneer administering the auction introduces himself or herself and the assistants; reads the rules of the auction; announces the list of auction participants, calls the roll to identify auction participants; and announces the number of votes given out and number of votes collected.

The auctioneer administering the auction invites at least one auction participant to supervise the intactness of the vote box. If there is no other opinion on the supervision result, the auctioneer opens the seal of the vote box.

The auctioneer administering the auction invites at least one auction participant to supervise the intactness of each bidding vote; opens each bidding vote, announces the number of valid votes and the number of invalid votes, announces each bidding vote and the highest bidding vote, and announces the person having the highest bidding vote as the auction winner.

4. If two or more people both placed the highest bid at the same bid announcement session, the auctioneer organizes a further bidding among the people who placed the highest bid to select the auction winner. The auctioneer decides on the form of bidding in oral form or by direct voting. If a highest bidder does not agree to a further bidding, or no one places a higher bid, the auctioneer organizes a draw of lots to select the auction winner.

Article 44 *Auction minutes*

1. An auction ends when the auctioneer announces the auction winner or when the auction is unsuccessful as prescribed in article 52.1 of this Law.
2. The progress of the auction must be recorded in the auction minutes. The auction minutes must be prepared at the auction and bear the signatures of the auctioneer administering the auction, the minutes writer, the auction winner, the person having the auctioned asset, and the representative of auction participants. If the auction is conducted by an asset auction council, the auction minutes must also bear the signature of the council chairperson.
3. An auction winner who refuses to sign the auction minutes is considered as not accepting execution of the auctioned asset sale and purchase contract, or not accepting purchase of the auctioned asset where it is prescribed by law that the asset auction result must be approved by a

competent authority.

4. The auction minutes are stamped with the seal of the asset auction organization; where the auction is conducted by an asset auction council, the minutes must be stamped with the seal of the person who has the authority to decide on establishing the asset auction council.

Article 45 *Forwarding the auction file*

1. Within one working day from the date an auction ends, the asset auction organization must record the asset auction result in the asset auction register and notify the person having the auctioned asset in writing. If the auction is conducted by an asset auction council, within one working day from the date the auction ends, the council notifies the asset auction result in writing to the person who has the authority to decide on establishing the council.
2. Within three working days from the date the auction ends, the asset auction organization or the asset auction council forwards the asset auction result, the auction minutes and the list of auction winner(s) to
the person having the auctioned asset to enter into the auctioned asset sale and purchase contract or to the competent authority to approve the asset auction result and complete relevant procedures, except where otherwise prescribed by law.

Article 46 *Auctioned asset sale and purchase contract and approval of asset auction result*

1. The asset auction result is the basis for the parties to enter into the auctioned asset sale and purchase contract or the basis for approval by the competent authority.
2. The auctioned asset sale and purchase contract is entered into between the person having the auctioned asset and the auction winner, or among the person having the auctioned asset, the auction winner and the asset auction organization if agreed by the parties, except where otherwise prescribed by law. The auctioned asset sale and purchase contract is performed in accordance with civil law.
3. An auction winner is considered as accepting the execution of the auctioned asset sale and purchase contract from the time the auctioneer announces the auction winner, except where the auction winner refuses to sign the auction minutes as prescribed in article 44.3 of this Law, or refuses the auction winning result as prescribed in article 51 of this Law. From this point in time, rights and obligations of the parties are performed in accordance with civil law and other provisions of relevant laws.
4. The order, procedures and authority to approve asset auction results are carried out in accordance with provisions of relevant laws.

Article 47 *Rights and obligations of person having the auctioned asset*

1. The person having the auctioned asset has the following rights:
 - (a) To supervise the process of organizing the auction;
 - (b) To participate in the auction;
 - (c) To request that the asset auction organization cease the organization of the auction where there are grounds to believe that the asset auction organization has acted in breach of article 9.2(b) or 9.2(c) of this Law;
 - (d) To request that the auctioneer administering the auction cease the auction where there are grounds to believe that the auctioneer has acted in breach of article 9.1(c) of this Law; or that an auction participant has acted in breach of article 9.5(b), (c) or (d) of this Law;
 - (dd) To terminate or cancel unilaterally the asset auction service contract or the auctioned asset sale and purchase contract, or to request that a court announce that the asset auction service contract or the auctioned asset sale and purchase contract is invalid in accordance with this Law and provisions of civil law.
 - (e) Other rights in accordance with law.
2. The person having the auctioned asset has the following obligations:
 - (a) To be responsible for the asset to be auctioned;
 - (b) To enter into the auctioned asset sale and purchase contract or to submit the asset auction result to the competent authority for approval;
 - (c) To deliver the asset and documents relating to the auctioned asset to the successful auctioned asset purchaser as agreed in the auctioned asset sale and purchase contract or in accordance with law;
 - (d) To report to the competent authority on the selection of the asset auction organization, the progress of the auction and the asset auction result in the case of auction of State owned assets;
 - (dd) Other obligations in accordance with law.

Article 48 *Rights and obligations of auction winners*

1. An auction winner has the following rights:
 - (a) To request that the person having the auctioned asset enter into an auctioned asset sale and purchase contract or submit the asset auction result to the competent authority for

approval in accordance with law;

- (b) To receive the auctioned asset and to have ownership of it in accordance with law;
- (c) To be issued with a certificate of ownership or right to use the auctioned asset with respect to assets the ownership or use right of which must be registered in accordance with law;
- (d) Other rights as agreed in the auctioned asset sale and purchase contract and in accordance with law.

2. An auction winner has the following obligations:

- (a) To sign the auction minutes and the auctioned asset sale and purchase contract;
- (b) To make full payment for purchase of the auctioned asset to the person having the auctioned asset as agreed in the auctioned asset sale and purchase contract or in accordance with provisions of relevant laws;
- (c) Other obligations as agreed in the auctioned asset sale and purchase contract and in accordance with law.

Article 49 *Auction in the cases where there is only one person registering to participate in the auction, one auction participant, one bidder, or one price accepting person*

- 1. Asset auction in the cases where there is only one person registering to participate in the auction, one auction participant, one bidder, or one price accepting person may be conducted only after the first auction was organized but was unsuccessful, and shall be conducted as follows:
 - (a) In the case of an ascending price auction, if upon the expiry of the participation registration period, only one person registered to participate in the auction or more than one person registered to participate in the auction but only one person participated, or more than one person participated in the auction but only one person placed a bid, or more than one person placed a bid but only one person placed the highest bid equal to at least the starting price, then the asset shall be sold to such person if the person having the auctioned asset agrees in writing;
 - (b) In the case of a descending price auction, if only one person registered to participate in the auction or more than one person registered to participate in the auction but only one person participated and accepted the starting price or accepted the decreased price, then the asset shall be sold to such person if the person having the auctioned asset agrees in writing.
- 2. Asset auction as prescribed in clause 1 above is conducted only after all the order and procedures of asset auction as prescribed in this Law have been carried out and there is no complaint about

the order or procedures until the date the auction is organized.

3. In addition to the contents prescribed in articles 44.2 and 44.4 of this Law, the auction minutes must also reveal the process of the auction in that only one person participated in the auction or only one person placed a bid or accepted the price validly; and also reveal the consent of the person having the auctioned asset.

Article 50 *Withdrawal of bid placed or price accepted*

1. At an ascending price auction in the form of direct bidding in oral form or bidding by direct voting at the auction, if the person who placed the highest bid withdraws the bid before the auctioneer announces the auction winner, the auction shall continue and start from the immediately preceding bid.
2. At the session where the prices paid by auction participants are announced in the case of an auction in the form of indirect voting, if the person placing the highest bid withdraws the bid placed before the auctioneer announces the auction winner, the auction will continue and start from the immediately preceding bid. The auctioneer decides on the form of bidding in oral form or by direct voting.
3. At a descending price auction, if the person accepting the starting price or the decreased price withdraws the accepted price before the auctioneer announces the auction winner, the auction will continue and start from the bid of such withdrawing person.
4. A person who withdraws a bid placed or a price accepted as prescribed in clauses 1, 2 and 3 above is deprived of the right to [further] participate in the auction.

Article 51 *Refusal of auction winning result*

1. In an ascending price auction, if after the auctioneer administering the auction announces the auction winner and at the auction such winner refuses the auction winning result, the immediately preceding bidder shall be the auction winner if such immediately preceding bid plus the escrow deposit equals at least the bid placed by the person refusing the auction winning result, and such immediately preceding bidder accepts purchase of the auctioned asset.
If the immediately preceding bid plus the escrow deposit is smaller than the bid placed by the person refusing the auction winning result or the immediately preceding bidder does not accept purchase of the auctioned asset, the auction is unsuccessful.
2. In a descending price auction, if after the auctioneer announces the auction winner the auction winner refuses the auction winning result, the auction will continue and start from the price of such refusing person. If there is no further person [participating in the] auction, the auction is unsuccessful.

Article 52 *Unsuccessful auction*

1. Cases of unsuccessful auction include:
 - (a) Upon the expiry of the registration period, no one has registered to participate in the auction;
 - (b) No person placed a bid or accepted a price at the auction;
 - (c) The highest bid is lower than the starting price in the case the starting price is not made public and the auction is an ascending price auction;
 - (d) The auction winner refuses to sign the auction minutes as prescribed in article 44.3 of this Law; (dd) The person placing a bid withdraws the bid placed or the person accepting a price withdraws the accepted price as prescribed in article 50 of this Law without anyone placing another bid [or accepting another price];
 - (e) Cases where the auction winning result is refused as prescribed in article 51 of this Law;
 - (g) Upon the expiry of the registration period, only one person registered to participate in the auction in the cases of asset auction prescribed in article 59 of this Law.
2. Within three working days from the date of an unsuccessful auction, the asset auction organization returns the asset and documents relating to the auctioned asset to the person having the auctioned asset, except where otherwise agreed by the parties or prescribed by law.
3. Unsuccessfully auctioned assets are dealt with in accordance with law or are re-auctioned as agreed between the person having the auctioned asset and the asset auction organization.

Article 53 *Auction via shortened procedures*

1. The asset auction organization and the person having the auctioned asset agree on an auction via shortened procedures in the following cases:
 - (a) Auction of assets from judgment execution, or assets being exhibits or means of an administrative breach which are confiscated where the starting price of all auctioned assets in one auction is under fifty (50) million dong;
 - (b) Re-auction in the case the second auction was unsuccessful;
 - (c) An asset auction as prescribed in article 4.2 of this Law where shortened order and procedures are selected.

2. The time for listing notice of an asset auction is carried out as follows:
 - (a) Where the asset is a movable asset, the asset auction organization must list notice of the asset auction at least three working days before the day the auction is opened;
 - (b) Where the asset is an immovable asset, the asset auction organization must list notice of the asset auction at least five working days before the day the auction is opened.
3. The asset auction organization sells auction participation files and receives auction participation files in normal working hours consecutively from the date notice of the asset auction is listed to the day one day before the date the auction is opened.

Article 54 *File keeping [archiving]*

1. The person having the auctioned asset, the auctioned asset organization and the person who has the authority to decide on establishing an asset auction council keep auction files for a period of five years from the date an auction ends.
2. The order and procedures for file keeping are carried out in accordance with the law on file keeping.

CHAPTER IV

Auction Of Assets Which Must Be Sold Via Auction As Prescribed By Law

Section 1

A Number Of General Provisions

Article 55 *Order and procedures for auction of assets which must be sold via auction as prescribed by law*

The auction of assets prescribed in article 4.1 of this Law is conducted according to the order and procedures prescribed in Chapter III of this Law and the provisions in this Chapter.

Article 56 *Selection of asset auction organization*

1. After the competent person makes a decision on asset auction, the person having the auctioned asset publicly announces on his or her website and the specialized website on asset auction on the selection of an asset auction organization.
2. The public announcement on selection of an asset auction organization has the following main information:

- (a) Name and address of the person having the auctioned asset;
 - (b) Name of the asset, quantity and quality of the auctioned asset;
 - (c) The starting price of the auctioned asset;
 - (d) Criteria for selection of an asset auction organization as prescribed in clause 4 below;
 - (dd) Time and location for submission of registration files for participation in auction organization.
3. The person having the auctioned asset, based on the files for participation in holding auctions of asset auction organizations and the criteria prescribed in clause 4 below, selects an asset auction organization and is responsible for such selection.
4. The criteria for selection of an asset auction organization comprise:
- (a) Physical facilities and equipment necessary to ensure auction for the type of asset auctioned;
 - (b) Feasible and effective auction plan;
 - (c) Capacity, experience and reputation of the asset auction organization;
 - (d) Appropriate remuneration for the auction service and asset auction costs;
 - (dd) Being included in the list of asset auction organizations announced by the Ministry of Justice;
 - (e) Other criteria appropriate to the auctioned asset as decided by the person having the auctioned asset.
5. If selection of an asset auction organization is prescribed by law to be carried out via tendering, provisions of this Law and the law on tendering shall be complied with.

Article 57 *Public announcement of asset auction*

1. In addition to the provisions on listing notice of asset auction prescribed in articles 35.1, 35.2 and 35.3 of this Law, if the auctioned asset is a movable asset with the starting price of fifty (50) million dong or more or an immovable asset, the asset auction organization must make a public announcement at least twice in a printed newspaper or visual newspaper of the central level, or of the province or city under central authority where the auctioned asset is located and on the specialized website on asset auction; each public announcement must be at least two working days apart.
2. In the case of auction via shortened procedures prescribed in article 53.1(b) of this Law, the asset auction organization makes one public announcement of the asset auction in a printed newspaper or visual newspaper of the central level, or of the province or city under central

authority where the auctioned asset is located.

3. The time for the second public announcement is at least seven working days with respect to a moveable asset and fifteen (15) days with respect to an immovable asset before the date the auction is opened. Public announcement prescribed in clause 2 above is made at the same time as the listing of notice of the auctioned asset prescribed in article 53.2 of this Law.
4. The contents of a public announcement of an asset auction comprise:
 - (a) Names and addresses of the asset auction organization and the person having the auctioned asset;
 - (b) Time and location to auction the asset;
 - (c) Name of asset and location of the auctioned asset;
 - (d) Starting price of the auctioned asset if the starting price is public; escrow deposit; (dd) Time, location, conditions and method to register participation in the auction;
5. The asset auction organization keeps the documents and images of the public announcement of the asset auction as prescribed in clauses 1 and 2 above in the auction file.

Article 58 *Public announcement of the starting price and auction method*

1. The person having the auctioned asset must publicly announce the starting price.
2. Asset auction may be conducted by the ascending price method only.

Article 59 *Auctioned asset in the cases where there is only one person registering to participate in the auction, one auction participant or one bidder*

Asset auctions in the cases where there is only one person registering to participate in the auction, one auction participant or one bidder as prescribed in article 49 of this Law do not apply to the following assets:

1. State assets in accordance with the law on management and use of State assets;
2. Land use right when the State allocates land and collects land use fee or leases out land in accordance with the law on land;
3. Other assets not to be auctioned as prescribed by law in the cases where there is only one person registering to participate in the auction, one auction participant or one bidder.

Section 2

Asset Auction

Council Article 60 *Establishment of asset auction council*

1. A person having an asset which must be sold via an auction as prescribed by law decides to establish an asset auction council for asset auction in the following cases:
 - (a) It is prescribed by law that the asset auction is conducted by an asset auction council;
 - (b) It is unable to select an asset auction organization as prescribed in article 56 of this Law.
2. The person who has the authority to decide on establishing an asset auction council is responsible for the entire operation of the council.
3. An asset auction council consists of three or more members; the chairperson of the council is the person having the auctioned asset or his or her authorized person; members of the council are representatives from the finance agency and the justice agency on the same level, and representatives of relevant agencies and organizations in accordance with law. An asset auction council may enter into a contract with an asset auction organization to send an auctioneer to administer the auction.

Article 61 *Principles of operation of asset auction council*

1. An auction conducted by an asset auction council must be attended by at least two-thirds of the members of the council.
2. The asset auction council works by the principles of concentration [deliberation], collective discussion and decision-making by majority by voting or secret ballot. If there is a tied vote or ballot, the chairperson of the council has the final decision making authority.
3. An asset auction council dissolves itself at the end of the auction and forwards the file of the auction as prescribed in article 45 of this Law.

Article 62 *Rights and obligations of asset auction council*

1. An asset auction council has the following rights:
 - (a) To deprive the right to participate in the auction of participants and prepare minutes to deal with auction participants whose acts cause trouble or disorder at the auction, who collude or link [with other people] to drive prices down, or who have other acts which affect the objectivity and truthfulness of the auction;

- (b) To cease the auction and report to the person who has the authority to decide on establishing the council for resolution upon discovery of an act in breach of the order or procedures for auction, or upon discovery that the auction administrator had an act of collusion or linking to drive prices down, or had other acts which affected the objectivity and truthfulness of the auction;
- (c) To request valuation or assessment of the auctioned asset;
- (d) To select a form of auction prescribed in article 40.1 of this Law for asset auction; (dd) Other rights in accordance with law.

2. An asset auction council has the following obligations:

- (a) The obligations prescribed in sub-clauses (b) and (d) of article 24.2 of this Law;
- (b) To issue the regulations on operation of the asset auction council;
- (c) To organize and conduct the auction in accordance with the regulations on operation of the council, the rules of the auction and provisions of relevant laws;
- (d) To be responsible for the result of the auction before the law and to the person who has the authority to decide on establishing the council;
- (dd) To deal with complaints and denunciations during the auction process; to receive and deal with according to their authority, or to recommend that the person who has the authority decide on establishing a council to deal with complaints arising after the auction; and to pay compensation in accordance with law;
- (e) To report to the person who has the authority to decide on establishing the asset auction council on the asset auction result;
- (g) Other obligations in accordance with law.

Article 63 *Duties and powers of chairperson and members of asset auction council*

1. The chairperson of an asset auction council has the following duties and powers:

- (a) To organize the performance of the rights and obligations of the asset auction council as prescribed in article 62 of this Law;
- (b) To preside over the meeting of the asset auction council; and to assign duties to each member;

- (c) To administer the auction, or to assign a member of the council or an auctioneer to administer the auction according to the regulations on operation of the asset auction council;
 - (d) Other duties and powers in accordance with the regulations on operation of the asset auction council and provisions of relevant laws.
2. Members of the council carry out the tasks assigned by the chairperson of the council and are responsible to the chairperson of the asset auction council.

Section 3

Auction Of Bad Debts And Security Assets Of Bad

Debts Article 64 *Auction of bad debts and security assets of bad debts*

- 1. 100% State owned, Government established bad debt – dealing organizations may auction only the bad debts and security assets of bad debts prescribed in article 4.1(o) of this Law.
- 2. (Where) bad debts and security assets of bad debts may be sold via auction, a 100% State owned, Government established bad debt – dealing organization enters into an asset auction service contract with an asset auction organization, or itself auctions the assets. The asset auction must follow the order and procedures prescribed in this Law.

Article 65 *Rights and obligations of 100% State owned, Government established bad debt – dealing organizations in asset auction activities*

- 1. A 100% State owned, Government established bad debt – dealing organization has the following rights:
 - (a) To sign labour contracts with auctioneers practising at the organization;
 - (b) To assign auctioneers to administer auctions;
 - (c) To organize auctions at the office of the organization, the location of the auctioned asset or another location suitable to the requirements of the auction;
 - (d) Other rights in accordance with the law on asset auction.
- 2. A 100% State owned, Government established bad debt – dealing organization has the following obligations:
 - (a) To conduct asset auction in accordance with the principles, order and procedures prescribed in this Law and to be responsible for the asset auction result;
 - (b) To issue rules of an auction as prescribed in article 34 of this Law and other relevant laws;

- (c) To deliver the asset and documents relating to the auctioned asset to the successful auctioned asset purchaser;
 - (d) In the case of asset auction prescribed in article 49 of this Law, written consent from the person having the auctioned asset must be obtained in accordance with law;
 - (dd) To be responsible for the value and quality of the auctioned asset in the case of a self-organized asset auction;
 - (e) To compensate for loss and damage it caused while conducting an auction in accordance with law;
 - (g) To prepare the auctioned asset monitoring book and auction register;
 - (h) To request that the Department of Justice where the organization is based issue auctioneer cards to the auctioneers practising at the organization;
 - (i) To purchase professional liability insurance for its auctioneers in accordance with article 20 of this Law;
 - (k) To report to the Ministry of Justice the list of auctioneers currently practising at the organization on an annual basis or on an ad-hoc basis as required;
 - (l) To report to the Ministry of Justice and the State Bank of Vietnam on asset auction activities every six months, annually, or on an ad-hoc basis as required;
 - (m) To comply with requirements of competent State authorities on examination and inspection of asset auction activities;
 - (n) Other obligations in accordance with law.
3. 100% State owned, Government established bad debt – dealing organizations are strictly forbidden from conducting the following acts:
- (a) Colluding or linking with auction participants, price evaluation organizations, auctioned asset assessment organizations, or other individuals or organizations to falsify information on auctioned assets, on auction files or on asset auction results;
 - (b) Hindering or causing difficulty to auction participants in purchasing auction participation registration files, registering their participation in an auction, participating in an auction, delivering or receiving the auctioned asset;
 - (c) Receiving any sum of money, asset or benefit from a person having an auctioned asset other

than asset auction costs, or other service costs relating to the auctioned asset in accordance with law;

(d) Other acts strictly prohibited under relevant laws.

4. The Government makes detailed provisions for:

(a) Evaluation of starting prices of bad debts and security assets of bad debts;

(b) Establishment of an auction council for bad debts and security assets of bad debts where a bad debt and the security asset(s) of the bad debt are of a large value.

CHAPTER V

Remuneration For Auction Service And Asset Auction

Costs Article 66 *Remuneration for auction service and asset auction costs*

1. Remuneration for auction service and asset auction costs are agreed between the person having the auctioned asset and the asset auction organization in the asset auction service contract. In the case of asset auction prescribed in article 4.1 of this Law, the remuneration for auction service is determined according to the service price mechanism under the framework prescribed by the Ministry of Finance.
2. Asset auction costs include costs for notice listing, public announcements and other reasonable actual costs for the asset auction as agreed between the person having the auctioned asset and the asset auction organization.

Article 67 *Costs for service to conduct procedures to transfer ownership, right to use or right to manage assets and other services relating to auctioned assets*

Individuals or organizations requesting and receiving services to conduct procedures to transfer ownership, right to use or right to manage assets and other services relating to auctioned assets supplied by an asset auction organization must pay service costs to the asset auction organization as agreed between the parties.

Article 68 *Management and use of remuneration for auction service, asset auction costs, service costs and other collections*

1. Management and use of remuneration for auction service, asset auction costs, service costs and other collections of asset auction service centres are performed in accordance with the law on financial regimes applicable to fee-collecting public professional units.

2. Management and use of remuneration for auction service, asset auction costs, service costs and other collections of asset auction enterprises are performed in accordance with law.

CHAPTER VI

Dealing With Breaches, Cancellation Of Asset Auction Results And Compensation For Loss and Damage

Article 69 *Dealing with breaches of auctioneers, asset auction organizations, asset auction councils or 100% State owned, Government established bad debt – dealing organizations*

1. Auctioneers acting in breach of the provisions in article 9.1, article 19.2 or other provisions of this Law shall, depending on the nature and seriousness of the breach, be disciplined, be subject to an administrative penalty or be prosecuted for criminal liability, and must compensate for any loss and damage caused in accordance with law.
2. Asset auction organizations, asset auction councils or 100% State owned, Government established bad debt – dealing organizations acting in breach of articles 9.2, 9.3, 24.2, 65.3 or other provisions of this Law shall, depending on the nature and seriousness of the breach, be subject to an administrative penalty or be prosecuted for criminal liability, and must compensate for any loss and damage caused in accordance with law.

Article 70 *Dealing with breaches of auction participants, auction winners, or related individuals or organizations*

Auction participants, auction winners or related individuals or organizations acting in breach of the provisions in article 9.5 or other provisions of this Law shall, depending on the nature and seriousness of the breach, be disciplined, be subject to an administrative penalty or be prosecuted for criminal liability, and must compensate for any loss and damage caused in accordance with law.

Article 71 *Dealing with breaches of people having auctioned assets*

People having auctioned assets acting in breach of the provisions in article 9.4, article 47.2 or other provisions of this Law shall, depending on the nature and seriousness of the breach, be disciplined, be subject to an administrative penalty or be prosecuted for criminal liability, and must compensate for any loss and damage caused in accordance with law.

Article 72 *Cancellation of asset auction result*

An asset auction result is cancelled in the following cases:

1. As agreed among the person having the auctioned asset, the asset auction organization and the auction winner to cancel the asset auction result; or between the person having the auctioned asset and the auction winner to cancel establishment of the auctioned asset sale and purchase contract or to rescind it, except if loss and damage is caused or if the interest of the State or the legitimate rights and interests of [other] individuals or organizations are affected;
2. The asset auction service contract or the auctioned asset sale and purchase contract is declared invalid by a court in accordance with civil law if the auction winner acted in breach of article 9.5(b) of this Law;
3. The asset auction service contract is cancelled in accordance with article 33.6 of this Law;
4. The person having the auctioned asset, auction participants, the auction winner, the asset auction organization or the auctioneer had acts of colluding, linking [with each other] or driving prices down during the process of auction participation, resulting in misleading information on the auctioned asset, on the auction participation files or on the asset auction result;
5. As decided by the person who has the authority to apply administrative penalties in the case of auction of State owned assets where there is one of the grounds prescribed in article 33.6 of this Law.

Article 73 *Legal consequences of cancellation of asset auction result*

If the asset auction result is cancelled as prescribed in clauses 2, 3, 4 and 5 of article 72 of this Law, the parties restore the initial condition and return to each other the received asset, or pay money if the asset cannot be returned. The party whose fault caused the loss and damage must compensate in accordance with law.

Article 74 *Dispute resolution*

If there is a dispute between the parties to an asset auction service contract or an asset auction sale and purchase contract, the parties may negotiate and conciliate, or refer it to a competent authority for resolution in accordance with law.

Article 75 *Complaint and legal action against asset auction by asset auction council*

1. Auction participants, auction winners and people with related rights and obligations have the right to complain against a decision or an act of an asset auction council or members of the asset auction council where there are grounds to believe that such decision or act infringed their legitimate rights and interests.
2. The person who has the authority to decide on establishing the asset auction council is responsible to deal with complaints within a time-limit of thirty (30) days from the date of receipt

of a complaint.

3. If, upon the expiry of the time-limit prescribed in clause 2 above, the complaint is not dealt with, or the decision on dealing with the complaint of the person who has the authority to decide on establishing the asset auction council is not agreed to, an auction participant, the auction winner or a person with related rights and interests has the right to take legal action at a court in accordance with law.

Article 76 *Denunciation on asset auction activities*

1. Citizens have the right to denounce acts in breach of regulations on asset auction activities to competent agencies, organizations or individuals in accordance with law.
2. Denunciations in asset auction activities are dealt with in accordance with the law on denunciation.

CHAPTER VII

State Administration Of Asset Auction

Article 77 *Responsibilities of the Government in State administration of asset auction*

1. The Government exercises uniform State administration of asset auction.
2. The Ministry of Justice is responsible to the Government for exercising State administration of asset auction and has the following duties and powers:
 - (a) To submit to competent State authorities to issue, or to issue according to its own authority, legal instruments on organization and activities of asset auction, and policies and strategies for development of the auction profession;
 - (b) To issue, or to assign the socio-occupational organization of auctioneer to issue, the Code of Professional Ethics of Auctioneers;
 - (c) To issue, manage and guide the use of forms in the asset auction field, auctioned asset monitoring books and asset auction registers;
 - (d) To stipulate the framework curriculum of auctioneer training courses and auctioneer training establishments; apprenticeship, and to inspect the result of auctioneer apprenticeship;
 - (dd) To issue, revoke and re-issue auctioneer practice [practising] certificates;
 - (e) To develop and manage a specialized website on asset auction; to guide and organize the implementation of public announcements on the specialized website on asset auction;

- (g) To examine, inspect and deal with breaches in the organization and operation of asset auction organizations; auction activities of 100% State owned, Government established bad debt – dealing organizations; and the organization and operation of the socio-occupational organization of auctioneers in accordance with authority;
- (h) To compile and send reports on the organization and operation of asset auction;
- (i) To perform international cooperation in the asset auction field;
- (k) To perform other duties and powers in accordance with this Law and other provisions of relevant laws.

Article 78 *Responsibilities of ministries and ministerial equivalent agencies*

- 1. Ministries and ministerial equivalent agencies shall, within the scope of their duties and powers, be responsible for coordinating with the Ministry of Justice in State administration of asset auction.
- 2. Responsibilities of the Ministry of Finance:
 - (a) To provide guidelines on the financial regime in asset auction activities;
 - (b) To stipulate the determination of the starting price of auctioned assets under its authority in accordance with law;
 - (c) To regulate the collection, payment, management and use of the fee for evaluation of standards for asset auction practising and conditions for registration of operation of asset auction enterprises, to issue auctioneer practising certificates, and to issue operation registrations for asset auction enterprises;
 - (d) To regulate the collection, spending, management and use of proceeds from sale of auction files and non-refundable escrow deposits of auction participants in accordance with law;
 - (dd) To regulate the framework for remuneration for auction services.

Article 79 *Responsibilities of provincial people's committees*

- 1. Provincial people's committees exercising State administrative of asset auction in their localities have the following duties and powers:
 - (a) To organize implementation, dissemination and education on the law on asset auction and policies to develop the asset auction profession;
 - (b) To organize registration of operation of asset auction enterprises and their branches;

- (c) To decide on appointment and removal of the director of the asset auction service centre;
 - (d) To ensure the tenured staff, physical facilities and working conditions for the asset auction service centre in accordance with the law on fee-collecting public professional units; and to provide support in ensuring the security and order for an auction at the request of the asset auction organization;
 - (dd) To consider and approve proposals for application of the autonomy mechanism to the asset auction service centre or proposals to convert the asset auction service centre into an enterprise where it is not necessary to maintain the centre, or proposals to dissolve the asset auction service centre where it is unable to convert the asset auction service centre into an enterprise upon agreement from the Ministry of Justice;
 - (e) To examine, inspect and deal with breaches in organization and activities of asset auction within their localities according to their authority;
 - (g) To report on an annual basis to the Ministry of Justice on organization and activities of asset auction in their localities;
 - (h) Other duties and powers in accordance with law.
2. The Department of Justice assists the provincial people's committee in exercising the function of State administrative of asset auction in the locality.

CHAPTER VIII

Implementing Provisions

Article 80 *Transitional provisions*

1. Auctioneer practice certificates issued under Decree 17-2010-ND-CP dated 4 March 2010 of the Government on sale of assets by way of auction shall remain valid for use.
2. Within a time-limit of two years from the effective date of this Law, asset auction enterprises established before the effective date of this Law which continue asset auction activities must satisfy the provisions in article 23.3 of this Law and register their operation at the Department of Justice in accordance with article 25 of this Law. If an enterprise fails to satisfy the provisions in article 23.3 of this Law and to register its operation in accordance with article 25 of this Law, such enterprise must cease asset auction activities.

The Government makes detailed provisions for the registration of operation by asset auction enterprises prescribed in this clause.

3. In the case of an asset auction where the asset auction sale contract was signed before the effective date of this Law but notice listing and public announcement have not been conducted, then the provisions of this Law shall apply to the order and procedures for notice listing and public announcement and the organization of the asset auction.

In the case of an asset auction to be conducted by an asset auction council as prescribed by law and the asset auction council has been established, but notice listing and public announcement have not been conducted, the asset auction council shall apply the order and procedures for asset auction and other relevant provisions of this Law to conduct the asset auction.

4. The collection, payment [to the State budget], management and use of asset auction fees, asset auction participation fees; and the financial mechanism in asset auction activities are performed in accordance with the law on asset auction service fees, asset auction participation fees, and the financial mechanism in asset auction activities until 1 July 2017.

Article 81 *Effectiveness*

1. This Law takes effect from 1 July 2017, except for the provision in clause 2 below.
2. Article 80.4 of this Law takes effect from 1 January 2017.

This Law was passed by the National Assembly of the Socialist Republic of Vietnam in the 2nd session of Legislature XIV on 17 November 2016.

Chairperson of the National Assembly

NGUYEN THI KIM NGAN