

NATIONAL ASSEMBLY

No. 60/2005/QH11

SOCIALIST REPUBLIC OF VIET NAM

Independence - Freedom - Happiness

Hanoi, November 29, 2005

LAW

ON ENTERPRISES

*Pursuant to the 1992 Constitution of the Socialist Republic of Vietnam, which was amended and supplemented under Resolution No. 51/2001/QH10 of December 25, 2001, of the Xth National Assembly, the 10th session;
This Law provides for enterprises.*

Chapter I

GENERAL PROVISIONS

Article 1.- Scope of regulation

This Law provides for the establishment, management organization and operation of limited liability companies, joint-stock companies, partnerships and private enterprises (hereinafter referred collectively to as enterprises) of all economic sectors; and groups of companies.

Article 2.- Subjects of application

1. Enterprises of all economic sectors.
2. Organizations and individuals involved in the establishment, management organization and operation of enterprises.

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Article 3.- Application of the Enterprise Law, treaties and relevant laws

1. The establishment, management organization and operation of enterprises of all economic sectors shall comply with the provisions of this Law and other relevant laws.
2. In specific cases where the establishment, management organization and operation of enterprises are provided for in other laws, the provisions of those laws shall apply.
3. Where treaties to which the Socialist Republic of Vietnam is a contracting party contain provisions different from those of this Law, the provisions of such treaties shall apply.

Article 4.- Interpretation of terms

In this Law, the following terms shall be construed as follows:

1. Enterprise means an economic organization that has its own name, assets, stable transaction office and has been lawfully registered for the purpose of conducting business.
2. Business means the continuous implementation of one, several or all of stages of an investment process, from the production to the sale of products or provision of services on the market for profit purposes.
3. Valid dossier means a dossier that comprises all documents as required by this Law, whose contents are completely filled in as required by law.
4. Capital contribution means the transfer of assets into a company so as to become an owner or joint owners of the company. Assets used for capital contribution can be Vietnamese currency, freely convertible foreign currency, gold, value of land use rights, value of intellectual property rights, technology, technical know-how, or other types of assets that are contributed to the capital of a company by its members and stated in the company's charter.
5. Capital share means the ratio of capital contributed by an owner or joint owners of a company to its charter capital.
6. Charter capital means the amount of capital that is contributed or committed to contribute within a definite period by members or shareholders of a company and is stated in that company's charter.
7. Legal capital means the minimum amount of capital that is required by law for an enterprise to be established.
8. Voting capital means the capital share or equity of which the owner shall have the right to vote on matters falling under the deciding competence of the Members' Council or the Shareholders' Meeting.
9. Dividend means the net profit in terms of money or asset paid to the owner of each share from residual profit of the company after financial obligations have been performed.
10. Founding member means an organization or individual that makes capital contribution, participates in formulating, approves and signs the original charter of a limited liability company or partnership.
11. Shareholder means a person owning at least one share issued by a joint-stock company.
Founding shareholder means a shareholder that participates in formulating, approves and signs the original charter of a joint-stock company.

12. General partner means a member who is responsible for all obligations of a partnership with all of his/her own property.

13. Enterprise manager means the owner, director of a private enterprise, general partner of a partnership, chairman of the Members' Council, president of the company, member of the Management Board, director or general director or another important managerial position provided for in the company's charter.

14. Authorized representative means an individual who is authorized in writing by a member organization of a limited liability company or a shareholder-organization of a joint-stock company to exercise its rights in the company in accordance with the provisions of this Law.

15. A company is considered a parent company of another company when it is:

a/ Owning more than 50% of charter capital or total number of ordinary shares issued by the other company;

b/ Having the right to appoint or dismiss directly or indirectly a majority of or all members of the Management Board, director or general director of the other company;

c/ Having the right to decide on amendments and/or supplements to the charter of the other company.

16. Reorganization of an enterprise means the division, separation, consolidation, merger or transformation of an enterprise.

17. Related persons means organizations and individuals that have direct or indirect relationships with an enterprise in the following cases:

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

b/ Subsidiary company in relation to its parent company;

c/ Persons or group of persons who are capable of dominating the decision-making process or operations of an enterprise through management bodies in that enterprise;

d/ Enterprise managers;

e/ Wife, husband, father, adoptive father, mother, adoptive mother, child, adopted child, or sibling of an enterprise manager or a member or shareholder holding dominant capital share or shares.

f/ Individuals who are authorized representatives of those specified at Points a, b, c, d, e, of this Clause;

g/ An enterprise where persons specified at Points a, b, c, d, e, f and h of this Clause hold shares to the level that they can control the decision-making process of the management bodies of the enterprise;

h/ Any group of persons who agree to take concerted actions to take over the capital contribution, shares or benefits, or control the decision-making process of the company.

18. State-owned capital contribution means the capital contribution originating from the state budget and other state capital sources and held by a state agency or economic organization in the capacity as representative of its owner.

State-owned share means a share paid with capital from the state budget or other state capital sources and held by a state agency or economic organization in the capacity as representative of its owner.

19. Market price of the capital contribution or share means the transactional price in the security market or price defined by a professional valuation organization.

20. Nationality of an enterprise means the nationality of a country or territory where such an enterprise is established and registered.

21. Permanent address means the address of the head office of an organization, permanent residence address or office address or any other address of an individual that is registered with the enterprise as contact address;

22. State enterprise means an enterprise of which over 50% of charter capital is owned by the State.

Article 5.- State guaranty toward enterprises and their owners

1. The State recognizes the long lasting existence and development of all types of enterprise defined in this Law; ensures equality of enterprises before law regardless of form of ownership and economic sector; and recognizes the lawful profitability of business activities.

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

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

In extremely necessary cases where assets of enterprises are compulsorily purchased or requisitioned for the reason of national defense, security or national interest, those enterprises shall be paid or compensated at the market prices of these assets at the time of compulsory purchase or requisition. Payment and compensation must ensure the enterprises' interests and nondiscrimination between types of enterprise.

Article 6.- Political and socio-political organizations in enterprises

1. Political and socio-political organizations within enterprises shall operate within the framework of the Constitution and laws as well as charters of these organizations which are in accordance with the provisions of law.

2. Enterprises are obliged to respect and create favorable conditions for their laborers to establish and participate in organizations defined in Clause 1 of this Article.

Article 7.- Business lines and conditions

1. Enterprises of all economic sectors shall be entitled to conduct any business lines that are not banned by law.

2. Enterprises may conduct business lines that are subject to certain conditions as required by the investment law and other relevant laws only if they meet all of such conditions.

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

3. Any business activities that may cause adverse impacts on national defense, security, social order and safety, historical traditions, culture, ethics, fine practices and customs of Vietnam, health of the people, destroy natural resources or degrade the environment are strictly prohibited.

The Government shall specify the list of banned business lines.

4. The Government shall review and assess periodically all or some of business conditions; cancel or propose to cancel any business condition that is no longer appropriate; amend or propose to amend any business condition that is irrational; issue, or propose the issuance of, new business conditions to meet the requirements of state management.

5. Ministries, ministerial-level agencies, People's Councils and People's Committees at all levels are not allowed to prescribe conditional business lines and business conditions.

Article 8.- Rights of enterprises

1. To enjoy business autonomy; take initiative in choosing business lines, localities, and forms of business and investment; take initiative in expanding business in terms of size and business line; to be encouraged, given incentives, and facilitated by the State to produce or provide public products or services.

2. To choose forms and methods of mobilizing, distributing and utilizing capital.

3. To take initiative in the search for markets, customers, and in signing contracts.

4. To conduct import and export business.

5. To recruit, hire and use laborers to meet business requirements.

6. To apply, on their own initiative, modern science and technology in order to raise business efficiency and competitiveness.

7. To enjoy autonomy in deciding on business affairs and internal relations.

8. To possess, use and dispose of their assets.

9. To deny any requests for supply of resources that are not provided for by law.

10. To lodge complaints and denunciations in accordance with the law on complains and denunciations.

11. To participate in legal proceedings directly or via authorized representatives.

12. Other rights as provided by law.

Article 9.- Obligations of enterprises

1. To conduct business activities within business lines recorded in the business registration certificates; ensure business conditions as required by law when conducting conditional business lines.
2. To organize accounting work, make and submit truthful and accurate financial statements on time in accordance with the law on accounting.
3. To register tax identification numbers, declare and pay tax and perform other financial obligations according to law.
4. To ensure rights and interests of laborers in accordance with the law on labor; ensure that social insurance, health insurance and other insurance are given to laborers in accordance with the law on insurance.
5. To assure and be liable for the quality of goods and services to meet standards as registered or published.
6. To implement the statistical regime in accordance with the law on statistics; report periodically on information relating to enterprises and their financial status to competent state agencies according to set forms; correct and supplement any declared or reported information that are found incorrect and insufficient afterward.
7. To abide by the laws on national defense, security, public order and safety, protection of natural resources, environment, historical and cultural places, and famous landscapes.
8. Other obligations as provided for by law.

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

1. To have rights and obligations as provided in Articles 8 and 9 and elsewhere in this Law.
2. To account and cover expenses according to bid prices or collect service charges according to regulations of competent state agencies.
3. To be given adequate time for producing or providing goods or services so as to recover invested capital and earn reasonable profits.
4. To produce or provide goods or services with adequate quantity and proper quality within committed time limits at prices or charges set forth by competent state agencies.
5. To ensure equal and favorable conditions for every customer.
6. To be responsible to law and customers for the quantity, quality, provision conditions, prices or charges of provided goods or services.
7. Other rights and obligations as provided for by law.

Article 11.- Prohibited acts

1. Granting business registration certificates to persons who are not eligible or refusing to grant such certificates to those who are eligible under this Law;- causing delay, trouble, obstacle and harassment to business registration applicants and to business activities of enterprises.
2. Doing business in the form of unregistered enterprises or continuing to do business after having the business registration certificate withdrawn.
3. Submitting business registration dossiers containing untruthful or inaccurate information; registering changes in the business registration dossiers either with untruthful and inaccurate information or not in time.
4. Faking the amount of registered capital; failing to contribute an adequate capital amount within the time limit as committed; fix the value of assets contributed as capital not true to their actual value.
5. Conducting illegal activities, committing frauds; conducting business lines banned by law.
6. Conducting conditional business lines when not yet meeting all business conditions required by law.
7. Preventing owners, members and shareholders of enterprises from exercising their rights as provided by this Law and the company's charter.
8. Other acts prohibited by law.

Article 12.- Regime of preservation of documents of enterprises

1. Depending on their types, enterprises must preserve the following documents:

- a/ Company's charter and its amendments or supplements; internal management rules; members or shareholders registration book;
- b/ Business registration certificate; titles of protection of industrial property rights; product quality registration certificates; licenses or permits and other certificates;
- c/ Documents and papers certifying ownership of the company's assets;
- d/ Minutes of meetings of the Members' Council, Shareholders' Meeting, Management Board; decisions of the enterprise;
- e/ Prospectus for issuance of securities;
- f/ Reports of the Control Board, conclusions of inspection bodies and independent auditing organizations;
- g/Accounting books and documents and annual financial statements;
- h/ Other documents as provided for by law.

2. Enterprises must preserve all documents specified in Clause 1 of this Article at their head offices; the duration of preservation shall comply with the provisions of law.

Chapter II

ESTABLISHMENT OF ENTERPRISES AND BUSINESS REGISTRATION

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

1. Vietnamese and foreign organizations and individuals shall be entitled to establish and manage enterprises in Vietnam in accordance with this Law, except those stated in Clause 2 of this Article.

2. The following organizations and individuals shall not be entitled to establish and manage enterprises in Vietnam:

a/ State agencies and units of the people's armed forces in case they use state assets to set up enterprises for making their own profits;

b/ Cadres, public servants as provided for in the law on cadres and public servants;

c/ Officers, non-commissioned officers, professional army members, defense workers at agencies or units of the Vietnam People's Army; officers, professional non-commissioned officers working in agencies or units of the Vietnam People's Police;

d/ Leading officials, managers in enterprises with 100% state-owned capital, excluding those who are appointed as authorized representatives to manage state-owned capital contributions in other enterprises:

e/ Minors; persons whose civil act capacity is restricted or lost;

f/ Persons who are serving an imprisonment penalty or prohibited from doing business by the Court;

g/ Other cases as provided for by the law on bankruptcy.

3. Organizations and individuals shall be entitled to buy shares from joint-stock companies, make capital contribution to limited liability companies or partnerships in accordance with this Law, except those stated in Clause 4 of this Article.

4. The following organizations and individuals shall not be entitled to buy shares from joint-stock companies and make capital contribution to limited liability companies or partnerships:

a/ State agencies and units of the people's armed forces in case they use state assets to set up enterprises for making their own profits:

b/ Persons who shall not be entitled to contribute capital to enterprises as provided for in the law on cadres and public servants.

Article 14.- Contracts signed prior to business registration

1. Founding members and shareholders or their authorized representatives may enter into contracts in service of enterprise establishment before making business registration.
2. All rights and obligations resulting from contracts stated in Clause 1 of this Article shall be taken over by the enterprises that are established afterward.
3. If the enterprises fail to be established, the contract-signing persons stated in Clause 1 of this Article shall be solely or jointly liable for the performance of such contracts.

Article 15.- Order of business registration

1. Persons decided to establish an enterprise must submit a complete business registration dossier as provided for by this Law to a competent business registration office and shall be responsible for the truthfulness and accuracy of information contained in the dossier.
2. The business registration office shall examine the business registration dossier and issue a business registration certificate within ten working days as from the date of receipt of the dossier; if refusing to issue a business registration certificate, it shall notify the applicant thereof in writing. The notification must clearly state the reason for refusal and requirements for amendment or supplement.
3. The business registration office shall examine and be responsible for the validity of the dossier when issuing a business registration certificate: and shall not be allowed to ask applicants for any document other than those provided for by this Law.
4. The time limit for issuing business registration certificates associated with specific investment projects shall comply with the law on investment.

Article 16.- Business registration dossiers of private enterprises

1. Business registration application, made according to a form set by competent business registration offices.
2. Copy of the people's identity card, passport or other lawful personal certification.
3. Written certification of legal capital issued by a competent agency or organization, for enterprises conducting business lines which are required by law to have legal capital.
4. Practice certificates of the director and other individuals, for enterprises conducting business lines which are required by law to have practice certificates as provided for by law.

Article 17.- Business registration dossiers of partnerships

1. Business registration application, made according to a form set by competent business registration offices.
2. Draft of the partnership charter.
3. List of partners; copies of the people's identity cards, passports or other lawful personal certifications of partners.
4. Written certification of legal capital issued by a competent agency or organization, for partnerships conducting business lines which are required by law to have legal capital.
5. Practice certificates of general partners and other individuals, for partnerships conducting business lines which are required by law to have practice certificates.

Article 18.- Business registration dossiers of limited liability companies

1. Business registration application, made according to a form set by competent business registration offices.
2. Draft of the company's charter.
3. List of members, which is attached with the following papers:

a/ Copy of the people's identity card, passport or other lawful personal certification, for individual members;

b/ Copy of the establishment decision, business registration certificate or other equivalent document, for member organizations: copies of the authorization document, the people's identity card, passport or other lawful personal certification, for authorized representatives.

Copies of the business registration certificates of the foreign member organizations must be authenticated within three months before the date of submission of the business registration dossier by agencies where such organizations are registered.

4. Written certification of legal capital issued by a competent agency or organization, for companies conducting business activities which are required by law to have legal capital.
5. Practice certificates of directors or general directors and other individuals, for companies conducting business lines which are required by law to have practice certificates.

Article 19.- Business registration dossiers of joint-stock companies

1. Business registration application, made according to a form set by competent business registration offices.
2. Draft of the company's charter.

3. List of founding shareholders, which is attached with the following documents:

a/ Copy of the people's identity card, passport or other lawful personal certification, for shareholders being individuals;

b/ Copy of the establishment decision, business registration certificate or other equivalent document, for shareholders being organizations; copies of the authorization document, the people's identity card, passport or other lawful personal certification, for authorized representatives.

Copy of the business registration certificate of the shareholder being a foreign organization must be authenticated within three months before the date of submission of the business registration dossier by the agency where such organization is registered.

4. Written certification of legal capital issued by a competent agency or organization, for companies conducting business activities which are required by law to have legal capital.

5. Practice certificates of directors or general directors and other individuals, for companies conducting business lines which are required by law to have practice certificates.

Article 20.- Dossiers, procedural order, conditions for, and contents of, registration of business or investment for foreign investors who invest in Vietnam for the first time

Dossiers, order, procedures, conditions for, and contents of, registration of business or investment for foreign investors who invest in Vietnam for the first time shall comply with this Law and the law on investment. Investment certificate shall be also business registration certificate.

Article 21.- Contents of business registration applications

1. Enterprise name.

2. Address of the enterprise's head office; telephone number, fax, email address (if any).

3. Business lines.

4. Charter capital, for companies, or start-up investment capital of the enterprise owner, for private enterprises.

5. Capital share owned by every member, for limited liability companies or partnerships; number of shares owned by every founding shareholder, types and par value of shares, total number of shares of each type eligible for sale offer, for joint-stock companies.

6. Full name, signature, permanent address, nationality, number of the people's identity card, passport or other lawful personal certification of the owner, for private enterprises; of owner or his/her authorized representative, for one-member limited liability companies; of every member

or every member's authorized representative, for limited liability companies with two or more members; of every founding shareholder or every shareholder's authorized representative, for joint-stock companies; of every general partner, for partnerships.

Article 22.- Contents of the company's charter

1. Company name, address of the company head office, branch(es) and/or representative office(s).
2. Business lines.
3. Charter capital; methods of raising and reducing charter capital.
4. Full name, address, nationality and other basic characteristics of every general partner, for partnerships; of the owner and every member, for limited liability companies; of every founding shareholder, for joint-stock companies.
5. Capital share and the value of contributed capital by each member, for limited liability companies or partnerships: number of shares held by the founding shareholders, types of shares, par value of shares and total number of shares of each type for sale offer, for joint-stock companies.
6. Rights and obligations of members in limited liability companies or partnerships; of shareholders in joint-stock companies.
7. Management organizational structure.
8. The representative-at-law, for limited liability companies or joint-stock companies.
9. Formalities for approval of decisions of the company; principles for settlement of internal disputes.
10. Bases and methods to decide on remuneration, salaries and bonuses for managers and members of the Control Board or controllers.
11. Circumstances where a member or shareholder may request the company to buy back his/her contributed capital, for limited liability companies, or shares, for joint-stock companies.
12. Principles for distribution of after-tax profit and handling of losses.
13. Cases of dissolution and procedures for dissolution and liquidation of assets of the company.
14. Formalities for amending and supplementing the company's charter.
15. Full name and signature of every general partner, for partnerships; of the representative-at-law, owner, every member or every member's authorized representative, for limited liability

companies; of the representative-at-law, every founding shareholder or every founding shareholder's authorized representative, for joint-stock companies.

16. Other agreements made by members or shareholders according to law.

Article 23.- List of members of a limited liability company or partnership; list of founding shareholders of a joint-stock company

The list of members of a limited liability company or partnership, and the list of founding shareholders of a joint-stock company shall be made according to a form set by the business registration office and must contain the following principal details:

1. Full name, address, nationality, permanent address and other basic identifications of every member, for a limited liability company or partnership: of every founding shareholder, for a joint-stock company.
2. Capital share, value of contributed capital, type, quantity and value of contributed assets and schedule for capital contribution of every member, for a limited liability company or partnership; number and types of shares, type, quantity, and value of contributed assets of every founding shareholder, for joint-stock companies.
3. Full name and signature of the representative-at-law of every member or founding shareholder or their authorized representative, for limited liability companies or joint-stock companies; of every partner, for partnerships.

Article 24.- Conditions for the grant of business registration certificates

Enterprises shall be granted business registration certificates if they fully meet following conditions:

1. Registered business lines are not prohibited;
2. The enterprise name complies with Articles 31,32,33 and 34 of this Law;
3. There is a head office that complies with Clause 1, Article 35 of this Law;
4. Business registration dossier is valid as provided for by law;
5. Business registration fee is fully paid as provided for by law.

Business registration fees shall be determined on the basis of the number of registered business lines; specific fee rates shall be stipulated by the Government.

Article 25.- Contents of the business registration certificate

1. Enterprise name, addresses of the head office, branch (es) and/or representative office(s).

2. Full name, permanent address, nationality, number of the people's identity card, passport or other lawful personal certification of the representative-at-law of the enterprise.
3. Full name, permanent address, nationality, number of the people's identity card, passport or other lawful personal certification of the member or founding shareholder being an individual; number of the establishment decision or registration business certificate of the owner, member or founding shareholder being an organization, for limited liability or joint-stock companies; name, permanent address, nationality, number of the people's identity card, passport or other lawful personal certification of every general partner, for partnerships; name, permanent address, nationality, number of the identity card, passport or other lawful personal certification of the owner being an individual, for limited liability companies or private enterprises.
4. Charter capital, for limited liability companies or partnerships: number of shares, value of contributed equities and number of shares allowed to be sold, for joint-stock companies; start-up investment capital, for private enterprises; legal capital, for enterprises conducting business lines required to have legal capital;
5. Registered business lines.

Article 26.- Changes in business registration dossiers

1. Enterprises must register changes related to enterprise name, address of the head office, branch or representative office, business objectives and lines, charter capital, number of shares allowed for sale offer, invested capital, representative-at-law of the enterprises and other contents of the business registration dossiers with the business registration office within ten working days as from the date of decision on such changes.
2. For changes in the contents of the business registration certificate, enterprises shall be re-granted the business registration certificates.
3. If the business registration certificate is lost, torn, burnt or otherwise destroyed, it shall be re-issued at a fee.

Article 27.- Disclosure of business registration contents

1. Within seven working days as from the date of grant of a business registration certificate or registration of changes in a business registration dossier, the business registration office shall have to send a notice on the contents of such business registration certificate to the tax office, statistics office and other competent state agencies at the same level, the People's Committee of the district, town or provincial city and the People's Committee of the commune, ward or township where the enterprise's head office is located.
2. Organizations and individuals shall have the right to request the business registration offices to supply information on the contents of business registration, issue copies of business registration certificates, certificates of changes in business registration or extracts of contents of business registration and have to pay fees therefor in accordance with the provisions of law.

3. The business registration offices shall have to provide fully and promptly business registration information at the request of organizations and individuals as provided for in Clause 2 of this Article.

Article 28.- Publication of business registration contents

1. Within thirty days as from the date of receiving the business registration certificate, enterprises must publish in the business website of the business registration office or in three consecutive issues of a newspaper or electronic newspaper the following information:

a/ Enterprise name;

b/ Addresses of the enterprise's head office, branches and/or representative offices;

c/ Business lines;

d/ Charter capital, for limited liability companies or partnerships; number of shares, value of contributed equities and number of shares allowed for sale offer, for joint-stock companies; start-up investment capital, for private enterprises; legal capital, for enterprises conducting business lines required to have legal capital;

e/ Full name, permanent address, nationality, number of the people's identity card, passport or other lawful personal certification, number of the establishment decision or business registration certificate of the owner, every member or founding shareholder;

f/ Full name, permanent address, nationality, number of the people's identity card, passport or other lawful personal certification of the representative-at-law of the enterprise;

g/ Place of business registration.

2. Any change in the business registration dossier must be also published by enterprises within the time limit and by the method stated in Clause 1 of this Article.

Article 29.- Transfer of property ownership

1. Members of limited liability companies or partnerships, and shareholders of joint-stock companies must transfer ownership of assets used to make capital contribution to the companies according to the following provisions:

a/ For assets of which ownership has been registered or for land-use rights, capital contributors shall have to carry out procedures for transferring ownership of such assets or land-use rights to the companies at a competent state agency.

Transfer of ownership of assets used to make capital contribution shall not be subject to registration fee;

b/ For assets of which ownership is not required to register, they shall be contributed in the form of asset delivery and receipt certified by a written minute.

The delivery and receipt minutes must clearly state: name and address of the company's head office; full name, permanent address, nationality, number of the people's identity card, passport or other lawful personal certification, number of the establishment decision or business registration certificate of the capital contributor; types of assets, quantity of assets of each type, total value of assets and its proportion in the company's charter capital; date of asset delivery and receipt and signature of the capital contributor or his/her authorized representative and the representative-at-law of the company;

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

2. Private enterprise owners shall not be required to carry out procedures for transferring ownership of their own assets used in business operation to their enterprises.

Article 30.- Valuation of assets used to make capital contribution

1. Assets used to make capital contribution other than Vietnamese currency, freely convertible foreign currency or gold must be valued by members, founding shareholders or professional valuation organization.

2. Valuation of assets used to make capital contribution for setting up an enterprise must be agreed by all members or founding shareholders on the principle of consensus. If such assets are valued higher than their actual value at the time of capital contribution, members or founding shareholders shall be jointly liable for the company's debts or other financial obligations with the difference between the determined value and the actual value of assets at the time of termination of valuation.

3. Valuation of assets used to make capital contribution during the enterprise operation shall be agreed by such enterprise and capital contributor or effected by a professional valuation organization. If such assets are valued by a professional valuation organization, their value must be agreed by the enterprise and capital contributor. If such assets are valued higher than their actual value at the time of capital contribution, the capital contributor or the valuation organization and the representative-at-law of the enterprise shall be jointly liable for the company's debts or other financial obligations with the difference between the determined value and the actual value of assets at the time of termination of valuation.

Article 31.- Enterprise name

1. The name of an enterprise must be written in Vietnamese, may comprise numeric and symbols, and must be pronounceable and have at least two components as follows:

a/ Type of business;

b/ Specific name.

2. The enterprise name must be inscribed or hang at the enterprise's head office, branch(es) and/or representative office(s). Such name must also be printed or written on all transactional papers, dossiers or publications of the enterprise.

3. In accordance with Articles 32, 33 and 34 of this Law, the business registration offices shall be entitled to reject or accept a proposed enterprise name. Decisions made by the business registration offices shall be final.

Article 32.- Prohibitions in choosing an enterprise name

1. Using a name that is identical or causes confusion with an existing enterprise name already registered.

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

3. Using words and symbols running counter to historical and cultural traditions, ethics, and fine customs and practices of the nation.

Article 33.- Enterprise names in foreign languages and abbreviated forms

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

2. The enterprise name in a foreign language must be presented in a size font smaller than that in Vietnamese when it is shown at the enterprise's establishments, on its transactional papers, dossiers or publications.

3. The abbreviated name of the enterprise shall be the name shortened from the name in Vietnamese or a foreign language.

Article 34.- Identical and confused names

1. An identical name means an enterprise name requested to be registered which is read and written in Vietnamese in the same ways as the name of an existing registered enterprise.

2. In the following cases an enterprise name requested to be registered shall be regarded as to cause confusion with the name of an existing registered enterprise:

a/ It is read, in Vietnamese, in the same way as the name of an existing registered enterprise;

b/ It is differed, in Vietnamese, from the name of an existing registered enterprise by the sign "&"only;

- c/ Its abbreviation is identical to the abbreviation of the name of an existing registered enterprise;
- d/ It is, in foreign language, identical to the name of an existing registered enterprise in foreign language;
- e/ It is differed from the name of an existing registered enterprise by a number or ordinal or a Vietnamese letter after such name, except that it is given to a subsidiary of the existing registered enterprise;
- f/ It is differed from the name of an existing registered enterprise by the word "tan" or "moi" (new) right before or after such name;
- g/ It is differed from the name of an existing registered enterprise by the word "mien bac" (northern), "mien nam" (southern), "mien trung" (central), "mien tay" (western), "mien dong" (eastern) or other equivalent words, except that it is given to a subsidiary of the existing registered enterprise.

Article 35.- Head offices of enterprises

1. The head office is contacting and transactional place of an enterprise; must be based in the territory of Vietnam, have a specified address comprising home number, name of street (street lane) or commune, ward, township, rural or urban district, provincial city, province or centrally run city; telephone number, facsimile number and email address (if any).
2. Enterprises must inform the business registration office of the opening time of their head offices within fifteen days as from the date of receiving the business registration certificates.

Article 36.- The enterprise seal

1. Every enterprise shall have its own seal. Enterprises must keep and preserve their seals at their head offices. The design and contents of seals, conditions for making seals and regulations on seal usage shall comply with regulations of the Government.
2. Seal is a property of an enterprise. The representative-at-law of an enterprise must be responsible for managing the use of its seal in accordance with the provisions of law. In case of necessity, an enterprise can have a duplicate of its seal if it obtains approval from the seal-issuing agency.

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

1. Representative office is an affiliated unit of an enterprise and is authorized to act on behalf of the enterprise to protect its interests. The organization and operation of representative offices shall comply with the provisions of law.
2. Branch is an affiliated unit of an enterprise and is tasked to perform all or some functions of such enterprise, including acting as an authorized representative. Business lines of branches must be consistent with those of their enterprises.
3. Business place is an area where an enterprise carries out its business activities. A business place may be located outside the registered location of the head office.

4. Branches, representative offices and business places of the enterprises must bear the names of the enterprises supplemented with indications of such branches, representative offices or business places.

5. Enterprises shall be entitled to open their branches and/or representative offices in Vietnam or foreign countries. An enterprise can open more than one representative office and/or branch in the administrative territory of a locality. The order and procedures for opening branches or representative offices shall be stipulated by the Government.

Chapter III

LIMITED LIABILITY COMPANIES

Section I. LIMITED LIABILITY COMPANIES WITH TWO OR MORE MEMBERS

Article 38.- Limited liability companies with two or more members

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

a/ Members may be organizations and/or individuals; the total number of members shall not exceed fifty;

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

c/ Capital shares of the members may only be transferred in accordance with Articles 43, 44 and 45 of this Law.

2. Limited liability companies shall have a legal person status from the time of receiving the business registration certificates.

3. Limited liability companies shall not be entitled to issue shares.

Article 39.- Capital contribution and grant of capital share certificates

1. Members must contribute capital fully and on time with types of assets as committed. Any change in the type of assets that members have committed to contribute must be approved by all other members and informed in writing by the company to the business registration office within seven working days as from the date of approval of such a change.

The representative-at-law of a company must inform in writing the progress of capital contribution to the business registration office within fifteen days as from the date of commitment to contribute capital, and is personally liable for any damage caused to the company or other persons due to his/her late, inaccurate, untruthful and incomplete report.

2. If a member fails to contribute capital fully and on time as committed, the amount not yet contributed shall be considered his/her debt toward the company; such a member shall be liable for any damage caused by his/her failure to fully contribute capital on time as committed.

3. If the capital contribution is not fully made within the time limit as last committed, the capital amount not yet contributed shall be dealt with in one of the following ways:

a/ One or several members agree to contribute such amount;

b/ Other persons are mobilized to contribute capital to the company;

c/ All other members contribute such amount in proportion to their capital shares in the company's charter capital.

When the capital amount is fully contributed under the provisions of this Clause, members that fail to make capital contribution as committed shall, as a matter of fact, not be considered members of the company, which must register this change in business registration contents in accordance with this Law.

4. At the time of full contribution of capital amounts, members shall be issued a capital share certificate by the company. A capital share certificate shall contain the following principal information:

a/ Company name and address of company head office;

b/ Number and date of grant of the business registration certificate;

c/ The company's charter capital;

d/ Full name, permanent address, nationality, number of the people's identity card, passport or other lawful personal certification of the member being an individual: name, head office, nationality, number of the establishment decision or business registration certificate of the member being an organization;

e/ Capital share and its value:

f/ Number and the date of grant of the certificate;

g/ Full name and signature of the representative-at-law of the company.

5. If the capital share certificate is lost, torn, burnt or otherwise destroyed, it may be re-issued by the company.

Article 40.- Member registration books

1. A member registration book must be made by the company as soon as the business registration is made. It must contain the following principal contents:

a/ Company name and address of company head office;

b/ Full name, permanent address, nationality, number of the people's identity card, passport or other lawful personal certification of the member being an individual; name, head office, nationality, number of the establishment decision or business registration certificate of the member being an organization;

c/ Value of contributed capital at the time of capital contribution and capital share of each member; time of capital contribution; type, quantity and value of every asset used to make capital contribution;

d/ Signature of the member being an individual or the representative-at-law of the member being an organization;

e/ Number and date of grant of the capital share certificate.

2. Member registration books shall be kept at head offices of companies.

Article 41.- Rights of members

1. Members of a limited liability company with two or more members shall have the following rights:

a/ To participate in the Members' Council meetings, discuss, make suggestions and vote on matters falling under the competence of the Member's Council;

b/ To vote in proportion to their capital share;

c/ To check, review, search, copy or extract the member registration book, transactions recording and monitoring books, accounting books, annual financial statements, minutes of Member's Council meetings, and other papers and documents of the company;

d/ To be distributed profits in proportion to their capital share after the company has fully paid taxes and fulfilled other financial obligations according to law;

e/ To be distributed the value of remaining assets in proportion to their capital share when the company is dissolved or goes bankrupt;

f/ To be given priority in contributing more capital into the company when the company increases its charter capital; transfer part or the whole of their capital shares in accordance with this Law;

g/ To lodge complaints about or initiate lawsuits against the director or general director who fails to fulfill his/her obligations, causing damage to members or the company according to the provisions of law;

h/ To dispose of their capital shares by transfer, bequeath, donation or otherwise according to the provisions of law and the company's charter;

i/ To have other rights as provided for by this Law and the company's charter.

2. A member or group of members holding more than 25% of the charter capital or a smaller ratio as provided for in the company's charter, except the case stated in Clause 3 of this Article, shall be entitled to convene a Members' Council meeting to decide on matters falling under competence;

3. If the company has a member holding more than 75% of the charter capital and the company's charter does not provide any ratio smaller than that stated in Clause 2 of this Article, the group of all minor members shall automatically have the right stated in Clause 2 of this Article.

Article 42.- Obligations of members

1. To make capital contribution fully and on time as committed and be liable for debts and other property liabilities of the company within the amount of capital committed to contribute; not to withdraw capital from the company in any form, except the cases stated in Articles 43, 44, 45 and 60 of this Law.

2. To observe the company's charter;

3. To abide by decisions of the Members' Council;

4. To perform other obligations as provided for by this Law;

5. To be liable individually when acting on behalf of the company to:

a/ Violate the laws;

b/ Conduct business or other transactions not in the interest of the company but causing damage to other persons;

c/ Pay off undue debts when there is a financial danger facing the company.

Article 43.- Buy-back of capital shares

1. A member shall be entitled to request the company to buy back his/her capital share if such a member votes against decisions of the Members' Council regarding the following matters:

a/ Amendment and/or supplementation of contents of the company's charter concerning rights and obligations of members, the Members' Council;

b/ Reorganization of the company;

c/ Other matters as provided for in the company's charter.

The request for buy-back of capital share must be made in writing and submitted to the company within fifteen days as from the date of approval of decisions on matters specified at Points a, b, and c of this Clause.

2. Upon a member's request mentioned in Clause 1 of this Article, if an agreement on the price of the capital share cannot be reached, the company must buy back that amount at the market price or the price determined on the principles provided for in the company's charter within fifteen days as from the date of receiving the request. Payment shall be made only if the company is capable of paying off all due debts and other financial obligations after fully paying for such a buy-back.

3. If the company does not buy back the capital share as provided for in Clause 2 of this Article, the requesting member shall be entitled to transfer his/her capital share to other members or anyone else.

Article 44.- Transfer of capital shares

Except for the case stated in Clause 6, Article 45 of this Law, a member of the limited liability company with two or more members shall be entitled to transfer partially or wholly his/her capital share to a third party according to the following provisions:

1. Such a capital share must be offered under the same conditions to all other members of the company in proportion to their capital shares.

2. Such a capital share may be transferred to a non-member person only if all remaining members of the company refuse to buy or are unable to buy up such a capital share within thirty days as from the date of offer.

Article 45.- Handling of capital shares in other circumstances

1. If an individual-member of a limited liability company is dead or declared to be dead by the court, his/her testamentary heir or heir-at-law shall become member of the company.

2. If a member has his/her civil act capacity restricted or has lost it, his/her rights and obligations shall be performed through his/her guardian.

3. The capital share of a member shall be bought back by the company or transferred in accordance with Articles 43 and 44 of this Law in the following cases:

- a/ That member's heir refuses to become member of the company;
- b/ The donee stated in Clause 5 of this Article is not approved by the Members' Council to become member of the company;
- c/ The member is an organization that is dissolved or goes bankrupt.

4. If an individual-member is dead and has no heir or his/her heir refuses or is deprived of the right to inherit his/her capital share, such capital share shall be handled in accordance with the civil law.

5. A member shall be entitled to donate partially or wholly his/her capital share in the company to another person.

The donee shall become a member of the company if he/she is either a relative of the donating member within three generations of kinship.

Otherwise, the donee may become member of the company if so accepted by the Members' Council.

6. In cases where a member uses his/her capital share to pay debts, the person who receives the capital share as payment may use such amount in either of the following two ways:

- a/ Become member of the company if so accepted by the Member's Council;
- b/ Offer and transfer that capital share in accordance with Article 44 of this Law.

Article 46.- Management organizational structure of companies

A limited liability company with two or more members has a Members' Council, chairman of the Members' Council and director or general director. A company with eleven or more members must set up a Control Board. A Control Board may be set up in a company with less than eleven members to meet its management requirements. Rights, obligations, criteria, conditions and working rules of the Control Board and its head shall be provided for in the company's charter.

Either the chairman of the Members' Council or director or general director shall be representative-at-law of the company as provided for in the company's charter. The representative-at-law of a company must permanently reside in Vietnam. If his/her absence in Vietnam lasts more than thirty days, he/she must authorize in writing another person in accordance with the company's charter to exercise his/her rights and obligations.

Article 47.- The Members' Council

1. All members shall constitute the Members' Council which is the highest decision-making organ of a company. Organization-members shall appoint their authorized representatives in the

Members' Council. Meetings of the Members' Council shall be provided for in the company's charter but must be convened at least once a year.

2. The Member's Council has the following rights and obligations:

a/ To decide on the development strategy and annual business plans of the company;

b/ To decide on the increase or decrease of the charter capital, time and methods for mobilizing capital;

c/ To decide on methods of investment and investment projects valued at over 50% of total value of assets recorded in the financial statement most recently published by the company or at a smaller ratio provided for in the company's charter;

d/ To decide on methods of market development and marketing, and technology transfer; approve contracts of borrowing, lending and selling assets valued at 50% or more of total value of assets recorded in the financial statement most recently published by the company or at a smaller ratio provided for in the company's charter;

e/ To elect, remove or dismiss the chairman of the Members' Council; decide to appoint, remove, dismiss, sign or terminate contracts with the director or general director, chief accountant and other managers as provided for in the company's charter;

f/ To decide on salaries, bonuses and other benefits of the director or general director, chief accountant and other managers as provided for in the company's charter;

g/ To adopt annual financial statements and plans for using or distributing profits as well as handling losses of the company;

h/ To decide on the management organization structure of the company;

i/ To decide on opening of subsidiary companies, branches and/or representative offices;

j/ To amend and/or supplement the company's charter;

k/ To decide on the company's reorganization;

l/ To decide on dissolution or bankruptcy of the company;

m/ Other rights and duties as provided for by this Law and the company's charter.

Article 48.- Authorized representatives

1. Appointment of an authorized representative must be made in writing and notified to the company and the business registration office within seven working days as from the date of appointment. The notification must contain the following details:

a/ Name, address of the head office, nationality, number and date of the establishment decision or business registration certificate;

b/ Capital share, number and date of grant of the capital share certificate;

c/ Full name, permanent address, nationality, number of the people's identity card, passport or other lawful personal certification of the authorized representative;

d/ Duration of authorization;

e/ Full names, signatures of the representative-at-law and authorized representative of the authorizing member.

Replacement of the authorized representative must be notified to the company and the business registration office within seven working days as from the date of decision and become valid from the date on which the notification is received by the company.

2. The authorized representative must satisfy the following criteria and conditions:

a/ Having full civil act capacity;

b/ Not being prohibited from establishing and managing an enterprise;

c/ Having professional qualifications and experience in business management or in the major business line of the company;

d/As for subsidiary companies of a company in which the State-owned capital share or shares account for more than 50% of the charter capital, wives or husbands, fathers, adoptive fathers, mothers, adoptive mothers, children, adopted children, or siblings of the managers and persons who have competence to appoint managers of that company shall not be appointed to be authorized representatives in its subsidiary companies.

3. The authorized representative shall act on behalf of the authorizing member in exercising all rights and performing all obligations of a member of the Members' Council as provided for by this Law. Any restriction by the authorizing member on his/her authorized representative in exercising rights of a member through the Members' Council shall not be legally valid towards a third party.

4. The authorized representative is obliged to attend all meetings of the Members' Council and exercise rights and perform obligations of a member of the Members' Council in a honest, careful and optimal manner for the purpose of protecting to the maximum benefits of the authorizing member and the company.

5. Voting by the authorized representative is in proportion to the amount of capital share he/she is authorized to represent.

Article 49.- Chairman of the Members' Council

1. The Members' Council shall elect one of its members to be the chairman. The chairman may concurrently hold the position of director or general director.
2. The chairman shall have the following rights and duties:
 - a/ To prepare, or organize the preparation of, working programs and plans of the Members' Council;
 - b/ To prepare, or organize the preparation of, the agenda, contents and materials for meetings of the Members' Council or the members' comments;
 - c/ To convene and preside meetings of the Members' Council or organize the gathering of the members' comments;
 - d/ To supervise, or organize the supervisions of, the implementation of decisions made by the Members' Council;
 - e/ To sign on behalf of the Members' Council its decisions;
 - f/ Other rights and obligations as provided for by this Law and the company's charter.
3. The term of the chairman of the Members' Council shall not exceed five years. The chairman of the Members' Council may be re-elected for unlimited number of terms.
4. That the chairman is the representative-at-law of the company as provided for in the company's charter must be clearly stated in all transactional papers.
5. During his/her absence, the chairman shall authorize a member of the Members' Council to exercise his/her rights and duties in accordance with principles provided for in the company's charter. If no member is authorized or the chairman is incapable of working, remaining members shall elect by principle of majority vote one of them to temporarily exercise rights and duties of the chairman of the Members' Council.

Article 50.- Convention of meetings of the Members' Council

1. A meeting of the Members' Council may be convened at any time at the request of its chairman or a member or group of members as provided for in Clause 2 and Clause 3, Article 41 of this Law. Meetings of the Members' Council must be held at the head office of the company, unless otherwise provided for in the company's charter.

The chairman of the Members' Council shall prepare, or organize the preparation of, the agenda, contents, documents of and convene the meeting. Members may make written recommendations on the meeting agenda. A recommendation must contain the following contents:

a/ Full name, permanent address, nationality, number of the people's identity card, passport or other lawful personal certification of the member, for individuals; name, address, nationality, number of the establishment decision or business registration certificate of the member, for organizations; full name and signature of the member or authorized representative;

b/ Capital share, number and date of grant of the capital share certificate;

c/ Contents recommended for inclusion in the meeting agenda;

d/ Reasons for recommendations;

The chairman of the Member's Council must accept the recommendation and incorporate it into the meeting agenda if it contains all above-mentioned contents and is sent to the head office at least one working day before the date of opening the meeting of the Members' Council; the recommendation that is submitted immediately before opening the meeting of the Members' Council may be accepted if it is approved by a majority of members attending the meeting.

2. The meeting invitation may be notified in the form of invitation card, telephone, fax, telex or other electronic means as provided for in the company's charter and must be sent directly to each member. The meeting invitation must clearly specify the time, venue and agenda of the meeting.

The agenda and materials of a meeting must be sent to all members before opening of the meeting. Materials related to amendment and supplementation of the company's charter, development orientations of the company, annual financial statements, reorganization or dissolution of the company must be sent to all members at least two working days before opening of the meeting. The time limit for sending other meeting materials shall be provided for in the company's charter.

3. A member or group of members as provided for in Clause 2 and Clause 3, Article 41 of this Law shall be entitled to convene a meeting of the Members' Council if the chairman of the Members' Council does not convene the meeting at the request of such member or group of members within fifteen days as from the date of receiving the request; in this case, if it is deemed necessary, the business registration office may be invited to oversee the organization and proceedings of the meeting; at the same time, such member himself/herself or group of members themselves or on behalf of the company may take legal action against the chairman for his/her failure to duly perform his/her management obligations, causing losses to their legitimate interests.

4. The request for convening a meeting of the Members' Council as provided for in Clause 3 of this Article must be made in writing and contain the following principal contents:

a/ Full name, permanent address, nationality, number of the people's identity card, passport or other lawful personal certification of the member, for individuals; name, address, nationality and number of the establishment decision or business registration certificate of the member, for organizations; capital share, number and date of grant of the capital share certificate;

b/ Reasons for convening a meeting of the Members' Council and matters to be settled;

c/ Proposed agenda;

d/ Full name and signature of each requesting member or their authorized representatives.

5. If the request for convening a meeting of the Members' Council does not contain full contents as provided for in Clause 4 of this Article, that fact must be notified to the requesting member or group of members by the chairman within seven working days from the date of receipt of such request.

In other cases, the chairman of the Members' Council must convene a meeting of the Members' Council with fifteen days as from the date of receipt of the request.

If the chairman of the Members' Council fails to convene a meeting, he/she shall be individually liable before law for any damage caused to the company and the concerned members of the company. In this case, the requesting member or group of members shall be entitled to convene a meeting of the Members' Council. Reasonable expenses for convening and conducting the meeting shall be reimbursed by the company.

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

1. A meeting of the Members' Council may be conducted if all participating members own at least 75% of the charter capital; a specific percentage shall be provided for in the company's charter.

2. If the first meeting fails to open due to not satisfying the condition stated in Clause 1 of this Article, the second meeting shall be convened within fifteen days after the proposed opening date of the first meeting. The second meeting may be conducted if all participating members own at least 50% of the charter capital; a specific percentage shall be provided for in the company's charter.

3. If the second meeting fails to open due to not satisfying the condition stated in Clause 2 of this Article, the third meeting shall be convened within ten working days after the proposed opening date of the second meeting. The third meeting may be conducted regardless of the number of participating members and the percentage of the charter capital they represent.

4. Members or their authorized representatives must participate in and vote at meetings of the Members' Council. Formalities of conducting meetings of the Members' Council and forms of voting shall be provided for in the company's charter.

Article 52.- Decisions of the Members' Council

1. The Members' Council shall approve decisions falling under its competence by voting at a meeting, consulting opinions in writing or other method as provided for in the company's charter.

Unless otherwise provided for in the company's charter, decisions on the following matters must be approved by voting at a meeting:

- a/ Amendment and supplementation of the company's charter;
- b/ Decisions on development orientations of the company;
- c/ Election, removal from office or dismissal of the chairman of the Members' Council; appointment, removal from office or demotion of director or general director;
- d/Adoption of annual financial statements;
- e/ Re-organization or dissolution of the company.

2. Decisions of the Members' Council shall be approved at a meeting by:

- a/ A number of participating members owning at least 65% of the charter capital; a specific percentage shall be provided for in the company's charter;
- b/ A number of participating members owning at least 75% of the charter capital if such decisions are related to the sale of assets valued at 50% or more of the total value of assets recorded in the latest financial statements of the company or a smaller percentage as provided for in the company's charter; to the amendment or supplementation of the company's charter, reorganization or dissolution of the company; a specific percentage shall be provided for in the company's charter.

3. Decisions of the Members' Council shall be approved in the form of consulting opinions in writing by a number of members owning at least 75% of the charter capital; a specific percentage shall be provided for in the company's charter.

Article 53.- Minutes of meetings of the Members' Council

- 1. All meetings of the Members' Council must be recorded in a meeting minutes book of the company.
- 2. The minutes of a meeting must be completed and passed before the closing of the meeting. A minutes must contain the following contents:
 - a/ Time, venue, purpose and agenda of the meeting;
 - b/ Full name, capital share, number and date of issue of the capital share certificate of every participating member or his/her authorized representative: full name, capital share, number and date of issue of the capital share certificate of every absent member or his/her authorized representative;
 - c/ Matters discussed and voted; summary of opinions of members on each matter;

d/ Total numbers of votes "for", "against" and "blank" for each voting matter;

e/ Decisions approved;

f/ Full names and signatures of participating members or their authorized representatives.

Article 54.- Procedures for approval of decisions of the Members' Council in the form of consulting opinions in writing

Unless otherwise provided for in the company's charter, the competence and formalities for approving decisions in the form of consulting opinions in writing shall be as follows:

1. The chairman of the Members' Council shall decide to choose the form of consulting opinions in writing when approving decisions on matters under competence of the Members' Council.

2. The chairman shall be responsible for preparing and sending reports, explanations, drafts of proposed decisions and opinion sheets to all members of the Members' Council.

An opinion sheet must contain the following contents:

a/ Name, head office, number and date of issue of the business registration certificate and the place of business registration of the company;

b/ Full name, address, nationality, number of the people's identity card, passport or other lawful personal certification, capital share of the member of the Members' Council;

c/ Matters put up for opinions and proposed opinions "for", "against" and "blank";

d/ Deadline for sending the opinion sheet back to the company;

e/ Full name and signature of the chairman and the member of the Members' Council.

Opinion sheets that are fully and accurately filled up and sent by members to the company within the time limit shall be considered valid.

3. The chairman of the Members' Council shall organize the counting of opinion sheets, making a report and sending the count results as well as approved decisions to all members within seven working days after the deadline for sending back their opinions to the company. A report on the count results must contain principal contents as provided for in Clause 2, Article 53 of this Law.

Article 55.- Director or general director

1. The director or general director of the company shall run day-to-day business operations of the company and be responsible to the Members' Council for performing his/her rights and duties.

2. The director or general director shall have the following rights and duties:

- a/ To implement decisions of the Members' Council;
- b/ To decide on matters related to day-to-day business operations of the company;
- c/ To implement the business plan and investment plan of the company;
- d/ To issue internal management regulations of the company;
- e/ To appoint, remove from office and dismiss managers except ones falling under the competence of the Members' Council;
- f/ To conclude contracts on behalf of the company, except ones falling under the competence of the chairman of the Members' Council;
- g/ To propose the structure of organization of the company;
- h/ To submit annual financial statements to the Members' Council;
- i/ To propose plans for distributing profits or handling losses in business;
- j/ To recruit laborers;
- k/ Other rights and duties as provided for in the company's charter and labor contract signed between him/her and the company according to the decision of the Members' Council.

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

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

- a/ To perform assigned rights and duties in a honest, careful and optimal manner in order to ensure maximum lawful benefits of the company and its owner;
- b/ To be loyal to the benefits of the company and its owner; not to be permitted to use information, know-how and business opportunities of the company; not to be permitted to abuse their status, position and property of the company for self-seeking purposes or the interests of other organizations or individuals;
- c/ To notify promptly, fully and accurately the company of enterprises in which they or their related persons are owners or have dominant shares or capital shares. Such notification must be posted up at the head office of the company and its branches;
- d/ To perform other obligations as provided for by law and the company's charter.

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

Article 57.- Qualifications and conditions of director or general director

1. The director or general director must have the following qualifications and conditions:

a/ Having full civil act capacity and not being prohibited from managing an enterprise as provided for by this Law;

b/ Owning at least 10% of the charter capital or being a non-member person with expertise and experience in business management or major business lines of the company or other qualifications and conditions as provided for in the company's charter;

2. Wife, husband, father, adoptive father, mother, adoptive mother, child, adopted child, or sibling of the managers or persons who have competence to appoint managers of a company in which the State-contributed capital amount or State-owned share accounts for more than 50% of the charter capital can not be director or general director of a subsidiary company of such company.

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

1. The company shall be entitled to pay remuneration, salary and bonus of members of the Members' Council and director or general director based on business results and efficiency of the company.

2. Remuneration and salary of members of the Members' Council, director or general director and managers shall be accounted as business expenses in accordance with the law on enterprise income tax and relevant laws and must be reflected in a separate section of the annual financial statement of the company.

Article 59.- Contracts, transactions subject to approval of the Members' Council

1. The following contracts and transactions must be approved by the Members' Council if they are concluded between the company and:

a/ Its members or their authorized representatives, director or general director and

representative-at-law of the company;

b/ Related persons of the people stated at Point a of this Clause;

c/ Managers or persons who have competence to appoint managers of its parent company;

d/ Related persons of people stated at Point c of this Clause.

The representative-at-law of the company must send draft contracts or notices on major contents of expected transactions to all members of the Members' Council and, at the same time, post them up at the head office and branches of the company. Unless otherwise provided for in the charter, the Members' Council must approve the draft contracts or transactions within fifteen days as from the date of posting; in this case, contracts or transactions shall be approved by a number of members owning at least 75% of the total voting capital. Members related to contracts or transactions shall not be entitled to vote.

2. Contracts or transactions that are concluded in violation of Clause 1 of this Article shall be invalid and handled in accordance with the provisions of law. The representative-at-law, related members and related persons of such members must pay compensation for any arising damage or return to the company any benefits gained from performance of such contracts or transactions.

Article 60.- Increase and decrease of the charter capital

1. Under decisions of the Members' Council, the company may increase or decrease its charter capital in the following forms:

a/ Increasing capital contributed by the members;

b/ Increasing the charter capital corresponding to the increased value of assets of the company;

c/ Receiving capital contributed by new members.

2. If the capital is increased in the form of increasing capital contributed by the members, the increase in the capital shall be contributed in proportion to their capital share in the charter capital of the company. Members who are against the decision on capital increase may not further contribute capital. In this case, the increase in capital shall be contributed by other members in proportion to their capital share in the charter capital of the company, unless otherwise agreed by the members.

The capital may be increased in the form of adding new members only if it is agreed by all members, unless otherwise provided for in the company's charter.

3. Under decisions of the Members' Council, the company may decrease its charter capital in the following forms:

a/ Returning its members part of their contributed capital in proportion to their capital share if the company has been carrying out business activities for more than consecutive two years since the date of business registration and is still capable of fully paying due debts and other property liabilities afterward;

b/ Buying back the capital share in accordance with the provisions of Article 44 of this Law;

c/ Decreasing the charter capital corresponding to the decreased value of assets of the company.

4. The company must inform in writing the business registration office its decision on capital increase or decrease within seven working days as from the date of making such decision. The notification must contain the following major contents:

a/ Name, address of the head office, number and date of issue of the business registration certificate, place of business registration;

b/ Full name, permanent address, nationality, number of the people's identity card, passport or other lawful personal certification of every member being an individual; name, permanent address, nationality, number of the establishment decision or registration business certificate of every member being an organization; capital share of each member;

c/ The charter capital; amount of capital proposed to increase or decrease;

d/ Time and method of capital increase or decrease;

e/ Full name and signature of the chairman of the Members' Council and representative-at-law of the company.

In case of charter capital increase, the notification must be attached with a decision thereon of the Members' Council. In case of charter capital decrease, it must be attached with a decision thereon of the Members' Council together with the latest financial statement, which must be certified by an independent auditor for companies with more than 50% of foreign capital share.

The business registration office must register the increase or decrease in the charter capital within ten working days as from the date of receiving a notification.

Article 61.- Conditions for profit distribution

A company shall be entitled to distribute profits to its members only if it makes profits after fulfilling tax and other financial obligations in accordance with the provisions of law and is still capable of paying off due debts and other property liabilities afterward.

Article 62.- Recovery of contributed capital amount returned or profit distributed

If the return of part of contributed capital amount to decrease the company's charter capital is effected contrary to the provisions of Clause 3 and Clause 4, Article 60 of this Law or the profit distribution is made inconsistent with the provisions of Article 61 of this Law, all members must return to the company money amounts or properties they have received or must be jointly liable for all debts and other property liabilities of the company until they have fully returned money amounts or properties they have received which are equivalent to the decreased capital amount or distributed profit.

Section II. ONE-MEMBER LIMITED LIABILITY COMPANIES

Article 63.- One-member limited liability companies

1. A one-member limited liability company is an enterprise which is owned by one organization or individual (hereinafter referred to as the company owner); the company owner is liable for debts and other property liabilities of the company within the charter capital of the company.
2. Acne-member limited liability company shall have the legal person status as from the date of being granted the business registration certificate.
3. A one-member limited liability company shall not be entitled to issue shares.

Article 64.- Rights of the company owner

1. The company owner that is an organization shall have following rights:
 - a/ To decide on contents of the company's charter and its amendment or supplement;
 - b/ To decide on the development strategy and annual business plan of the company;
 - c/ To decide on the structure of organization and management; appoint, remove from office and dismiss managers of the company;
 - d/ To approve investment projects valued at 50% or more of total value of assets recorded in the latest financial statement of the company or a smaller percentage as provided for in the company's charter;
 - e/ To decide on methods of market development, marketing and technology;
 - f/ To approve lending, borrowing and other contracts as provided for in the company's charter which are valued at 50% or more of total value of assets recorded in the latest financial statement of the company or at a smaller percentage as provided for in the company's charter;
 - g/ To decide on sale of assets valued at 50% or more of total value of assets recorded in the latest financial statement of the company or at a smaller percentage as provided for in the company's charter;
 - h/ To decide on increase of the charter capital; transfer of part or whole of the charter capital of the company to another organization or individual;
 - i/ To decide on setting up subsidiaries and making capital contribution to other companies;
 - j/ To conduct supervision and evaluation of business performance of the company;
 - k/ To decide on use of profits after fulfilling tax and other financial obligations of the company;
 - l/ To decide on re-organization, dissolution and request for bankruptcy of the company;

m/ To collect the whole value of assets of the company after it finishes the dissolution or bankruptcy process;

n/ Other rights as provided for by this Law and the company's charter.

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

a/ To decide on contents of the company's charter and its amendment or supplement;

b/ To decide on investment and business activities and internal management of the company, unless otherwise provided for in the company's charter;

c/ To transfer part or whole of the charter capital of the company to another organization or individual;

d/ To decide on use of profits after fulfilling tax and other financial obligations of the company;

e/ To decide on re-organization, dissolution and request for bankruptcy of the company;

f/ To collect the whole value of assets of the company after it finishes the dissolution or bankruptcy process;

g/ Other rights as provided for by this Law and the company's charter.

Article 65.- Obligations of the company owner

1. To make capital contribution fully and on time as committed; if not, to be liable for all debts and other property liabilities of the company;

2. To observe the company's charter;

3. To keep assets of the company and company owner separated;

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

4. To observe laws on contracts and relevant laws on sale, purchase, borrowing, lending, lease, renting or other transactions between the company and the company owner.

5. To perform other obligations as provided for by this Law and the company's charter.

Article 66.- Restrictions on the rights of the company owner

1. The company owner shall be entitled to withdraw the capital only by transferring part or whole of the charter capital to another organization or individual; if the capital is withdrawn

from the company by another way, the company owner shall be liable for all debts and other property liabilities of the company.

If the company owner transfers part of the charter capital to another organization or individual, the company must be transformed into a limited liability company with two or more members and such transformation must be registered within fifteen days as from the date of transfer.

2. The company owner must not withdraw profits if the company fails to fully pay off due debts and other property liabilities.

Article 67.- Management organizational structure of a one member limited liability company whose owner is an organization

1. The company owner shall appoint one or more than one authorized representative, with a term of not more than five years, to exercise the owner's rights and obligations as provided for by this Law and other relevant laws. The authorized representatives must meet all qualifications and conditions as provided for in Clause 2, Article 48 of this Law.

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

3. If two or more authorized representatives are appointed, the company's organizational structure of management shall comprise Members' Council, director or general director and controller. In this case, all authorized representatives constitute the Members' Council.

4. If only one authorized representative is appointed, he/she shall be the company president. In this case, the company's organizational structure of management shall comprise company president, director or general director and controller.

5. The company's charter must specify either chairman of the Members' Council, company president, director or general director to be representative-at-law of the company. The representative-at-law must reside in Vietnam and authorize another person to act as representative-at-law of the company on principles as provided for in the company's charter if his/her absence in Vietnam lasts more than thirty days.

6. Functions, rights and duties of the Members' Council, company president, director or general director and controllers are defined in Articles 68, 69, 70 and 71 of this Law.

Article 68.- The Members' Council

1. The Members' Council shall act on behalf of the company owner in organizing the exercise of his/her rights and the performance of his/her obligations; act on behalf of the company in exercising its rights and performing its obligations; be responsible to law and the company owner in exercising assigned rights and duties in accordance with this Law and other relevant laws.

2. Rights, obligations, tasks and working regime of the Members' Council shall comply with the company's charter and relevant laws.

3. Chairman of the Members' Council shall be appointed by the company owner. The term, rights and obligations of the chairman of the Members' Council shall comply with the provisions of Article 49 and other relevant provisions of this Law.

4. Competence and procedures for convening a meeting of the Members' Council shall comply with the provisions of Article 50 of this Law.

5. A meeting of the Members' Council may be conducted if it is attended by at least two-thirds of all members. Unless otherwise provided for in the company's charter, each member shall have one vote of equal validity. Decisions of the Members' Council may be made in form of consulting opinions in writing.

6. Decisions of the Members' Council shall be approved by a majority of participating members. Decisions on amendment or supplement to the company's charter, re-organization of the company or transfer of part or whole of the company's charter capital must be approved by at least three-fourths of participating members.

Decisions of the Members' Council shall become legally effective from the date of approval, unless it is otherwise provided for in the company's charter that it must be approved by the company owner before becoming effective.

7. Meetings of the Members' Council must be recorded in the minutes book. A minute of a meeting of the Members' Council must contain contents as provided for in Article 53 of this Law.

Article 69.- President of the company

1. The president of the company shall act on behalf of the company owner in exercising his/her rights and performing his/her obligations; act on behalf of the company in exercising its rights and performing its obligations; be responsible to the company owner in exercising assigned rights and duties in accordance with this Law and other relevant laws.

2. Specific rights, obligations and duties and working regime of the president of the company toward the company owner shall comply with the company's charter and relevant laws.

3. Decisions of the president of the company on exercise of rights and performance of obligations of the company owner shall be legally effective from the date of approval by the company owner, unless otherwise provided for in the company's charter.

Article 70.- Director or general director

1. The director or general director shall be appointed or hired by the Members' Council or president of the company with a term of not more than five years. He/ she shall run day-to-day business operation of the company and be responsible to the Members' Council or president of the company in exercising his/her rights and duties.

2. The director or general director shall have following powers:

a/ To organize implementation of decisions of the Members' Council or president of the company;

b/ To decide on matters related to day-to-day business operation of the company;

c/ To organize implementation of business and investment plans of the company;

d/ To issue internal management regulations of the company;

e/ To appoint, remove and dismiss managers in the company, except those falling under the competence of the Members' Council or president of the company;

f/ To conclude contracts on behalf of the company, except those falling under the competence of the Members' Council or president of the company;

g/ To make proposals on the organizational structure of the company;

h/ To submit annual financial settlement reports to the Members' Council or president of the company;

i/ To make proposal on distribution of profits or settlement of losses;

j/ To recruit laborers;

k/ Other rights as provided for in the company's charter and contract signed with the chairman of the Members' Council or president of the company.

3. The director or general director must meet the following qualifications and conditions:

a/ Having full civil act capacity; not being prohibited from managing an enterprise in accordance with this Law;

b/ Not being related person of the members of the Members' Council or president of the company; any person who has power to appoint the authorized representative or president of the company;

c/ Having relevant expertise and experience in business management or major business line of the company; or meeting other qualifications and conditions as provided for in the company's charter.

Article 71.- Controllers

1. The company owner shall appoint from one to three controllers working for a term of not more than three years. Controllers shall be responsible to the company owner for exercising their rights and duties.

2. Controllers shall have the following duties:

a/ To check the lawfulness, honesty and diligence of the Members' Council, president of the company and director or general director in performing owner's rights and running business operations of the company;

b/ To appraise financial statements, business performance, management and other reports before they are submitted to the company owner or relevant state agencies; submit reports on examination thereof to the company owner;

c/ To make proposals to the company owner for change and addition of the organizational structure of business management and performance of the company;

d/ Other duties as provided for in the company's charter or as requested or decided by the company owner.

3. Controllers shall be entitled to review any dossiers and documents of the company at the head office, branches or representative offices of the company. Members of the Members' Council, president of the company, director or general director and other managers shall be obliged to fully and promptly provide information relating to the exercise of owner's rights, business and management performance of the company at the request of controllers.

4. Controllers must meet the following qualifications and conditions:

a/ Having civil act capacity and being not prohibited from managing an enterprise in accordance with this Law;

b/ Not being related person of the members of the Members' Council or president of the company, director or general director and any person who has power to appoint controllers;

c/ Having expertise or professional experience in accounting or audit or having expertise and experience in major business lines of the company, or meeting other qualifications and conditions as provided for in the company's charter.

Article 72.- Obligations of members of the Members' Council, president of the company, director or general director and controllers

1. Members of the Members' Council, president of the company, director or general director and controllers shall have the following obligations:

a/ To observe the laws, the company's charter and decisions of the company owner in performing their assigned rights and duties;

b/ To perform their assigned rights and duties in a honest, careful and optimal manner in order to ensure maximum lawful benefits of the company and company owner;

c/ To be loyal toward interests of the company and company owner. Not to use business information, know-how and opportunities of the company or to abuse positions, powers and assets of the company for their own benefits or benefits of other organizations and individuals;

d/ To notify promptly, fully and accurately the company of enterprises in which they or their related persons are owners or dominant shareholders or have controlling capital shares. This notification must be posted up at the head office and branches of the company;

e/ Other obligations as provided for by this Law and the company's charter.

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

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

1. The company's managers and controllers shall enjoy remuneration, salaries and other benefits according to the company's business results and efficiency.

2. The company owner shall decide on the levels of remuneration, salary and other benefits of members of the Members' Council, the company president and controllers. Remuneration, salaries and other benefits of the company's managers and controllers shall be accounted as business expenses of the company in accordance with the law on enterprise income tax and other relevant laws and shall be presented in a separate section in the company's annual financial statements.

Article 74.- Management organizational structure of a one-member limited liability company whose owner is an individual

1. The organization of a one-member limited liability company whose owner is an individual shall consist of the president, director or general director. The company's owner shall be the company's president. The company's president or director or general director shall be the company's representative-at-law as provided for in the company's charter.

2. The company's president may be the company's director or general director or another person may be hired to take this position.

3. Specific rights, obligations and duties of the director shall be provided for in the company's charter and the labor contract signed by the company's director or general director and the company's president.

Article 75.- Contracts, transactions between the company and related persons

1. Contracts or transactions between a one-member limited liability company whose owner is an organization and the following parties must be considered and approved by the Members' Council, the president, the director or general director and controllers according to the majority principle; each of them shall have one vote:

a/ The company's owner and the persons related to the owner;

b/ The authorized representative, the director or general director and controllers;

c/ The persons related to the persons specified at Point b of this Clause;

d/ Managers of the company's owner and the persons with power to appoint these managers;

e/ Persons related to the persons specified at Point d of this Clause.

The representative-at-law of the company must send draft contracts or notifications on the contents of transactions to the Member's Council, the company's president, director or general director and controllers; as well as post them up at the head office and other branches of the company.

2. Contracts or transactions stated in Clause 1 of this Article shall be approved if they fully meet the following conditions:

a/ All parties to the contracts or transactions are independent legal entities, having separate rights, obligations, assets and interests.

b/ The price quoted in the contracts or the transactions is the market price at the time of conclusion of the contracts or performance of the transactions;

c/ The company's owner performs all obligations specified in Clause 4, Article 65 of this Law.

3. A contract or transaction which has been concluded in contravention of Clause 1 of this Article shall be invalid and dealt with in accordance with the provisions of law. The representative-at-law of the company and the contract's parties shall compensate for any incurred losses and return any profits from the performance of the contracts or transactions to the company.

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

Article 76.- Increase and decrease of the charter capital

1. A one-member limited liability company shall not be allowed to decrease the charter capital.

2. A one-member limited liability company may increase the charter capital by additional investment made by the company owner or mobilization of capital contributions from others.

The owner shall decide on the method of increasing and the level of increase of the charter capital. If increasing the charter capital by mobilizing capital contributions from others, the company must register for conversion into a limited liability company having two or more members within fifteen days from the date the new members committed to make capital contribution to the company.

Chapter IV

JOINT-STOCK COMPANIES

Article 77.- Joint-stock companies

1. A joint-stock company is an enterprise where:
 - a/ Its charter capital is divided into equal portions known as shares;
 - b/ Shareholders may be organizations and/or individuals; the minimum number of shareholders shall be three and shall not be restricted to any particular maximum number;
 - c/ Its shareholders shall be liable for debts and other property liabilities of such enterprise within the limit of the value of their capital contribution to the enterprise;
 - d/ Shareholders shall be entitled to freely transfer their shares, except the case specified in Clause 3 of Article 81 or Clause 5 of Article 84 of this Law.
2. A joint-stock company shall have the legal person status from the date it is granted a business registration certificate.
3. A joint-stock company shall be entitled to issue securities of all kinds for capital mobilization.

Article 78.- Types of share

1. A joint-stock company must issue ordinary shares. Owners of such shares are called ordinary shareholders.
2. A joint-stock company may issue preference shares. Holders of preference shares are called preference shareholders.

Preference shares include shares of types as described hereunder:

- a/ Voting preference shares;
- b/ Dividend preference shares;
- c/ Redeemable preference shares;

d/ Other types of preference share as provided for in the company's charter.

3. Voting preference shares shall be held only by government-authorized organizations and founding shareholders. Voting preference of founding shareholders shall be effective for three years only after the date of grant of the business registration certificate to the company. After that, voting preference shares of founding shareholders shall be converted into ordinary shares.

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

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

6. Ordinary shares shall not be convertible into preference shares. Preference shares may be converted into ordinary shares under decisions of the Shareholders' Meeting.

Article 79.- Rights of ordinary shareholders

1. An ordinary shareholder shall have the following rights:

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

b/ To receive dividend at the level set by the Shareholders' Meeting;

c/ To be given priority in buying newly issued shares pro rata to the amount of ordinary shares held by each shareholder in the company;

d/ To freely transfer their shares to other shareholders and those who are other than shareholders, except the case specified in Clause 5, Article 84 of this Law;

e/ To review, search, extract information in the list of shareholders holding voting rights and request correction of inaccurate information;

f/ To review, search, extract or copy the company's charter, the minute book of Shareholders' Meetings and resolutions of the Shareholders' Meetings;.

g/ Where the company is dissolved or goes bankrupt, to receive part of the remaining property in proportion to the shares contributed to the company;

h/ Other rights provided for by this Law or by the company's charter.

2. Shareholders or group of shareholders who hold, within at least six consecutive months, over 10% of ordinary shares or a smaller percentage as provided for in the company's charter shall have the following rights:

a/ To nominate candidates to the Management Board and the Control Board (if any);

To review and extract the minute book and other resolutions of the Management Board, midyear and annual financial statements made according to forms of the Vietnamese accounting system and other reports of the Control Board;

c/ To request the convening of the Shareholders' Meeting in the case specified in Clause 3 of this Article;

d/ To request the Control Board to check each specific problem related to the management and operation of the company when deeming it necessary. Such request must be made in writing and state the full name, permanent address, nationality, number of the people's identity card, passport or other lawful personal certification, for shareholders being individuals; or the name, permanent address, nationality, number of the establishment decision or the business registration certificate, for shareholders being organizations; number of shares and time of share registration by each shareholder, total shares of the whole group of shareholders and the proportion of ownership in the total number of shares of the company; issues to be checked, the purpose of checking;

e/ Other rights as provided for by this Law and the company's charter.

3. Shareholders or group of shareholders as provided for in Clause 2 of this Article shall be entitled to request convening of the Shareholders' Meeting in the following cases:

a/ The Management Board seriously violates the rights of shareholders, obligations of managers or makes decisions ultra vires;

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

c/ Other cases as provided for in the company's charter.

The request must be made in writing and state the full name, permanent address, number of the people's identity card, passport or other lawful personal certification, for shareholders being individuals; or the name, permanent address, nationality, number of the establishment decision or the business registration certificate, for shareholders being organizations; number of shares and time of share registration by each shareholder, total shares of the whole group of shareholders and the proportion of ownership in the total number of shares of the company; grounds and reasons to request convening of the Shareholders' Meeting. Attached with the request must be materials, evidence of violations by the Management Board, the severity of violations or the decisions already issued ultra vires.

4. Unless otherwise provided for in the company's charter, the nomination of candidates to the Management Board and the Control Board provided for at Point a, Clause 2 of this Article shall be effected as follows:

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

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

Article 80.- Obligations of ordinary shareholders

1. To make full payment for their subscribed shares within ninety days from the date the company is granted the business registration certificate and to be liable for debts and other property liabilities of the company within the amount of the paid-in capital.

Not to withdraw the paid-in capital in the form of ordinary shares from the company in any form, except the case where the company buys back the shares or the shareholder sells the shares to other persons. If a shareholder withdraws part or the whole of the paid-in capital contrary to the provisions of this Clause, all the members of the Management Board and the company's representative-at-law shall be jointly responsible for debts and other property liabilities of the company within the value of the withdrawn shares.

2. To observe the charter and internal management regulations of the company;

3. To abide by decisions of the Shareholders' Meeting and of the Management Board;

4. To perform other obligations as provided for by this Law and the company's charter.

5. Ordinary shareholders shall take personal responsibility when committing in the name of the company in any form the following acts:

a/ Violating law;

b/ Conducting business or other transactions for self-seeking purposes or interests of other organizations or individuals;

c/ Paying undue debts when the company is facing possible financial risks.

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

1. A voting preference share is a share that carries a number of votes more than that carried by an ordinary share. The specific number of votes carried by such a share shall be determined in the company's charter.

2. A voting preference shareholder shall have the following rights:

a/ To vote on all issues within the competence of the Shareholders' Meeting with the number of votes as provided in Clause 1 of this Article;

b/ Other rights as of ordinary shareholders, except the case specified in Clause 3 of this Article.

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

Article 82.- Dividend preference shares and rights of dividend preference shareholders

1. A dividend preference share is a share that entitles its holder to receive a dividend at a higher level than that of ordinary shares or at a stable annual level. Annual dividend of such share comprises fixed dividend and bonus dividend. Fixed dividend is paid regardless of the business result made by the company. The specific amount of fixed dividend and the method for calculation of bonus dividend shall be stated in certificates of dividend preference share.

2. A dividend preference shareholder shall have the following rights:

a/ To receive dividend at the level stated in Clause 1 of this Article;

b/ Where the company is dissolved or becomes bankrupt, to receive, in proportion to the total shares held, part of its remaining assets after the company has paid all debts and redeemable preference shares;

c/ Other rights as an ordinary shareholder, except the case stated in Clause 3 of this Article.

3. Dividend preference shareholders shall not be entitled to vote, to attend the Shareholders' Meeting, and to nominate representatives in the Management Board and the Control Board.

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

1. A redeemable preference share is a share that is bought back by the company anytime upon request of its holder, or under circumstances stated in the certificate of such share.

2. A redeemable preference shareholder shall have other rights as an ordinary shareholder, except those in Clause 3 of this Article.

3. Redeemable preference shareholders shall not be entitled to vote, to attend the Shareholders' Meeting, and to nominate representatives in the Management Board and the Control Board.

Article 84.- Ordinary shares of founding shareholders

1. Founding shareholders must together subscribe at least 20% of the total ordinary shares which may be offered for sale; and pay in full for the subscribed shares within ninety days as from the date that the company is granted a business registration certificate.

2. Within ninety days as from the date the company is granted a business registration certificate, the company must inform the business registration office about equity capital contribution. The notification must contain the following principal contents:

a/ Name, address of the head office, number and date of grant of the business registration certificate, and place of business registration;

b/ Total number of ordinary shares which may be offered for sale, and number of subscribed shares of the founding shareholders.

c/ Name, permanent address, nationality, number of the people's identity card, passport or other lawful personal certification, number of the establishment decision or business registration certificate; number of subscribed shares, numbers and value of paid-in shares, types of asset used to make equity capital contribution by each founding member;

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

e/ Full name and signature of the company's representative-at-law.

The representative-at-law of the company shall be personally responsible for any company's and others' losses if the notice is late, inaccurate, dishonest or incomplete.

3. If a founding shareholder does not pay in full for the subscribed shares, those shares shall be dealt with in one of the following ways:

a/ All remaining founding shareholders shall fully pay for such shares in proportion to their share ownership in the company;

b/ One or some founding shareholders shall fully pay for such shares;

c/ Others who are not founding shareholders shall be mobilized to fully pay for such shares and shall become founding shareholders of the company. In this case, founding shareholders who have not yet fully paid for the subscribed shares shall no longer be founding shareholders of the company.

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

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

5. Within three years as from the date the business registration certificate is granted to the company, founding shareholders shall be free to transfer their ordinary shares to other founding shareholders. Ordinary shares of founding shareholders may be transferable to persons who are not founding shareholders if so approved by the Shareholders' Meeting. In this case, shareholders who plan to transfer their shares shall not be entitled to vote on such transfer and the transferees shall become founding shareholders.

After three years from the date the business registration certificate is granted to the company, all restrictions imposed upon founding shareholders shall be abolished.

Article 85.- Share certificates

1. Certificates issued by a joint-stock company or recorded in the book entry evidencing the ownership of one or more shares issued by such company are referred to as share certificates. A share certificate may be either bearer share certificate or non-bearer share certificate. A share certificate shall contain the following principal contents:

a/ Name, and address of the head office of the company;

b/ Number and date of grant of the business registration certificate;

c/ Quantity and type(s) of shares;

d/ Face value of each share and the total face value of shares specified in the share certificate;

e/ Full name, permanent address, nationality, number of the people's identity card, passport or Other lawful personal certification of the shareholder being an individual; name, permanent address, nationality, number of the establishment decision or business registration certificate of the shareholder being in an organization, for non-bearer share certificates;

f/ Summary of procedures of transfer of shares;

g/ Specimen signature of the representative-at-law and seal of the company;

h/ The registration number recorded in the company's register book of shareholders and date of issue of share certificates;

i/ Other contents as described in Articles 81, 82 and 83 of this Law, for preference share certificate(s).

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

3. Where a share certificate is lost, torn, burnt, or otherwise destroyed, the holder of such share certificate may request the company to re-issue the share certificate.

Such request shall contain commitments that;

a/ The share certificate has been actually lost, torn or otherwise destroyed; if lost, a commitment that due search has been conducted; and if the share certificate is found, it shall be returned to the company for destruction;

d/ The requesting shareholder shall be responsible for disputes arising from the issuance of new share certificate.

For shares with a par value of more than VND ten million, prior to the receipt of the request for issue of new share certificate(s), the company's representative-at-law may ask the shareholder(s) to publish an announcement that the share certificate has been lost, burnt or otherwise destroyed and after fifteen days from the date of publication, a request for issue of new share certificate(s) shall be made.

Article 86.- Register book of shareholders

1. A joint-stock company must make and retain a register book of shareholders from the date it is granted the business registration certificate. Such book may be in writing or in electronic files, or both.

2. A register book of shareholders must contain the following principal contents:

a/ Name, and address of the head office of the company;

b/ Total number of shares which may be offered for sale, types of shares which may be offered for sale and quantity of each type;

c/ Total number of paid-in shares of each type and value of paid-in equity capital;

d/ Full name, permanent address, nationality, number of the people's identity card, passport or other lawful personal certification of the shareholder being an individual; name, permanent address, nationality, number of the establishment decision or business registration certificate of the shareholder being in an organization.

e/ Quantity of shares of each type of each shareholders, date of registration of shares.

The register book of shareholders shall be kept at the head office of the company or securities registration, custody, clearing and payment center. Shareholders shall have the right to check, search, extract and copy the content of the register book of shareholders at any time during the working hours of the company or securities registration, custody, clearing and payment center.

Shareholders owning 5% or more of the total number of shares shall be registered with the authorized business registration office within seven working days as from the date they acquire that ownership percentage.

Article 87.- Offer for sale and transfer of shares

1. The Management Board shall have the right to decide on the time, method and offer price of shares within the quantity of shares which may be offered for sale. The offer price of shares must not be lower than the market price at the time of offer or the book-value of the shares at the most recent time, except the following cases where:

a/ Shares are offered for the first time to those who are not founding shareholders;

b/ Shares are offered to all shareholders in accordance with their existing share proportions in the company;

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

d/ Other cases and the discount rate in such cases is provided for in the company's charter.

2. In case the company issues additional ordinary shares and offers them to all ordinary shareholders in accordance with their existing share proportions in the company, the following provisions must be complied with:

a/ The company must notify the sale of shares in writing and by registered mail to the permanent addresses of all shareholders. Meanwhile, the notice must be published on three consecutive newspaper issues within ten working days as from the date of notification;

b/ The notice must state full name, permanent address, nationality, number of the people's identity card, passport or other lawful personal certification, for shareholders being individuals; name, permanent address, nationality, number of the establishment decision or business registration certificate, for shareholders being organization; number of shares and share equity proportion of every shareholder in the company, total shares to be issued and number of shares that shareholders shall be entitled to buy; the offer price; time limit for subscription registration; full name and signature of the company's representative-at-law. The time limit specified in the notice must be reasonable for shareholders to be able to subscribe. The notice must be attached with a subscription registration form issued by the company;

c/ Shareholders may transfer their priority right to buy shares to others;

d/ If the share subscription registration form is not sent to the company within the time limit specified in the notice, the related shareholder shall be considered not receiving the priority right to buy shares. If the shares intended to be issued are not fully subscribed by shareholders and transferees of the priority right to buy shares, the remaining shares shall be managed by the Management Board. The Management Board may distribute these shares to shareholders of the

company or to other persons in an appropriate manner provided that the conditions offered to such persons are not better than those offered to shareholders, unless it is otherwise approved by the Shareholders' Meeting or shares are sold through the stock exchange.

3. Shares shall be deemed to be sold when they are paid for in full and information of the buyer provided for in Clause 2, Article 86 of this Law is sufficiently and truthfully recorded in the register book of shareholders; from that time on, the buyer of such shares shall become a shareholder of the company.

4. After shares are sold, the company shall issue and grant share certificates to buyers. The company may opt to sell shares without issuing share certificates. In such case, information regarding shareholders as provided for in Clause 2, Article 86 of this Law recorded in the register book of shareholders shall be sufficient to certify such share holders' ownership of shares in the company.

5. All share certificates may be freely transferable, except cases specified in Clause 3, Article 81, and Clause 5, Article 84 of this Law. The transfer may be made in writing as usual or by mere delivery. The transfer paper must be signed by the transferor and transferee or by their authorized representatives. The transferor shall still be the owner of the relevant shares until the name of the transferee is recorded in the register book of shareholders.

Where only some shares of a bearer share certificate are transferred, the old share certificate shall be cancelled and the new share certificate stating the transferred shares and the remaining shares shall be issued by the company.

6. Conditions, methods and procedures for public share sale offer shall comply with the provisions of law on securities.

The Government shall guide the offer of individual shares for sale.

Article 88.- Issuance of bonds

A joint-stock company shall be entitled to issue bonds, convertible bonds, and other types of bond in accordance with the provisions of law and the company's charter.

A company is not allowed to issue bonds in the following cases, unless otherwise provided for in the securities law:

a/ The company fails to make full repayment for the principal and interest of issued bonds or has not yet paid or paid not in full due debts over the last three consecutive years;

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

The issuance of bonds to creditors being selected financial institutions shall not be subject to the restrictions stated at Points a and b of this Clause.

3. Unless otherwise provided for in the company's charter, the Management Board shall have the right to decide on types of bond, the total value of bonds and time of issuance, but shall have to report their decisions to the Shareholders' Meeting in the next meeting. Such report must be attached with materials and dossiers for explaining the decisions of the Management Board on the bond issuance.

Article 89.- Payment for shares, bonds

Shares and bonds of a joint-stock company shall be paid in either Vietnam dong, freely convertible foreign currencies, gold, value of land use rights, value of intellectual property rights, technology and technical know-how or other assets as provided for in the company's charter, and must be paid in full once.

Article 90.- Buy-back of shares at the request of shareholders

1. A shareholder shall be entitled to request the company to buy back his/her own shares if such shareholder votes against decisions of the Shareholders' Meeting on the reorganization of the company or alteration of the rights, obligations of shareholders provided in the company's charter. The request must be in writing, clearly stating the name and address of the shareholder and the number of shares of each type held by such shareholder, the proposed price and the reasons for such request. The request shall be sent to the company within ten working days as from the date the Shareholders' Meeting adopts decisions on the issues mentioned in this Clause.

2. A company must buy back from the shareholder, at his/her request as provided for in Clause 1 of this Article, his/her shares at the market price or a price calculated on the principles provided for in the company's charter within ninety days as from the date of receipt of such request. Where agreement cannot be reached on such price, the shareholder may sell the shares to another person or the company and the shareholder may request a professional valuation organization to determine the price. The company shall introduce at least three professional valuation organizations for selection by the shareholder and such selection is the final decision.

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

A company shall be entitled to buy back no more than 30% of total number of its issued ordinary shares, a portion or all of its sold preferential shares in accordance with the following provisions:

1. The Management Board shall have right to decide on a buy-back of no more than 10% of total number of shares of each type already offered and sold for every 12 months. In other cases, the buy-back of shares shall be decided by the Shareholders' Meeting.

2. The Management Board shall set the price for the buy-back of shares. For ordinary shares, the set price shall not be higher than their market price at the time of buyback, unless otherwise provided for in Clause 3 of this Article. The price of other types of shares shall not be lower than their market price, unless otherwise provided for in the company's charter or otherwise agreed between the company and related shareholders.

3. The company may buy back a number of shares from every shareholder corresponding to his/her equity proportion in the company. In this case, a notice of such decision by the company shall be sent via registered mail to all shareholders within thirty days as from the date of approval of such decision. A notice so made must contain the name and address of the head office of the company, the total number and types of shares to be bought back, price of such buy-back or principles for determination of such price, procedures and time limit for payment, procedures and time limit for shareholders to offer the company their shares.

Shareholders who agree to resell their shares must send their offers via registered mail to the company within thirty days after the notice date. Such a offer must state the full name, permanent address, number of the people's identity card, passport or lawful personal certification of the shareholder being an individual; name, permanent address, nationality, number of the establishment decision or business registration certificate of the shareholder being an organization, total shares owned, number of shares on sale; payment method, signature of the shareholder or his/her representative-at-law. The company shall only buy back shares offered within the said time limit.

Article 92.- Payment conditions and handling of share buy-backs

1. A company may make payment for the share buy-backs to shareholders in accordance with the provisions of Article 90 and Article 91 of this Law where immediately subsequent to such payment, the company shall still be able to pay off all due debts and other property liabilities.

2. All shares that are bought back in accordance with the provisions of Article 90 and Article 91 of this Law shall be deemed re-purchased shares eligible for re-offer.

3. Share certificates certifying the ownership of the bought-back shares shall be destroyed as soon as the respective shares have been paid in full. The chairman of the Management Board and the director or general director shall be jointly responsible for any losses caused by non-destruction or delayed destruction of such share certificates to the company.

4. Where a full payment of bought-back shares results in a decrease in the total book value of the company's assets by more than 10%, the company shall have to notify all of its creditors thereof within fifteen days as from the date of such payment.

Article 93.- Payment of dividends

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

2. Dividends payable to ordinary shares shall be determined on the basis of realized net profits and paid from the source of profits retained by the company. A join-stock company may pay dividends to its shareholders after its tax and other financial obligations have been fulfilled in accordance with the provisions of law, contributions to the company's funds have been made and previous losses have been fully covered in accordance with the provisions of law and the

company's charter; and immediately after full payment of dividends, the company must still be able to fully pay all due debts and other property liabilities.

Dividends may be paid in cash, shares or other assets as provided for in the company's charter. In case of payment in cash, the payment must be made in Vietnam dong, possibly by check or money order sent by post to the permanent addresses of shareholders.

Dividends may be paid through bank transfer when the company has all information on shareholders' banks enabling the company to make direct transfer to the shareholders' bank accounts. If the company has transferred the money according to the bank information provided by shareholders, it shall not be responsible for any losses incurred from that transfer.

3. The Management Board must make a list of shareholders who get paid and determine the amount of dividend per share, the time and form of payment at least thirty days prior the date on which the payment of dividends is to be made. The notice of dividend payment must be sent via registered mail to the registered addresses of all share holders not later than fifteen days prior to the date of such payment. Such notice must contain the name of the company, the full name, permanent address, nationality, number of the people's identity card, passport or other lawful personal certification of the shareholder being an individual or the number of the establishment decision or registration business certificate of the shareholder being an organization, the quantity of shares of each type of the shareholder; the amount of dividend per share and the total dividend to be received by such shareholder, the time and mode of payment, the full name and signature of the chairman of the Management Board and the representative-at-law of the company.

4. Where a shareholder transfers his/her shares at a time between the completion of the shareholders list and the dividend payment, the transferor shall receive the dividends paid by the company.

Article 94.- Recovery of payments for share buy-backs or dividends

Where the payment for a share buy-back does not comply with the provisions of Clause 1, Article 92 of this Law or the payment of dividends is contrary to the provisions of Article 93 of this Law, all shareholders must refund the company the paid money amounts or assets they have received; where a shareholder is unable to do so, that shareholder and all members of the Management Board shall jointly be liable for all debts and other property liabilities of the company within the value of money amounts and assets already paid to the shareholder but not yet refunded.

Article 95.- Organizational structure of management of joint-stock companies

A joint-stock company shall comprise: the Shareholders' Meeting; the Management Board, the director or general director; for a company with more than eleven shareholders being individuals or with a shareholder being an organization holding more than 50% of total shares, it must also have the Control Board.

The chairman of the Management Board or the director or general director is representative-at-law of the company as provided for in the company's charter. The representative-at-law of a company must permanently reside in Vietnam; in case he/ she is absent from Vietnam for more than thirty days, he/she must authorize in writing another person to exercise the rights and perform the duties of a representative-at-law of the company.

Article 96.- Shareholders' Meetings

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

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

a/ To adopt orientations of development of the company;

b/ To decide on types and total quantity of shares of each type the company is allowed to offer; decide on the annual amount of dividend per share of each type, unless otherwise provided for in the company's charter;

c/ To elect, remove from office and dismiss members of the Management Board and of the Control Board;

d/ To decide on investment or approve the sale of 50% or more of the total value of assets recorded in the company's latest financial statement unless a different percentage is provided for in the company's charter;

e/ To decide on the amendment or supplementation of the company's charter, except where there is an adjustment to the charter capital as a result of selling new shares within the total quantity of shares the company is allowed to offer as provided for in the company's charter;

f/ To approve annual financial statements;

g/ To decide on the buy-back of more than 10% of sold shares of each type;

h/ To investigate and handle violations committed by the Management Board and the Control Board which cause damage to the company and its shareholders;

i/ To decide on the reorganization and dissolution of the company;

j/ Other rights and duties as provided for by this Law and the company's charter.

3. Shareholders being organizations may appoint one or more authorized representatives to exercise their rights in accordance with the provisions of law. If more than one authorized representative is appointed, the number of shares and votes of each authorized representative must be determined. The appointment, termination or replacement of authorized representatives

must be notified in writing to the company at the earliest convenience. The notice must contain the following principal contents:

a/ Name, permanent address, nationality, number and date of the establishment decision or business registration certificate of the shareholder;

b/ Number and types of shares and date of shareholder registration in the company;

c/ Full name, permanent address, nationality, number of the people's identity card, passport or other lawful personal certification of the authorized representative;

d/ Number of authorized shares;

e/ Duration of authorization;

f/ Full name and signature of the authorized representative and the representative-at-law for the shareholder.

The company must send a notice on the authorized representative stated in this Clause to the business registration office within five working days as from the date of receipt of such notice.

Article 97.- Competence to convene meetings of the Shareholders' Meeting

1. The Shareholders' Meeting shall meet regularly or irregularly, at least once a year. The venue of meetings of the Shareholders' Meeting must be in the territory of Vietnam.

2. The Shareholders' Meeting shall hold a regular meeting within four months after the end of a fiscal year. At the request of the Management Board, the business registration office may extend this time limit which must, however, not exceed six months after the end of a fiscal year.

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

a/ Annual financial statement;

b/ Report of the Management Board on the evaluation of the business management in the company;

c/ Report of the Control Board on management work of the Management Board and the director or general director;

d/ Dividend per share of each type;

e/ Other issues within its competence.

3. The Management Board must convene an irregular meeting of the Shareholders' Meeting in the following cases:

- a/ The Management Board considers it necessary for the benefits of the company;
- b/ The number of remaining members of the Management Board is smaller than as provided for by law;
- c/ At the request of a shareholder or group of shareholders as provided for in Clause 2, Article 79 of this Law;
- d/ At the request of the Control Board;
- e/ Other cases as provided for by law or the company's charter.

4. Unless otherwise provided for by the company's charter, the Management Board shall convene a meeting of the Shareholders' Meeting within thirty days as from the date it has the number of its remaining members as provided for at Point b or the date of receipt of the request mentioned at Point c and d, Clause 3 of this Article.

Where the Management Board fails to convene a meeting of the Shareholders' Meeting as provided for, its chairman shall be responsible before law therefor and compensate for any damage caused to the company.

5. Where the Management Board fails to convene a meeting of the Shareholders' Meeting as provided for in Clause 4 of this Article, within the next thirty days, the Control Board shall, in place of the Management Board, convene a meeting of the Shareholders' Meeting in accordance with this Law.

Where the Control Board fails to convene a meeting of the Shareholders' Meeting as provided for, the head of the Control Board shall be responsible before law therefor and compensate for any damage caused to the company.

6. Where the Control Board fails to convene a meeting of the Shareholders' Meeting as provided for in Clause 5 of this Article, the requesting shareholder or group of shareholders mentioned in Clause 2, Article 79 of this Law, shall, in place of the Management Board and the Control Board, have the right to convene a meeting of the Shareholders' Meeting in accordance with this Law.

In this case, the shareholder or group of shareholders convening a meeting of the Shareholders Meeting may request the business registration office to supervise the convening process and the meeting if necessary.

7. The convener(s) of the a meeting of Shareholders' Meeting must make a list of shareholders entitled to participate in the meeting, provide information on and resolve complaints about such list of shareholders, prepare the agenda, contents and materials for such meeting, set the time and decide on the venue thereof, send meeting invitations to each shareholder entitled to participate in the meeting in accordance with this Law.

8. All expenses arising from the convening and proceeding of meetings of the Shareholders' Meeting as provided for in Clauses 4, 5 and 6 of this Article shall be reimbursed by the company.

Article 98.- List of shareholders entitled to participate in a meeting of the Shareholders' Meeting

1. The list of shareholders entitled to participate in a meeting of the Shareholders' Meeting shall be made based on the company's register book of shareholders. Such list shall be made when there is a decision to convene a meeting and must be completed at least thirty days before the date of opening of the Shareholders' Meeting, unless a shorter time limit is provided for in the company's charter.

2. The list of shareholders entitled to participate in a meeting of the Shareholders' Meeting shall include full name, permanent address, nationality, number of the people's identity card, passport or other lawful personal certification of every shareholder being an individual, or number of the establishment decision or business registration certificate of every shareholder being an organization; quantity of shares of each type; number and date of registration of each shareholder.

3. Every shareholder shall have the right to check, search, extract and copy the list of shareholders eligible for participation in meetings of the Shareholders' Meeting; to request amendment of incorrect information or addition of necessary information on him/herself in such list.

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

1. The convener(s) of the Shareholders' Meeting must make a list of shareholders entitled to participate in the meeting and to vote; prepare the agenda, and materials for the meeting and draft resolutions for each issue in the agenda, determine the time and venue of the meeting and send invitations to all shareholders eligible for participation in the meeting.

2. Individual shareholders or group of shareholders mentioned in Clause 2, Article 79 of this Law may propose matters to be included in the meeting agenda of a meeting of the Shareholders' Meeting. Such proposals shall be made in writing and forwarded to the company at least three working days before the opening date of such meeting; unless otherwise provided for in the company's charter. Such a proposal must specify the names of such shareholders, the quantity of shares of each type held by them, number and date of shareholder registration in the company, and matters proposed for inclusion in the meeting agenda.

3. The convener(s) of the Shareholders' Meeting may refuse proposals defined in Clause 2 of this Article in one of the following cases:

a/ Such proposals are not forwarded within the specified time limit or contain incorrect or insufficient information;

b/ The proposed matters are not within the deciding competence of the Shareholders' Meeting;

c/ Other circumstances as provided for in the company's charter.

4. Except otherwise provided in Clause 3 of this Article, the convener(s) of the Shareholders' Meeting shall accept and include proposals mentioned in Clause 2 of this Article in the proposed meeting agenda and contents; the proposals shall be officially added to the meeting agenda and contents if they are approved by the Shareholders' Meeting.

Article 100.- Invitation to meetings of the Shareholders' Meeting

1. The convener(s) of the Shareholders' Meeting shall forward invitations to all shareholders eligible for participation in meetings of the Shareholders' Meeting at least seven working days before the opening date thereof unless such a time limit is provided for in the company's charter. Invitations shall be forwarded to the permanent addresses of shareholders via registered mail.

An invitation shall state the name, address of the head office, number and date of the business registration certificate, place of business registration of the company; name and permanent address of the shareholder or the shareholder's authorized representative, time and venue of the meeting.

2. Such invitations shall be enclosed with the form of authorization of representative for attending the meeting, the voting card, discussion materials as grounds for adoption of decisions, and draft resolutions for each issue included in the meeting agenda.

If the company has a website, meeting invitations and enclosed materials must be posted on the website as well as forwarded to shareholders.

Article 101.- Authorization to participate in meetings of the Shareholders' Meeting

1. A shareholder being an individual or an authorized representative of a shareholder being an organization may directly or authorize in writing another person to participate in a meeting of the Shareholders' Meeting. If a shareholder being an organization does not have an authorized representative as provided for in Clause 3, Article 96 of this Law, it may authorize a person to attend a meeting of the Shareholder's Meeting.

2. The authorization of a representative to attend a meeting of the Shareholders' Meeting shall be made in writing according to a form set by the company and must be signed according to the following provisions:

a/ If the authorizing shareholder is an individual, there must be a signature of that shareholder and a signature of the authorized person;

b/ If the authorizer is the authorized representative of a shareholder being an organization, there must be a signature of the authorized representative, a signature of the representative-at-law of the shareholder and a signature of the person authorized to attend the meeting;

c/ In other cases, there must be a signature of the representative-at-law of the shareholder and the person authorized to attend the meeting.

The person authorized to attend a meeting of the Shareholder's Meeting must submit the authorization document before attending the session.

3. Except for the case mentioned in Clause 4 of this Article, the voting of the personal authorized to attend the meeting within the scope of authorization shall be effective even in the following cases:

a/ The authorizer is dead or his/her civil act capacity is lost or restricted;

b/ The authorizer terminates the authorization.

4. The provisions of Clause 2 of this Article shall not be applicable if the company receives a written notice on one of the cases specified in Clause 2 of this Article within twenty-four hours before the opening of a meeting of the Shareholders' Meeting.

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

Article 102.- Conditions for conducting meetings of the Shareholders' Meeting

1. A meeting of the Shareholders' Meeting shall be conducted where it is attended by a number of shareholders that own at least 65% of the voting shares. The specific ratio shall be provided for in the company's charter.

2. Where the first meeting fails to satisfy the conditions required in Clause 1 of this Article, the second meeting shall be convened within thirty days after the proposed opening date of the first meeting. The second meeting shall be conducted when participating shareholders represent at least 51% of the voting shares. The specific ratio shall be provided for in the company's charter.

3. Where the second meeting fails to satisfy the conditions provided for in Clause 2 of this Article, the third session shall be convened within twenty days after the proposed opening date of the second meeting. In this case, the third meeting of the Shareholders' Meeting shall be held regardless of the number of participating shareholders and the ratio of their voting shares.

4. Only the Shareholders' Meeting may alter the meeting agenda enclosed with the invitations in accordance with the provisions of Article 100 of this Law.

Article 103.- Procedures for conducting meetings of the Shareholders' Meeting and for voting thereat

Unless otherwise provided for in the company's charter, procedures for conducting meetings of the Shareholders' Meeting and for voting thereat shall comply with the following provisions:

1. Before the opening date of a meeting of the Shareholders' Meeting, attendance registration must be undertaken and continued until all eligible participating shareholders are registered. Upon registration, participants shall be provided with voting cards corresponding to the number of issues to be voted in the meeting agenda.

2. The chair, secretary and vote-counting committee of a meeting of the Shareholders' Meeting shall be defined as follows:

a/ The chairman of the Management Board shall chair meetings convened by the Management Board. Where he/she is absent or temporarily lost the ability to work, the remaining members shall elect one of them to be the chair of the meeting. In case none of the members may act as the chair, the highest ranking member of the Management Board shall guide the Shareholders' Meeting to elect a chair of the meeting from participating members and the member who receives the highest number of votes shall chair the meeting;

b/ In other cases, the person who signs the decision to convene a meeting of the Shareholders' Meeting shall guide the Shareholders' Meeting to elect the chair of the meeting and the person who receives the highest number of votes shall chair the meeting;

c/ The chair shall appoint a person to be the secretary in charge of taking the meeting minutes;

d/ The Shareholders' Meeting shall elect a vote counting committee consisting of not more than three persons at the request of the chair.

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

4. The chair and secretary of the meeting of the Shareholders' Meeting may take measures as necessary in order to chair the meeting in a proper and orderly manner, and in compliance with the approved agenda; or to make the meeting reflect the opinions of the majority of participants.

5. The Shareholders' Meeting shall discuss and vote each of the issues in the meeting agenda. The voting shall be conducted by firstly collecting voting cards that support the resolution, then collecting voting cards that oppose it, and finally counting the supporting voting cards, opposing voting cards, and "blank" ones. The counting results shall be announced by the chair before the meeting is closed.

6. Shareholders or authorized persons who come after the meeting opened shall be entitled to register and vote after registration. The chair must not stop the meeting for the latecomers to register; in this case the effect of votes that have been done shall not be affected.

7. The person who convenes a meeting of the Shareholders' Meeting shall have the following rights:

a/ To ask all participants to go through screening checks or other security measures;

b/ To ask competent agencies to maintain the order of the meeting; expel from the session those who do not comply with the chair's instructions, or intentionally disturb and hinder the smooth progress of the meeting, or refuse to comply with the security checking requirements.

8. The chair may delay a meeting which is attended by a sufficient number of registered participants till another time or change it to another location in the following cases:

a/ There is not enough space for all participants to be conveniently seated;

b/ Some participant commits hindering or disturbing acts which might make the meeting unfair and unlawful.

The delay time shall not exceed three days after the intended date of the meeting.

9. In case the chair delays or temporarily postpones the meeting of the Shareholders' Meeting contrary to the provisions of Clause 8 of this Article, the Shareholders' Meeting shall elect one of participants to be the chair, who shall chair the session until it closes, and the effect of votes at that session shall not be affected.

Article 104.- Adoption of decisions of the Shareholders' Meeting

1. The Shareholders' Meeting shall adopt decisions within its competence by voting during its meetings or by collecting written opinions.

2. Unless otherwise provided for in the company's charter, decisions on the following issues shall be adopted by voting during meetings of the Shareholders' Meeting:

a/ Amendment and supplementation of the company's charter;

b/ Development orientations for the company;

c/ Decision on types of shares and total number of shares of each type which may be offered for sale;

d/ Election, removal from office or dismissal of members of the Management Board or Control Board;

e/ Decision on the investment or sale of assets valued at 50% or more of the total value of the company's assets recorded in the company's latest financial statement, unless a different percentage is provided for in the company's charter;

f/ Approval of annual financial statements;

g/ Re-organization or dissolution of the company.

2. A decision made by the Shareholders' Meeting shall be adopted during a meeting when it satisfies all the following conditions:

a/ It is approved by at least 65% of total votes of all participating shareholders; the specific ratio shall be provided for in the company's charter;

b/ It is approved by at least 75% of total votes of all participating shareholders, for decisions on types of shares and number of shares of each type allowed to be offered for sale; amendments and supplements to the company's charter; reorganization or dissolution of the company; or investment or sale of assets valued at 50% or more of the total value of assets recorded in the company's latest financial statements, unless a different percentage is provided for in the company's charter; the specific ratio shall be provided for in the company's charter;

c/ The voting for electing members of the Management Board or Control Board shall be implemented by accumulatively calculating the votes, thereby each shareholder shall have a total number of voting cards corresponding to the total number of shares he/she owns multiplied by the number of elected members of the Management Board or Control Board, and the shareholders can accumulate their voting cards for one or a number of candidates.

4. Decisions adopted during the Shareholders' Meeting meetings by shareholders and authorized representatives representing 100% of the voting shares shall be lawful and take immediate effect even in cases where the order and procedures for convention, the meeting agenda and the conducting procedures were carried out in contravention of regulations.

5. Where a decision of the Shareholders' Meeting is proposed to be adopted by collecting written opinions, such decision shall be adopted if approved by a number of shareholders who own at least 75% of the total votes; the specific ratio shall be provided for in the company's charter.

6. Decisions adopted by the Shareholders' Meeting must be notified to shareholders eligible to attend meetings of the Shareholders' Meeting within fifteen days as from the date of adoption thereof.

Article 105.- Competence and procedures for collecting written opinions of shareholders to adopt decisions of the Shareholders' Meeting

Unless otherwise provided for in the company's charter, the competence and procedures for collecting written opinions of shareholders to adopt decisions of the Shareholders' Meeting shall comply with the following provisions:

1. The Management Board may collect shareholders' written opinions in order to adopt decisions of the Shareholders' Meeting at any time when it deems it necessary for the benefits of the company.

2. The Management Board must prepare opinion cards, draft decisions of the Shareholders' Meeting and explanatory documents for the draft decisions. These shall be sent via registered mail to the permanent address of every shareholder.

3. An opinion card must have the following principal contents:

a/ Name, address of the head office, number and date of grant of the business registration certificate, place of business registration of the company;

b/ Purpose for collecting opinions;

c/ Full name, permanent address, nationality, number of the people's identity card, passport or other lawful personal certification of the shareholder being an individual; name, permanent address, nationality, number of the establishment decision or business registration certificate of the shareholder being an organization; number of shares of each type and number of votes of the shareholder;

d/ Issues to be commented for the adoption of the decision;

e/ Voting options: "Yes", "No" and "Blank";

f/ The deadline to send the filled-in opinion card to the company;

g/ Full names and signatures of the chairman of the Management Board and the representative-at-law of the company.

4. Filled-in opinion cards must be signed by shareholders being individuals or by the authorized representatives or the representatives-at-law of shareholders being organizations.

Filled-in opinion cards must be put in sealed envelopes and no person shall be allowed to open such envelopes before vote counting. Those filled-in opinion cards that are sent to the company after the deadline specified in the opinion cards or are opened shall be considered invalid.

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

A vote counting minutes must contain the following principal contents:

a/ Name, address of the head office, number and date of grant of the business registration certificate, and place of business registration ;

b/ Purposes and issues for collecting opinions for the adoption of the decision;

c/ Number of voting shareholders and total number of their votes, in which the numbers of valid and invalid votes shall be specified, attached with a list of voting shareholders;

d/ Total numbers of votes that are "for", "against" or "blank" with respect to each of the issues;

e/ Decisions that are adopted;

f/ Full names and signatures of the chairman of the Management Board, the representative-at-law of the company, and the vote-counting controllers.

Members of the Management Board and vote counting controllers shall be jointly responsible for the truthfulness and accuracy of the vote counting minutes; and jointly liable for any damage caused by decisions which were adopted due to untruthful and inaccurate vote counting results.

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

7. All filled-in opinion cards, vote-counting minutes, full texts of the adopted resolutions and relevant documents attached with opinion cards must be preserved at the company's head office.

8. Decisions adopted by collecting written opinions from shareholders shall be as valid as those adopted at the meetings of the Shareholders' Meeting.

Article 106.- Minutes of meetings of the Shareholders' Meeting

1. Any meeting of the Shareholders' Meeting shall be recorded in a minutes that shall be written in Vietnamese and may also be in a foreign language and shall contain the following principal contents:

a/ Name, address of the head office, number and date of grant of the business registration certificate, place of business registration;

b/ Time and venue of the meeting of the Shareholders' Meeting;

c/ Meeting agenda and contents;

d/ Names of the chair and secretary of the meeting;

e/ Summary of the meeting proceedings and opinions and speeches made during the meeting on each issue in the meeting agenda;

f/ Number of participating shareholders and their total votes, attached with the annex of a list of shareholders and shareholders' authorized representatives registered to participate, with numbers of their respective shares and votes;

g/ Total number of votes with respect to each issue voted; in which the numbers of "for", "against" or "blank" votes are specified, the respective proportion over the total votes of participating shareholders;

h/ Adopted decisions;

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

Minutes written in Vietnamese and a foreign language shall be of equivalent legal validity.

2. The minutes of a meeting of the Shareholders' Meeting must be completed and approved before the meeting closes.

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

The minutes of a meeting of the Shareholders' Meeting must be sent to all shareholders within fifteen days after the closing date of the meeting.

The minutes of a meeting of the Shareholders' Meeting attached with the annex of a list of shareholders registered to participate in the meeting, the full texts of the adopted resolutions and other relevant materials attached with the meeting invitations must be preserved in the head office of the company.

Article 107.- Request to cancel decisions of the Shareholders' Meeting

Within ninety days as from the date of receipt of the meeting minutes of the Shareholders' Meeting or the voting result minutes in case of collecting written opinions of shareholders, members of the Management Board or the Control Board, or the director or general director shall be entitled to request the court or arbitration to consider and cancel such decisions in the following cases:

1. The order and procedures for convening the concerned meeting of the Shareholders' Meeting do not comply with the provisions of this Law and the company's charter;

2. The order and procedures for issuing the decision or such decision has some content in violation of law or the company's charter.

Article 108.- The Management Board

1. The Management Board shall act as the management body of the company, be fully authorized on behalf of the company to decide and exercise the rights and perform the obligations of the company which do not fall under the competence of the Shareholders' Meeting.

2. The Management Board shall have the following rights and duties:

a/ To decide on the development strategy, medium-term development plans and annual business plans of the company;

b/ To propose the types of shares and the total number of shares of each type allowed to be offered;

c/ To decide on the sale offer of new shares within the number of shares of each type allowed to be offered; determine the additional mobilization of capital in other forms;

d/ To set the price of shares offered and bonds issued by the company;

e/ To decide on the share buy-backs as provided for in Clause 1, Article 91 of this Law;

f/ To make decisions on investment plans and projects falling under its competence and within the limit provided for by this Law or the company's charter;

g/ To make decisions on market development, marketing and technology solutions; to approve contracts of sale, purchase, borrowing, lending or any other contracts worth 50% or more of the total value of assets recorded in the company's latest financial statement, or a smaller percentage provided for in the company's charter, except contracts and transactions defined in Clause 1 and Clause 3, Article 120 of this Law;

h/ To appoint, remove from office, dismiss, sign or terminate contracts with the director or general director and other key managers of the company as provided for in the company's charter; to decide on salary and other benefits applied to such persons; to appoint its authorized representatives to exercise the ownership right over shares or capital contributions in other companies, to decide on allowances and other benefits to be applied to such persons;

i/ To supervise and direct the director or general director and other managers in managing day-to-day business activities of the company;

j/ To decide on the organizational structure, management rules within the company; to make decisions on the setting up of subsidiary companies, branches, representative offices and on the contribution of capital to or buying of shares from other enterprises;

k/ To approve the agenda, materials used in sessions of the Shareholders' Meeting, convene sessions of the Shareholders' Meeting or collect written opinions for the adoption of decisions of the Shareholders' Meeting;

l/ To submit annual financial statements to the Shareholders' Meeting;

m/ To propose the amount of dividend to be paid, timing and procedures for payment of dividend or the settlement of losses incurred during the course of business operations;

n/ To propose reorganization, dissolution or bankruptcy of the company;

o/ Other rights and duties as provided for by this Law and the company's charter.

3. The Management Board may opt to have its decisions adopted by voting at its meetings, by collecting written opinions or other ways as provided for in the company's charter. Each member of the Management Board shall have a single vote.

4. When exercising its functions and duties, the Management Board shall have to comply with the provisions of law, the company's charter and decisions of the Shareholders' Meeting. If decisions adopted by the Management Board are in contravention of law or the company's charter, causing losses to the company, the members adopting such decisions shall be jointly responsible for such decisions and compensating the company's losses; members who oppose these decisions shall be exempt from liabilities. In this case, every shareholder who continuously owns shares of the company for at least one year may request the Management Board to suspend the execution of such decision.

Article 109.- Term and number of members of the Management Board

1. Unless otherwise provided for in the company's charter, the Management Board shall consist of at least three members and no more than eleven members. The number of the members of the Management Board who must permanently reside in Vietnam shall be provided for in the company's charter. The term of the Management Board shall be five years. The term of members of the Management Board shall be no more than five years; and members of the Management Board may be re-elected for unlimited number of terms.

2. The Management Board of the expiring term shall continue working until a new Management Board is elected and takes over the management.

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

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

Article 110.- Qualifications and conditions for acting as members of the Management Board.

1. Members of the Management Board must satisfy the following qualifications and conditions:

a/ Having full civil act capacity and are not prohibited from managing an enterprise as provided for by this Law;

b/ Being individual shareholders who own at least 5% of total ordinary shares of the company or others possessing expertise and experience in business management or in major business line(s) of the company, or satisfy other criteria and conditions as provided for in the company's charter.

2. For subsidiary companies of which the State holds shares accounting for more than 50% of the charter capital, members of their Management Board must not be related persons of managers of and persons who have competence to appoint managers of their parent company.

Article 111.- Chairman of the Management Board

1. The Shareholders' Meeting or the Management Board shall elect the chairman of the Management Board as provided for in the company's charter. In case the Management Board elects its chairman, the Management Board shall elect one among its members as the chairman. The chairman of the Management Board may hold at the same time the post of director or general director, unless otherwise provided for in the company's charter.

2. The chairman of the Management Board shall have the following rights and duties:

a/ To develop working programs and plans for the Management Board;

b/ To prepare or organize the preparation of the agenda, contents and materials for meetings of the Management Board, convene and chair such meetings;

c/ To arrange for the adoption of decisions by the Management Board;

d/ To monitor the implementation of decisions adopted by the Management Board;

e/ To chair sessions of the Shareholders' Meeting;

f/ Other rights and duties as provided for by this Law and the company's charter.

3. Where the chairman of the Management Board is absent, another member shall be authorized by the chairman of the Management Board to exercise the rights and duties of the chairman according to the principles established in the company's charter. In cases where no member is so authorized or the chairman of the Management Board is incapable of working, other members shall elect by majority vote one among themselves to hold the temporary chairmanship of the Management Board.

Article 112.- Meetings of the Management Board

1. If the Management Board elects the chairman, the first meeting of the term of the Management Board to elect the chairman and adopt other decisions under its competence shall be conducted within seven working days after the end of the election of the Management Board for such term. This meeting shall be convened by the member with the highest number of votes. If more than one member have equal and highest numbers of votes, the voting members shall elect by majority vote one of them to convene the meeting of the Management Board.

2. The Management Board may hold regular or irregular meetings. The Management Board may meet at the head office of the company or elsewhere.

3. Regular meetings of the Management Board shall be convened by the chairman at any time necessary, however, at least once every quarter.

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

a/ The Control Board;

b/ The director or general director or at least five other managers;

c/ At least two members of the Management Board;

d/ Other cases as provided for in the company's charter.

The request must be made in writing, clearly stating the objectives, issues to be discussed and decided under the competence of the Management Board.

5. The chairman shall convene a meeting of the Management Board within fifteen days as from the date of receipt of the request. If the chairman fails to do so, he/she shall be responsible for losses incurred by the company; requesters may in replacement of the Management Board, convene a meeting of the Management Board.

6. Unless otherwise provided for in the company's charter, the chairman of the Management Board or the person who convenes a meeting of the Management Board must send invitations at least five working days before the meeting date. Such invitation must specify the meeting time and venue, agenda, issues to be discussed and decided. Relevant materials to be used in the meeting and voting cards shall be attached to the invitations.

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

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

Members of the Control Board, the director or general director, who are not members of the Management Board may participate in all meetings of the Management Board, have the right to discuss but not the right to vote.

8. A meeting of the Management Board shall be conducted if it is attended by three-quarters or more of the total number of its members.

Members who do not directly attend a meeting may vote in writing. Voting cards must be put in sealed envelopes and sent to the chairman of the Management Board at least one hour before the opening of the meeting. They may only be opened in front of all participants in the meeting.

A decision of the Management Board shall be adopted if it is so approved by a majority of the participating members; where the numbers of votes for and against are equal, decision of the chairman shall be the final one.

9. Members must participate in all meetings of the Management Board. Members may authorize other persons to participate meetings of the Management Board, if it is so approved by a majority of members of the Management Board.

Article 113.- Minutes of meetings of the Management Board

1. All meetings of the Management Board must be recorded in the minutes book. Minutes shall be in Vietnamese and possibly in a foreign language and shall have the following principal contents:

a/ Name, address of the head office, number and date of grant of the business registration certificate, place of business registration;

b/ Objectives, agenda and contents of meetings;

c/ Time and venue of meetings;

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

e/ Issues discussed and voted during meetings;

f/ Summary of opinions by each participant in the order of the meeting proceedings;

g/ The voting result, clearly stating members who vote for, against and express no idea;

h/ Adopted decisions;

i/ Full names and signatures of all participating members or authorized participants.

The chair and secretary of a meeting of the Management Board shall be liable for the truthfulness and accuracy of the minutes of the meeting.

2. Minutes of the Management Board meetings and materials used during such meetings shall be kept in the head office of the company.

3. Minutes in Vietnamese and foreign language shall be of equivalent legal validity.

Article 114.- The right of members of the Management Board to be supplied with information

1. Members of the Management Board shall be entitled to request the director or general director, the deputy director or deputy general director, and managers of different units of the company to provide information and documents related to the financial situation and business operations of the company and various units in the company.

2. A manager so requested must provide adequate and accurate information, materials in a timely manner as requested by members of the Management Board.

Article 115.- Removal, dismissal and supplementation of members of the Management Board

1. A member of the Management Board shall be removed or dismissed in the following cases:

a/ No longer meeting criteria and conditions as provided for in Article 110 of this Law;

b/ Failing to participate in meetings of the Management Board for six consecutive months, except for force majeure circumstances;

c/ Having a letter of resignation;

d/ Other cases as provided in the company's charter.

2. Apart from the cases provided for in Clause 1 of this Article, a member of the Management Board may be removed at any time by a decision of the Shareholders' Meeting.

3. Where the number of members of the Management Board is reduced by more than one-third of the number as provided for in the company's charter, the Management Board shall convene a session of the Shareholders' Meeting within sixty days as from the date on which the number of members is reduced by more than one-third in order to supplement new members.

In other cases, the first coming meeting of the Shareholders' Meeting shall elect new members to replace dismissed or removed members of the Management Board.

Article 116.- Director or general director

1. The Management Board shall appoint one among its members or hire another person to act as the director or general director. The director or general director shall act as the representative-at-law of the company unless the company's charter provides that the chairman of the Management Board shall so act.

2. The director or general director shall manage day-to-day business operations of the company under the supervision of the Management Board and be answerable to the Management Board for his/her performance of assigned rights and duties.

The term of the director or general director shall not exceed five years and may be renewed for unlimited number.

The qualifications and conditions of the director or general director shall be as provided for in Article 57 of this Law.

The director or general director of the company cannot be concurrently the director or general director of another enterprise.

3. The director or general director shall have the following rights and duties:

a/ To decide on matters related to day-to-day business operations of the company, which do not require decisions of the Management Board;

b/ To organize the implementation of decisions adopted by the Management Board;

c/ To organize the implementation of business and investment plans of the company;

d/ To propose the organizational structure plan and the internal management regulations of the company;

e/ To appoint, remove or dismiss managers in the company, except those who are under the competence of the Management Board;

f/ To decide on salaries and allowances (if any) for employees of the company, including those managers whose appointment falls under the competence of the director or general director;

g/ To recruit laborers;

h/ To propose plans to pay dividends or deal with business losses;

i/ Other rights and duties as provided for by this Law, the company's charter and decisions of the Management Board.

4. The director or general director must manage day-to-day business operations of the company in accordance with the provisions of law, the company's charter, the labor contract signed with the company and decisions of the Management Board. If the management violates these regulations causing damage to the company, the director or general director shall be responsible before law and pay compensation for such damage.

Article 117.- Remuneration, salary and other benefits of members of the Management Board, director or general director

1. The company shall be entitled to pay the remuneration, salaries of the members of the Management Board, director or general director and other managers according to the results and profits of the business.

2. Unless otherwise provided for in the company's charter, the remuneration, salaries, and other benefits of the members of the Management Board, director or general director shall be paid according to the following regulations:

a/ Members of the Management Board shall receive remuneration and bonuses. The remuneration is calculated based on the number of working days needed to complete the tasks of members of the Management Board and the daily remuneration. The Management Board estimates the remuneration for each member on the principle of consensus. The total remuneration of the Management Board shall be determined by the Shareholders' Meeting in its annual meetings;

b/ Members of the Management Board can be reimbursed all expenses such as meals and accommodation, travel expenses and other reasonable expenses that they have paid to fulfill their assigned tasks;

c/ The director or general director shall receive salary and bonuses. The salary of the director or general director shall be determined by the Management Board.

3. Remuneration of the Management Board members and salaries of the director or general director or other managers of the company shall be accounted as business expenses of the company according to the provisions of law on enterprise income tax and must be presented in a separate section of the company's annual financial statements and reported to the Shareholders' Meeting at its annual meetings.

Article 118.- Disclosure of related benefits

1. Members of the Management Board, the director or general director and other managers of the company must declare all their related benefits with the company, including:

a/ Name, head office address, business lines, number and date of grant of the business registration certificate, place of business registration of the enterprise in which they have capital contribution or shares; proportion and time of holding such capital contribution or shares;

b/ Name, head office address, business lines, number and date of grant of the business registration certificate, place of business registration of the enterprise in which their related people individually or jointly hold capital contribution or shares greater than 35% of the charter capital.

2. Declarations mentioned in Clause 1 of this Article shall be made within seven working days as from the date of arising of related benefits; all changes and supplements, if any, must be declared with the company within seven working days as from the date of making of such changes or Supplements.

3. Declarations mentioned in Clauses 1 and 2 Of this Article must be informed to the Shareholders' Meeting during its annual meetings and shall be posted or kept at the head office of the company. All shareholders, authorized representatives of shareholders, members of the Management Board and the Control Board, the director or general director shall have right to review the content of any declaration at any time if necessary.

4. Members of the Management Board, the director or general director who, on their personal behalf or on behalf of others, do any work in any form within the scope of the business operations of the company shall have to explain the nature and contents of such work to the Management Board and the Control Board and can only do this work with the approval of the majority of the remaining members of the Management Board. If such work is performed without declaration to or approval of the Management Board, all incomes generating there from shall belong to the company.

Article 119.- Obligations of managers

1. The Management Board members, the director or general director and any other managers of a company shall have the following obligations:

a/ To exercise rights and perform duties assigned in accordance with the provisions of this Law, other relevant laws, the company's charter and decisions of the Shareholders' Meeting;

b/ To exercise assigned rights and duties in an honest, careful and optimal manner to ensure the maximum legitimate interests of the company and its shareholders;

c/ To be loyal to the company's benefits and shareholders; not to use business information, know-how and opportunities; not to abuse their position, power and use the company's assets for benefits of his/her own or of any other organizations or individuals;

d/ To inform promptly, sufficiently and exactly the company of enterprises owned by themselves or their related persons or enterprises in which they or their related persons have capital contributions or controlling shares. This notice shall be posted at the head office and branches of the company.

2. Apart from the obligations defined in Clause 1 of this Article, the Management Board or the director or general director shall not be allowed to increase salaries and pay bonuses when the company fails to pay off due debts.

3. Other obligations as provided for by this Law and the company's charter.

Article 120.- Contracts, transactions subject to approval by the Management Board or the Shareholders' Meeting

1. Contracts and transactions between the company and the following entities must be approved by the Shareholders' Meeting or the Management Board:

a/ Shareholders, authorized representatives of shareholders that own more than 35% of total ordinary shares of the company and their related persons;

b/ Members of the Management Board, the director or general director;

c/ Enterprises specified at Point a and Point b, Clause 1, Article 118 of this Law and other related persons of the members of the Management Board, the director or general director.

2. Contracts and transactions valued at under 50% of the total value of the company's assets in the latest financial statement or another smaller percentage as provided for in the company's charter shall be approved by the Management Board. In this case, the representative-at-law of the company shall send draft contracts or inform the principal contents of the intended transactions to all members of the Management Board or post them at the head office and branches of the company. The Management Board shall decide on approval of such contracts or transactions within fifteen days as from the date of posting. Members, who have benefits related to such contracts or transactions shall not have right to vote.

3. Other contracts and transactions except those mentioned in Clause 2 of this Article shall be approved by the Shareholders' Meeting. The Management Board shall submit draft contracts or explain the principal contents of the intended transactions at meetings of the Shareholders' Meeting or to collect written opinions of shareholders. In this case, shareholders related to such contracts or transactions shall not have the right to vote and the contracts or transactions shall be approved when shareholders representing 65% of total votes approve.

4. If contracts are signed or transactions are conducted without the approval as provided for in Clause 2 and Clause 3 of this Article, such contracts or transactions shall be invalid and handled according to the provisions of law. The representative-at-law of the company, shareholders, members of the Management Board or the director or general director related to such contracts or transactions shall have to compensate for any incurred losses and return to the company all benefits from the performance of such contracts or transactions.

Article 121.- The Control Board

1. Unless otherwise provided for in the company's charter, the Control Board consist of three to five members; the term of the Control Board shall be no more than five years; and the members of the Control Board may be re-elected with unlimited number of terms.

2. Members of the Control Board shall elect one of them to be the head of the Control Board. Rights and obligations of the head of the Control Board shall be defined in the company's charter. More than half of the members of the Control Board must permanently reside in Vietnam, and at least one member is an accountant or auditor.

3. At the end of the term and if the Control Board of a new term has not been elected, the former Control Board shall continue exercising rights and performing tasks until the new Control Board is elected and takes over its tasks.

Article 122.- Criteria and conditions for members of the Control Board

1. Members of the Control Board must satisfy the following criteria and conditions:

a/ Being 21 years old or older, having full civil act capacity and not being prohibited from establishing and managing an enterprise as provided for by this Law;

b/ Not being wives or husbands, fathers, adoptive fathers, mothers, adoptive mothers, children, adopted children and blood siblings of the members of the Management Board, the director or general director and other managers of the company.

2. Members of the Control Board shall not hold any managerial position in the company. Members of the Control Board are not necessarily shareholders or employees of the company.

Article 123.- Rights and duties of the Control Board

1. To supervise the management and direction of the company by the Management Board and the director or general director; to be responsible to the Shareholders' Meeting for the performance of its assigned tasks.

2. To verify the reasonability, legality, truthfulness and carefulness of business management and direction, accounting and statistical work, and making of financial statements.

3. To verify business reports, annual and biannual financial statements of the company, and evaluation reports on the company's management of the Management Board.

To submit to the regular meetings of the Shareholders' Meeting the appraisal reports on annual financial statements and business reports of the company and the evaluation reports on the management of the Management Board.

4. To check accounting books and other materials of the company and the management and direction of the company's activities at any time if necessary or under a decision of the Shareholders' Meeting or at the request of individual shareholders or group of shareholders in accordance with the provisions of Clause 2, Article 79 of this Law.

5. If there is a request from individual shareholders or a group of shareholders provided for in Clause 2, Article 79 of this Law, the Control Board shall investigate within seven working days from the date of receipt thereof. Within seven working days from the date of completion of the investigation, the Control Board shall make an explanation report on investigated issues and send it to the Management Board, the requesting shareholder or group of shareholders.

The investigation by the Control Board provided for in this Clause must neither obstruct the normal operations of the Management Board nor disrupt the management of business operations of the company.

6. To propose to the Management Board or the Shareholders' Meeting measures to adjust and improve organizational and business management structures of the company.

7. When members of the Management Board, the director or general director are discovered to have violated the obligations of company managers provided for in Article 119 of this Law, to

promptly send a written notice to the Management Board requesting the termination of such violations and the remedy of consequences.

8. To exercise other rights and perform other duties in accordance with the provisions of this Law, the company's charter and decisions of the Shareholders' Meeting.

9. The Control Board may use independent consultants to perform assigned duties.

The Control Board may consult the Management Board before submitting reports, conclusions and recommendations to the Shareholders' Meeting.

Article 124.- Right of the Control Board to be provided with information

1. Meeting invitations or opinion cards of members of the Management Board and other relevant materials enclosed thereto shall be sent to members of the Control Board at the same time and in the same way as to members of the Management Board.

2. Reports made by the director or general director and submitted to the Management Board and other relevant materials issued by the company shall be sent to members of the Control Board at the same time and in the same way as applied to members of the Management Board.

3. Members of the Control Board shall have the right to get access to all files and documents of the company which are kept at the head office, branches of the company and other locations and shall have the right to come to all locations where managers and employees of the company work.

4. The Management Board and its members, the director or general director and other managers must provide fully and in time information and documents on management work and business operations of the company at the request of the Control Board.

Article 125.- Remuneration and other benefits for members of the Control Board

Unless otherwise provided for in the company's charter, remuneration and other benefits for members of the Control Board shall be paid according to the following provisions:

1. Members of the Control Board shall receive remuneration based the work done and other benefits as decided by the Shareholders' Meeting. The Shareholders' Meeting shall decide on the total remuneration and the annual operation budget for the Control Board based on the estimated number of working days, volume and nature of work and the average daily remuneration of members.

2. Members of the Control Board shall be paid for meals, accommodation, travel expenses and fees for hiring independent consultancy services at a reasonable level. The total remuneration and expenses shall not exceed the total annual budget for operations of the Control Board approved by the Shareholders' Meeting, unless otherwise decided by the Shareholders' Meeting.

3. Remuneration and operations expenses of the Control Board shall be accounted as business expenses of the company according to the provisions of law on enterprise income tax and other relevant laws, and shall be presented in a separate section of the company's annual financial statement.

Article 126.- Obligations of members of the Control Board

1. To comply with the laws, the company's charter, decisions of the Shareholders' Meeting and professional ethics in exercising assigned rights and tasks.

2. To exercise assigned rights and duties in an honest, careful and optimal manner in order to ensure the maximum legitimate benefits of the company and its shareholders.

3. To be loyal to the benefits of the company and shareholders; not to use business information, know-how and opportunities of the company; not to abuse their position and power and use the company's assets for their own benefits or for benefits of other organizations or individuals.

4. Other obligations as provided for by this Law and the company's charter.

5. If violating obligations defined in Clauses 1, 2, 3 and 4 of this Article causing losses to the company or others, the members of the Control Board shall be individually or jointly responsible for compensating such losses.

Every income and other benefits gained directly or indirectly by members of the Control Board from violating the obligation specified in Clause 3 of this Article shall belong to the company.

6. In cases where the violation of members of the Control Board in the exercise of assigned rights and tasks is discovered, the Management Board shall notify such in writing to the Control Board, requiring the violators to stop their violation and remedy consequences.

Article 127.- Removal and dismissal of members of the Control Board

1. Members of the Control Board may be removed or dismissed in following cases:

a/ No longer satisfying the criteria and conditions required for members of the Control Board as provided for in Article 122 of this Law;

b/ Failing to exercise their rights and tasks for six consecutive months, except force majeure circumstances;

c/ Submitting a letter of resignation;

d/ Other cases as provided for in the company's charter.

2. Apart from the cases specified in Clause 1 of this Article, members of the Control Board may be dismissed at any time as decided by the Shareholders' Meeting.

3. If the Control Board seriously violates its obligations, which probably cause losses to the company, the Management Board shall convene the Shareholders' Meeting to consider and dismiss the existing Control Board and elect a replacing one.

Article 128.- Submission of annual statements and reports

1. By the end of a fiscal year, the Management Board shall prepare the following reports and materials:

a/ Report on the business operation of the company;

b/ Financial statements;

c/ Evaluation report on the management and direction of the company;

2. Annual financial statements of a joint-stock company, if required by law to be audited, must be audited before they are submitted to the Shareholders' Meeting for consideration and approval.

3. Unless otherwise provided for in the company's charter, reports and documents provided for in Clause 1 of this Article must be sent to the Control Board at least thirty days before the opening of the regular meetings of the Shareholders' Meeting.

4. Unless otherwise provided for in the company's charter, reports and documents prepared by the Management Board together with the appraisal reports of the Control Board and the auditing reports must be available at the head office of the company and its branches at least seven working days before the opening of the regular meetings of the Shareholders' Meeting.

All shareholders who hold shares of the company for at least one year shall have the right to review the reports and statements mentioned in this Article at a appropriate time by themselves or with their lawyers, or certified auditors or accountants.

Article 129.- Disclosure of information on joint-stock companies

1. Joint-stock companies shall forward their annual financial statements already approved by the Shareholders' Meeting to competent state agencies according to the provisions of law on accounting and other relevant laws.

2. A brief of the annual financial statement shall be notified to all shareholders.

3. All individuals or organizations shall be entitled to have access to or make copies of the annual financial statements of a joint-stock company at the competent business registration office.

Chapter V

PARTNERSHIPS

Article 130.- Partnerships

1. A partnership is an enterprise in which:

a/ There are at least two partners who are co-owners of the company, jointly conduct business under one common name (hereinafter referred to as partners); in addition to general partners, there may also be limited partners;

b/ General partners to a partnership must be individuals who are liable for all obligations of the partnership with his/her own entire property;

c/ Limited partners shall be liable for debts of the partnership only to the extent of their capital contribution to the partnership.

2. A partnership shall have the legal person status from the date of receipt of the business registration certificate.

3. A partnership must not issue any type of securities.

Article 131.- Capital contribution and grant of capital share certificates

1. General partners and limited partners shall have to make capital contribution in full and on time as committed.

2. If a general partner fails to contribute capital in full and on time as committed, thereby causing losses to the company, such partner shall have to compensate the company for such losses.

3. If a limited partner fails to contribute capital in full and on time as committed, the deficit amount shall be regarded as a debt of such partner to the company; in this case, such limited partner may be expelled from the company as decided by the Partners' Council.

4. At the time of making full capital contribution as committed, partners shall be granted a capital share certificate. A capital share certificate shall have the following principal contents:

a/ Name, address of the head office of the partnership;

b/ Number and date of grant of the business registration certificate;

c/ Charter capital of the partnership;

d/ Name, permanent address, nationality, number of the people's identity card, passport or other legal personal certification of the partner and type of partner;

e/ Value of contributed capital amount and type of assets used as contributed capital of partners;

f/ Number and date of grant of the capital share certificate;

g/ Rights and obligations of the owner of the capital share certificate;

h/ Full name and signature of the owner of the certificate of capital contribution and of all general partners of the partnership.

5. If the capital share certificate is lost, torn, burnt or otherwise destroyed, partners shall be granted a new one by the partnership.

Article 132.- Assets of a partnership

1. Assets used as capital contributions by partners, the ownership of which has been transferred to the partnership.

2. Assets created under the partnership's name.

3. Assets acquired from any business operations performed by general partners on behalf of the partnership or from any business operations within the registered business lines of the partnership which are conducted by general partners on their own behalf.

4. Other assets as provided for by law.

Article 133.- Restrictions on rights of general partners

1. General partners cannot be owner of a private enterprise or general partners of other partnerships Unless it is so agreed by the remaining general partners.

2. General partners cannot conduct the same business lines of the partnership whether on their behalf or others' behalf for their own benefits or benefits of other organizations or individuals.

3. Without approval from the remaining general partners, general partners cannot transfer part or the whole of their capital contribution in the partnership to others.

Article 134.- Rights and obligations of general partners

1. General partners shall have the following rights:

a/ To participate in meetings, discuss and vote all issues in the partnership; each general partner has one vote unless otherwise provided for in the partnership's charter;

b/ On behalf of the partnership, to conduct business operations within the registered business lines of the partnership; negotiate and enter into contracts, agreements or accords with terms deemed to be the most beneficial to the partnership;

c/ To use the partnership's seal and property to conduct business operations within the registered business lines of the partnership; if money is advanced by a partner to conduct the partnership's business, he/she can request the partnership to return the principal of the advanced money and its interest calculated at the market interest rate;

d/ To request the partnership to cover losses from conducting business operations within its powers if such losses were incurred not due to partners' mistakes;

e/ To request the partnership or any other general partners to provide information on the partnership's business operations; inventory assets, check accounting books and other documents of the partnership at any time if necessary;

f/ To receive profit sharing pro rata with the proportion of the capital contribution or as agreed in the partnership's charter;

g/ To receive a portion of the remaining assets pro rata with the proportion of the capital contribution, unless another ratio is provided for in the partnership's charter when the partnership dissolves or goes bankrupt;

h/ If a general partner is dead or declared dead by the court, his/her heir shall enjoy the portion of asset which the deceased partner shall be entitled to receive after his/her debt to the partnership has been paid. The heir may become a general partner if it is so approved by the Partners' Council.

i/ Other rights as provided for by this Law and the partnership's charter.

2. General partners shall have the following obligations:

a/ To manage and carry out business operations in an honest, careful and optimal manner to ensure the maximum lawful benefits of the partnership and all partners;

b/ To manage and supervise business operations of the partnership in accordance with the provisions of law, the partnership's charter and decisions of the Partners' Council; if violating the provisions of this Point, causing losses to the partnership, to be responsible for compensating the partnership for such losses;

c/ Not to use the partnership's assets for their own benefits or benefits of other organizations or individuals;

d/ If a general partner receives money or property by using the partnership's name or on his/ her behalf or another person's behalf or receives money or property from business activities within the partnership's registered business lines and does not return to the partnership, he/she shall have to return the money or property received;

e/ To be jointly responsible for paying off all remaining debts of the partnership if the property of the partnership is not enough for paying off all the partnership's debts;

f/ If the partnership makes business losses, to incur losses pro rata to their capital contribution to the partnership as agreed upon in the partnership's charter;

g/ To make monthly truthful and accurate reports to the partnership on their business progress and results and provide information on their business progress and results to partners who have a request;

h/ Other obligations as provided for by this Law and the partnership's charter.

Article 135.- Partners' Council

1. All partners shall form the Partners' Council. The Partners' Council shall elect one general partner to be its chairman who shall concurrently be the director or general director, unless otherwise provided in the partnership's charter.

2. All general partners shall be entitled to convene meetings of the Partners' Council to discuss and decide on business activities of the partnership. Partners who convene a meeting must prepare the content, agenda and materials for the meeting.

3. The Partners' Council shall be entitled to decide on all business issues of the partnership. Unless otherwise provided for in the partnership's charter, decisions on the following issues shall be approved by at least three-quarters of the total number of general partners:

a/ The partnership's development orientations;

b/ Amendments and supplements to the partnership's charter;

c/ Admission of new general partners;

d/ Acceptance of the withdrawal of general partners from the partnership and decision on the exclusion of members from the partnership;

e/ Decision on investment projects;

f/ Decision on borrowing and mobilization of capital in other forms, lending capital with a value equal to or higher than 50% of the partnership's charter capital, unless otherwise provided for in the partnership's charter;

g/ Decision on purchase, sale of assets valued at equal to or higher than the partnership's charter capital, unless otherwise provided for in the partnership's charter;

h/ Decision on approval of annual financial statements and total profits allowed to be divided and profits divided to each partner;

i/ Decision on the partnership's dissolution.

4. Decisions on issues not specified in Clause 3 of this Article shall be approved if they are accepted by at least two-thirds of general partners; a specific ratio shall be provided for in the partnership's charter.

5. The right of limited members to vote shall be provided for in the partnership's charter.

Article 136.- Convention of meetings of the Partners' Council

1. The chairman of the Partners' Council may convene a meeting of the Partners' Council at any time if necessary or at the request of general partners. If the chairman fails to convene a meeting at the request of general partners, the requesting partners shall convene the meeting.

2. Invitation to a meeting may be in writing, by telephone, fax, telex or other electronic equipment. An invitation must specify the purpose, requirements, content, agenda and venue of the meeting and the name of the partner requesting convention of the meeting.

Documents used for deciding on issues as provided for in Clause 3, Article 135 of this Law should be sent in advance to all partners. The time limit for sending such documents shall be specified in the partnership's charter.

3. The chairman of the Partners' Council or partners who request convention of the meeting shall chair the meeting. All meetings of the Partners' Council shall be recorded in the minutes book of the partnership. A minutes must have the following principal contents:

a/ Name, address of the head office of the partnership, number and date of grant of the business registration certificate, place of business registration;

b/ Purpose, content and agenda of the meeting;

c/ Time and place of the meeting;

d/ Full names of the chair and participating partners;

e/ Opinions expressed by participating partners;

f/ Adopted decisions, number of partners who approve and the principal contents of such decisions;

g/ Full names and signatures of all participating partners.

Article 137.- Business management of a partnership

1. All general partners shall have the right to be representatives-at-law and manage and conduct daily business activities of the partnership. Any restriction on general partners in conducting daily business activities of the partnership shall only have effect to a third party if this party is informed of such restriction.

2. In managing the partnership's business operations, general partners shall divide duties for managing and supervising the partnership.

When some or all general partners jointly conduct several business activities, decisions shall be made on the principle of majority.

Any activity which is conducted by any general partner outside business operations within the scope of the partnership's registered business lines shall not fall within the responsibilities of the partnership unless such operations are accepted by the remaining partners.

3. The partnership may open one or several bank accounts. The Partners' Council shall authorize one partner to deposit and withdraw money from these accounts.

4. The chairman of the Partners' Council, the director or general director shall have the following duties:

a/ To manage and direct day-to-day business operations of the partnership as a general partner;

b/ To convene and conduct meetings of the Partners' Council; sign decisions or resolutions of the Partners' Council;

c/ To assign and coordinate business operations among general partners; sign decisions on regulations, rules and other internal organizational issues of the partnership;

d/ To arrange, keep complete and truthful accounting books, invoices and vouchers and other documents of the partnership according to the provisions of law;

e/ To represent the partnership in relations with state agencies; represent the partnership as a plaintiff or a defendant in lawsuits or commercial or other disputes;

f/ Other duties as provided for in the partnership's charter.

Article 138.- Termination of general partner status

1. A general partner status shall be terminated in one of the following cases:

a/ Voluntary capital withdrawal from the partnership;

b/ He/she is dead or declared dead by the court;

c/ He/she is declared missing by the court or his/her civil act capacity is restricted or lost;

d/ He/she is expelled from the partnership;

e/ Other cases as provided for in the partnership's charter.

2. General partners may withdraw capital from the partnership if approved by the Partners' Council. In this case, partners who want to withdraw capital from the partnership shall notify in writing the capital withdrawal request at least six months before the date of capital withdrawal. Capital shall only be allowed to be withdrawn at the end of a fiscal year and the financial statement of such fiscal year has been approved.

3. General partners shall be expelled from the partnership in the following cases:

a/ They are unable to contribute capital or fail to contribute capital as committed after the partnership has sent the second notification;

b/ They violate the provisions of Article 133 of this Law;

c/ They fail to conduct business activities in an honest and careful manner, or have inappropriate behaviors causing serious losses to the partnership's and others partners' benefits;

d/ They fail to perform properly obligations of general partners.

4. In case of termination of the partner status of a partner whose civil act capacity is restricted or lost; the capital contribution of such partner shall be returned fairly and properly.

5. Within two years as from the date of terminating the general partner status as provided for at Point a and Point d, Clause 1 of this Article, such partners shall still be jointly responsible for the partnership's debts by their entire property which arose before such date.

6. After the termination of the general partner status, if the name of such partner has been used as part or the whole of the name of the partnership, such partner may request the partnership to stop that use.

Article 139.- Admission of new partners

1. A partnership may admit new general or limited partners; admission of new partners of a partnership shall be subject to approval of the Partners' Council.

2. A new general partner or limited partner shall make full capital contribution to the partnership within fifteen days from the date of admission, unless another time limit is decided by the Partners' Council.

3. New general partners shall jointly be responsible for all debts and other property liabilities of the partnership with their entire property, unless otherwise agreed between such new partners and the other partners.

Article 140.- Rights and obligations of limited partners

1. Limited partners shall have the following rights:

a/ To participate in meetings, discuss and vote in the Partners' Council on amendments and supplements to the partnership's charter, amendments and supplements to rights and obligations of limited partners, re-organization and dissolution of the partnership, and other contents of the partnership's charter that are directly related to their rights and obligations;

b/ To receive annual profits sharing pro rata the proportion of capital contribution in the partnership's charter capital;

c/ To be provided with annual financial statements of the partnership; request the chairman of the Partners' Council, general partners to provide fully and truthfully information on the business operations and results of the partnership; review accounting books, minutes book, contracts, transaction documents, files and other documents of the partnership;

d/ To transfer their capital contributions in the partnership to others;

e/To conduct the same registered business lines of the partnership on their behalf or others' behalf;

f/ To dispose of their capital contribution by bequeathing, giving, presenting, mortgaging, pledging and other activities as provided for by law and the partnership's charter; if a partner is dead or declared dead by the court, the heir replacing the deceased partner shall become the limited partner of the partnership;

g/ To receive part of the remaining assets pro rata to the proportion of capital contribution in the partnership's charter capital when the partnership is dissolved or goes bankrupt;

h/ Other rights as provided for by this Law and the partnership's charter.

2. Limited partners shall have the following obligations:

a/ To be responsible for all debts and other property liabilities of the partnership within their committed capital contribution proportions;

b/ Not to manage the partnership or conduct business activities on behalf of the partnership;

c/ To comply with the partnership's charter and rules and decisions of the Partners' Council;

d/ Other obligations as provided for by this Law and the partnership's charter.

Chapter VI

PRIVATE ENTERPRISES

Article 141.- Private enterprises

1. A private enterprise is an enterprise owned by an individual who is liable for all of its operations with his/her entire property.
2. Private enterprises shall not be allowed to issue any type of securities.
3. Each individual may only establish one private enterprise.

Article 142.- Investment capital of enterprise owners

1. The investment capital of the owner of a private enterprise shall be registered by the owner himself/herself. The owner shall be obliged to register exactly the total amount of investment capital, in which the amounts in Vietnam dong, in freely convertible foreign currency, of gold and other assets shall be specified; for capital in other assets, the type, quantity and residual value of such assets must be clearly stated.
2. All capital and assets including borrowed capital and leased property, once used for business operations of the enterprise, must be fully reflected in accounting books and financial statements of the enterprise as provided for by law.
3. In the course of business, the owner of a private enterprise may increase or reduce his/her investment capital in business operations of the enterprise, which shall be reflected in accounting books. Where the remaining capital after reduction is lower than the registered investment capital, the owner may do so only after registering such reduction with the business registration office.

Article 143.- Management of private enterprises

1. The owner of a private enterprise has the full decision-making power on any business operation of the enterprise, the use of its profits after payment of taxes and fulfillment of other financial obligations according to the provisions of law.
2. The owner of a private enterprise may directly manage and run business operations of the enterprise or employ another person to do so. Where the latter is the case, the owner must register it with the business registration office while still taking full responsibility for all business operations of the enterprise.
3. The owner of a private enterprise shall act as plaintiff, defendant or person with related interests and obligations before arbitration tribunals or courts in all disputes related to the enterprise.
4. The owner shall act as the representative-at-law of the enterprise.

Article 144.- Leasing of private enterprises

The owner of a private enterprise may lease his/ her entire enterprise, provided he/she shall report in writing thereon to the business registration office and the tax agency and such report

shall be enclosed with a notarized copy of the leasing contract. During the lease term, the owner of such private enterprise shall remain liable before law in the capacity as its owner. Rights and responsibilities of the owner and the lessee with respect to business operations of the enterprise shall be defined in the leasing contract.

Article 145.- Sale of private enterprises

1. The owner of a private enterprise may sell his/her enterprise to another person. At least fifteen days before the date of transfer of the enterprise, the owner shall notify in writing the business registration office of the transfer. The notice shall specify the name and head office of the sold enterprise; name and address of the buyer; total amount of outstanding debts of the enterprise; name, address, and the amount of debt of each creditor, the date of payment to each creditor; labor contract and other contracts that have been concluded but not yet completed and methods of settlement of such contracts.

2. The owner, after selling his/her enterprise, shall still be liable for all debts and other property liabilities of the enterprise that have not been paid off, unless otherwise agreed by the buyer, the seller, and the creditors.

3. The seller and the buyer of a private enterprise must observe the provisions of law on labor.

4. The buyer of a private enterprise must reregister the business according to the provisions of this Law.

Chapter VII

GROUP OF COMPANIES

Article 146.- Group of companies

1. Group of companies is a combination of companies which have long-term interrelations in terms of economic benefits, technology, market and other business services.

2. Groups of companies include:

a/ Parent company - subsidiary company;

b/ Economic conglomerate;

c/ Other forms.

Article 147.- Rights and responsibilities of the parent company with respect to its subsidiary companies

1. Depending on the legal form of a subsidiary company, the parent company shall exercise rights and perform obligations as a member, an owner or a shareholder in the relation with the subsidiary company according to relevant provisions of this Law and other laws.
2. Except the case mentioned in Clause 1 of this Article, all contracts, transactions and other relationships between the parent company and its subsidiary companies must be established and performed independently and equally under conditions applied to independent legal entities.
3. In case the parent company interferes beyond its competence as the owner, member or shareholder, or forces the subsidiary companies to carry out business activities that run counter with normal business practices or to conduct unprofitable activities without proper compensation in the fiscal year, causing losses to the subsidiary companies, the parent company must be liable for such losses.
4. Managers of the parent company who are responsible for making interferences or forcing the subsidiary companies to conduct business activities defined in Clause 3 of this Article shall be jointly liable with the parent company for such losses.
5. If the parent company refuses to make compensation to its subsidiary companies as provided for in Clauses 3 of this Article, the creditors, members or shareholders who hold at least 1% of the company's charter capital may, on behalf of themselves or the subsidiary companies, request the parent company to compensate for any losses caused to the subsidiary companies.
6. In case the business activities mentioned in Clause 3 of this Article are conducted by subsidiary companies and yield profits for other subsidiary companies of the same parent company, such subsidiary companies shall be jointly with the parent company responsible for returning such profits to the subsidiary companies suffering from losses.

Article 148.- Financial statements of the parent company and its subsidiary companies

1. By the end of a fiscal year, apart from reports and materials as required by law, a parent company must also make the following reports:
 - a/ Consolidated financial statement of the group of companies as provided for by the law on accounting;
 - b/ General report on annual business results of the group of companies;
 - c/ General report on the management and direction of the group of companies.
2. Those who are responsible for making reports defined in Clause 1 of this Article shall not make or submit such reports if they do not receive all financial statements from all subsidiary companies.
3. At the request of the representative-at-law of the parent company, the representatives-at-law of its subsidiary companies must provide necessary reports, documents and information as

prescribed for making the consolidated financial statement and general report for the group of companies.

4. If being unaware of or having no doubt that there is untrue, inaccurate or fake information in the reports made and submitted by subsidiary companies, the manager of the parent company may use these reports to make the consolidated financial statement and general report for the group of companies.

5. If the manager of the parent company has taken all necessary measures within his/her power but still receive no necessary reports, materials and information as prescribed from subsidiary companies, he/she shall still make and submit the consolidated financial statement and general report of the group of companies. Such reports may or may not contain information from such subsidiaries but must include necessary explanations to avoid misunderstanding or misleading.

6. All annual financial statements and financial settlement documents of the parent company and subsidiaries and all consolidated financial statements of the whole group shall be kept at the head office of the parent company. Copies of all statements and materials defined in this Clause must be available in all branches of the parent company in the territory of Vietnam.

7. For subsidiary companies, apart from reports, statements and materials as provided by law, they shall have to make and submit a general report on purchases, sales and other transactions to the parent company.

Article 149.- Economic conglomerates

Economic conglomerate is a large group of companies. The Government shall stipulate and guide the criteria, organization, management and operation of economic conglomerates.

Chapter VIII

REORGANIZATION, DISSOLUTION AND BANKRUPTCY OF ENTERPRISES

Article 150.- Division of enterprises

1. Limited liability companies and joint-stock companies may be divided into several companies of the same type.

2. Division of a limited liability company or a joint-stock company shall be conducted according to the following procedures:

a/ The Members' Council, the company owner or the Shareholders' Meeting of the to-be-divided company adopts a decision on the division of the company in accordance with the provisions of this Law and the company's charter. Such a decision shall contain the following principal contents: name, address of the head office of the divided company; number of companies formed as a result of such division; principles and procedures for the division of assets of the company; the plan on labor use; the time limit and procedures for the distribution of capital contribution,

shares and bonds of the divided company to newly formed ones; principles for the settlement of obligations of the divided company; and duration of such division. Within fifteen days as from the date of its adoption, the company division decision shall be sent to all creditors and notified to employees of the divided company;

b/ Members, owners or shareholders of the newly formed companies adopt the charter thereof, elect or appoint the chairman of the Members' Council, the president of the company, the Management Board, the director or general director, and proceed with business registration as provided by this Law. In this case, the business registration dossier shall be accompanied by the company division decision as provided for at Point a of this Clause.

3. After the completion of business registration of new companies, the divided company shall cease to exist. All newly formed companies shall jointly be liable for outstanding debts, labor contracts, and/or other property liabilities of the divided company or reach agreement with the creditors, customers and employees that one of the newly formed companies shall perform these obligations.

Article 151.- Separation of enterprises

1. A limited liability company or a joint-stock company may be separated by transferring a portion of the assets of the existing company (hereinafter called the separated company) for forming one or several new companies of the same type (hereinafter called the separating company(ies)); and transferring a proportion of rights and obligations of the separated company to the separating company(ies) without terminating the existence of the separated company.

2. Separation of a limited liability or a joint-stock company shall be conducted according to the following procedures:

a/ The Members' Council, the company owner or the Shareholders' Meeting of the to-be-separated company adopts a decision on the separation of the company in accordance with the provisions of this Law and the company's charter. Such a decision shall contain the following principal contents: name, address of the head office of the separated company; name the company formed as a result of such separation; the plan on labor use; asset value, rights and obligations to be transferred from the separated company to the separating companies; and duration of such separation. Within fifteen days as from the date of its adoption, the company separation decision shall be sent to all creditors and notified to employees.

b/ Members, the owner or shareholders of the separating company adopt the charter thereof, elect or appoint the chairman of the Members' Council, the president of the company, the Management Board, the director or general director, and proceed with business registration as provided by this Law. In this case, the business registration dossier shall be accompanied by the company separation decision as provided for at Point a of this Clause.

3. After the completion of business registration, the separated and separating companies shall jointly be liable for outstanding debts, labor contracts, and/or other property liabilities of the

separated company, unless otherwise agreed upon by the separated company, separating companies, creditors, customers and employees of the separated company.

Article 152.- Consolidation of enterprises

1. Two or more companies of the same type (hereinafter called the consolidated companies) may be consolidated to form a new company (hereinafter called the consolidating company) by transferring all legal assets, rights, obligations and interests to the consolidating company simultaneously with the termination of the existence of the consolidated companies.

2. Consolidation of companies shall be conducted according to the following procedures:

a/ To be-consolidated companies prepare a consolidation contract. A consolidation contract shall include the following principal contents: names and head offices of the consolidated companies; name and head office of the consolidating company; procedures and conditions for the consolidation; plan on labor use; time limit, procedures and conditions for the conversion of assets, capital contributions, shares and bonds of the consolidated companies into those of the consolidating company; duration of such consolidation; draft of the charter of the consolidating company;

b/ Members, company owners, or shareholders of the consolidated companies shall adopt the consolidation contract, the charter of the consolidating company, elect or appoint the chairman of the Members' Council, the president of the company, the Management Board, the director or general director of the consolidating company; proceed with business registration of the consolidating company as provided for by this Law. In this case, the business registration dossier must be accompanied by the consolidation contract. The consolidation contract must be sent to all creditors and notified to employees within fifteen days from the date of its adoption;

3. If the consolidating company shall have a market share of between 30% and 50% in the relevant market, the representatives-at-law of the consolidated companies shall report to the competition management agency before the consolidation, unless otherwise provided by the law on competition.

Consolidations resulting in consolidating companies having a market share of more than 50% in the relevant market shall be prohibited, unless otherwise provided by the law on competition.

4. After the completion of business registration of the consolidating company, the consolidated companies shall cease to exist. The consolidating company shall enjoy the legal rights and interests, and be liable for the outstanding debts, labor contracts, and/or other property liabilities of such consolidated companies.

Article 153.- Merger of enterprises

1. One or more companies of the same type (hereinafter called the merged company(ies)) may be merged into another company (hereinafter called the merging company) by transferring all legal

assets, rights, obligations and interests to the merging company simultaneously with the termination of the existence of the merged company.

2. Merger shall be conducted according to the following procedures:

a/ Related companies prepare a merger contract and a draft of the charter of the merging company. A merger contract shall include the following principal contents: name and head office of the merging company; name(s) and head office(s) of the merged company(ies); procedures and conditions for the merger; plan on labor use; duration, procedures and conditions for the conversion of assets, capital contribution, shares and bonds of the merged company(ies) into those of the merging company; and duration of such merger;

b/ Members, company owners, or shareholders of related companies shall adopt the merger contract, the charter of the merging company, and proceed with business registration of the merging company as provided for by this Law. In this case, the business registration dossier shall be accompanied by the merger contract. The merger contract must be sent to all creditors and notified to employees within fifteen days from the date of its adoption;

c/ After the completion of business registration of new companies, the merged company(ies) shall cease to exist; the merging company shall enjoy legal rights and interests, and be liable for the outstanding debts, labor contracts, and/or other property liabilities of such merged company(ies).

3. If the merging company shall have the market share of between 30% and 50% in the relevant market, the representative-at-law of the company shall report to the competition management agency before the merger, unless otherwise provided by the law on competition.

Mergers resulting in merging companies having a market share of more than 50% in relevant market shall be prohibited, unless otherwise provided by the law on competition.

Article 154.- Transformation of enterprises

A limited liability company may be transformed into a joint-stock company or vice versa. Such transformation of a limited liability company or a joint-stock company (hereinafter referred to as the transformed company) into a joint-stock company, or a limited liability (hereinafter referred to as the transforming company) shall be made in accordance with the following provisions:

1. The Members' Council, the company owner, or the Shareholders' Meeting shall adopt the decision on the transformation and the charter of the transforming company. A transformation decision shall consist of the following principal contents: name and address of the head office of the transformed company; name and address of the head office of the transforming company; duration and conditions for the transfer of assets and conversion of capital contribution, shares, and bonds of the transformed company into those of the transforming company; plan on labor use; and duration of such transformation.

2. The transformation decision must be sent to all creditors and notified to employees within fifteen days from the date of its adoption.

3. The transforming company shall be registered in accordance with the provisions of this Law. In this case, the business registration dossier shall be accompanied by the transformation decision.

After the completion of business registration, the transformed company shall cease to exist. The transforming company shall enjoy legal rights and interests, and be liable for the outstanding debts, labor contracts, and/or other property liabilities of the transformed company.

Article 155.- Transformation of one-member limited liability companies

1. Where the owner of a one-member limited liability company transfers part of the company's charter capital to (an)other organization(s) and/or individual(s), such owner and the transferee(s) shall, within fifteen days as from the date of transfer, register the change in the company's number of members with the business registration office. As from the date of registration of such change in the number of members as provided in this Clause, the company shall be managed and operate in accordance with the provisions applicable to limited liability companies with two or more members.

2. Where the owner of a one-member limited liability company transfers the whole of the company's charter capital to an individual, the transferee shall, within fifteen days as from the date of completion of transfer procedures, register the change in the company's owner and organize the management and operation of the company in accordance with the provisions on one-member limited liability company with its owner being an individual.

Article 156.- Business suspension

1. An enterprise has the right to suspend its business after sending a written notice to the business registration office and tax agency on the date it suspends its business and the duration of suspension no later than fifteen days before the date of suspension or restart of its business.

2. The business registration office, the competent state agency shall be entitled to ask the enterprise to suspend its conditional business lines if they discover that the enterprise does not meet all the conditions required by law.

3. During the period of suspension of its business, the enterprise shall have to pay in full the outstanding tax amounts, continue to pay other debts, fulfill the contracts signed with consumers and laborers, unless otherwise agreed upon by the creditors, consumers and laborers.

Article 157.- Cases of and conditions for dissolution of enterprises

1. An enterprise shall be dissolved in the following cases:

a/ The operation duration stated in the company's charter expires without any decision to renew;

b/ A decision made by the enterprise owner, for private enterprises; by all general partners, for partnerships; by the Members' Council or the company owner, for limited liability companies, or by the Shareholders' Meeting, for joint-stock companies;

c/ A company no longer has the minimum number of members as provided for by this Law for six consecutive months;

d/ The business registration certificate is withdrawn.

2. An enterprise shall be dissolved only after paying off all its debts and other property liabilities.

Article 158.- Procedures for dissolution of enterprises

An enterprise shall be dissolved in accordance with the following provisions:

1. Adopting a decision on the dissolution of the enterprise. Such a decision shall have the following principal contents:

a/ Name and address of the head office of the enterprise;

b/ Reasons for the dissolution;

c/ Duration and procedures for liquidation of contracts and payment of the enterprise's debts; such duration for liquidation and payment shall not exceed six months as from the date of adoption of the dissolution decision;

d/ Plans on settling obligations arising from labor contracts;

e/ Full name and signature of the representative-at-law of the enterprise.

2. Owner of a private enterprise, the Members' Council or company's owner, the Management Board shall directly organize the liquidation of enterprise's assets unless otherwise provided for in the company's charter.

3. Within seven working days as from the date of its adoption, the dissolution decision must be sent to the business registration office, all creditors, people with related rights, obligations and interests, and laborers of the enterprise; such decision shall be publicly posted at the enterprise's head office.

If newspaper publishing is required by law, the enterprise dissolution decision must be published in at least three consecutive issues of a printed or electronic newspaper.

The dissolution decision must be sent to creditors together with a notice on the plan on settlement of debts. Such notice shall contain the name and address of the creditors, the amount of debts, the time limit, the place and method of payment of such debts, procedures and duration for settling complaints of creditors.

4. The debts of the dissolved enterprise shall be paid in the following order:

a/ Owed salaries, severance allowance, social insurance as provided for by law, other benefits agreed according to signed collective labor agreements and labor contracts;

b/ Tax debts and other debts.

After paying in full the debts and dissolution expenses, the remaining assets shall belong to private enterprise owners, members, shareholders or the company's owners.

5. Within seven working days as from the date of making full payment of all debts owed by the enterprise, the representative-at-law of the enterprise must send a dossier on its dissolution to the business registration office. The business registration office shall, within seven working days as from the date of receiving the valid dossier, erase the name of the enterprise in its business registration book.

6. Where an enterprise has its business registration certificate withdrawn, such enterprise must be dissolved within six months as from the date of such withdrawal. The order and procedures for dissolution shall comply with the provisions of this Article.

After six months if the business registration office does not receive the dissolution dossier from the enterprise, such enterprise shall be considered dissolved and the business registration office shall delete its name from the business registration book. In this case, the representative-at-law, all members, for limited liability companies, the company's owner, for one-member limited liability companies, all members of the Management Board, for joint-stock companies, and all general partners, for partnerships, shall jointly be liable for unpaid debts and other financial obligations.

Article 159.- Activities prohibited since the issuance of dissolution decisions

Since a decision on dissolution of an enterprise is issued, such enterprise and its managers shall be prohibited from conducting the following activities:

1. Hiding or dispersing assets;
2. Denouncing or reducing the debt-claiming rights;
3. Converting unsecured debts into secured debts with the enterprise's assets;
4. Signing new contracts other than contracts to dissolve the enterprise;
5. Pledging, mortgaging, donating or leasing assets;
6. Terminating the performance of already effective contracts;
7. Mobilizing capital in any other forms.

Article 160.- Bankruptcy

The bankruptcy of an enterprise shall comply with the provisions of law on bankruptcy.

Chapter IX

STATE MANAGEMENT OF ENTERPRISES

Article 161.- Contents of state management of enterprises

1. To promulgate, disseminate, and guide the implementation of legal documents on enterprises and relevant legal documents.
2. To organize business registration; guide the business registration in order to ensure the materialization of strategies, master plans and plans orienting social-economical development.
3. To organize training, retraining of professional skills, improvement of business ethics for enterprises' managers; of political quality, morality, and professional qualification for officers involved in state management of enterprises; and training and building of a contingent of skilled workers.
4. To realize preferential policies for enterprises in compliance with orientations and objectives of social-economical development strategies, master plans and plans.
5. To control and inspect enterprises' business operations; and handling law-breaking acts of enterprises, related individuals and organizations in accordance with the provisions of law.

Article 162.- Responsibilities for state management of enterprises

1. The Government shall perform the unified state management of enterprises, appoint an agency responsible to the Government for assuming the prime responsibility for, and coordinating with the other ministries and agencies in, performing state management of enterprises.
2. Ministries and ministerial-level agencies shall be responsible to the Government for performing their assigned duties in state management of enterprises and, within the scope of their assigned tasks and powers, have the following duties:
 - a/ To periodically or at the request of business associations review the business conditions subject to state management; recommend the removal of unnecessary business conditions; adjust inappropriate business conditions; and submit to the Government for promulgation new business conditions to ensure the fulfillment of their assigned state management tasks;
 - b/ To guide the implementation of legal provisions on business conditions; supervise, inspect and handle violations in the observance of business conditions within the scope of state management;
 - c/ To disseminate and popularize legal documents;

d/ To manage business activities in conditional business lines; to supervise, inspect, and deal with the environmental pollution, protect the environment; to ensure food safety and hygiene as well as labor safety and sanitation;

e/ To develop the Vietnamese standard system; to supervise, inspect and handle violations in ensuring the quality of goods and services according to the Vietnamese quality standard system;

f/ To exercise other rights and duties as provided for by law.

3. People's Committees of provinces and centrally run cities shall perform the state management of enterprises within their localities, and, within the scope of their assigned tasks and powers, shall have the following duties:

a/ To direct their subordinate specialized agencies and People's Committees of rural districts, urban districts, towns and provincial cities to provide information on enterprises; solve difficulties and remove obstacles to investments and supports for the development of enterprises within the scope of their competence; and to supervise and inspect enterprises and handle violations according to law;

b/ To organize business registration and manage enterprises and business households according to the registered business contents; to administratively handle violations of this Law and other relevant laws;

c/ To direct their subordinate specialized agencies and People's Committees of rural districts, urban districts, towns and provincial cities to implement legal provisions on taxes and business conditions according to the provisions of law and relevant guidelines of ministries and ministerial-level agencies; to directly handle or propose competent agencies to handle violations of the provisions on state management in this domain;

d/ To organize business registration office, decide on the personnel for business registration offices of the provinces or centrally-run cities; direct and guide People's Committees of rural districts, urban districts, towns and provincial cities and People's Committees of communes, wards and townships to handle administrative violations in business registration.

Article 163.- Organizational structure, tasks and powers of business registration offices

1. Business registration offices shall have the following tasks and powers:

a/ To settle business registration and grant business registration certificates in accordance with the provisions of law;

b/ To set up and manage the system of information on enterprises; to provide information to state agencies, organizations and individuals upon request in accordance with the provisions of law;

c/ Where deeming it necessary for the enforcement of this Law, to ask enterprises for reports on their business situation; to supervise and speed up the performance of the reporting regime by enterprises;

d/ To examine directly or request competent state agencies to supervise enterprises according to the contents of business registration dossiers;

e/ To handle violations of regulations on business registration in accordance with the provisions of law; to withdraw the business registration certificates and ask enterprises whose business registration certificates are withdrawn to carry out procedures for dissolution in accordance with the provisions of this Law;

f/ To be responsible before law for violations in business registration;

g/ To exercise other duties and powers in accordance with the provisions of this Law and other relevant laws.

2. The organizational structure of business registration offices shall be stipulated by the Government.

Article 164.- Supervision and inspection of business operations of enterprises

Supervision and inspection of business operations of enterprises shall comply with the provisions of law.

Article 165.- Handling of violations

1. Those who commit acts violating the provisions of this Law shall, depending on the nature and severity of their violations, be disciplined, administratively sanctioned or examined for penal liability in accordance with the provisions of law; if causing damage to the interests of the enterprises, their owners, members, shareholders, creditors or others, they shall have to pay compensations therefor in accordance with the provisions of law.

2. An enterprise shall have its business registration certificate withdrawn and its name deleted from the business registration book in the following cases:

a/ The content declared in the business registration dossier is fake;

b/ The enterprise is established by people who are prohibited from setting up enterprises as defined in Clause 2, Article 13 of this Law;

c/ The enterprise fails to register the tax identification number for one year since the issuance of the business registration certificate;

d/ The enterprise fails to operate in the registered location for six consecutive months as from the date of grant of the business registration certificate or the certificate of relocation of head office;

e/ The enterprise fails to send reports on its business operations to the business registration office for twelve consecutive months;

f/ The enterprise suspends business operations for a whole year without notifying the business registration office;

g/ The enterprise fails to send reports as provided for at Point c, Clause 1, Article 163 of this Law to the business registration office within three months as from the date of receiving a written request;

h/ The enterprise conducts banned business lines.

Chapter X

IMPLEMENTATION PROVISIONS

Article 166.- Transformation of state companies

1. All state companies established under the 2003 Law on State Enterprises must be transformed into limited liability companies or joint-stock companies as provided for by this Law within not more than four years from the effective date of this Law, depending on the annual transformation plans.

The Government shall stipulate and guide the transformation order and procedures.

2. During the period of transformation, issues that are not provided for by this Law shall still comply with the provisions of the 2003 Law on State Enterprises.

Article 167.- Enterprises in service of security, defense

State enterprises established directly in service of security, defense or the combination of economic and defense and security activities shall be organized, managed and operate in accordance with the provisions of this Law and separate regulations of the Government.

Article 168.- Exercise of the rights of the owner of the state capital at enterprises

1. The State exercises the rights of an owner of the state capital at enterprises on the following principles:

a/ To exercise the rights of an owner in the capacity as an investor;

b/ To secure and develop the state capital;

c/ To separate the function of an owner and the function of state administrative management;

d/ To separate the exercise of the owner's rights and the rights to business autonomy of the enterprises; to respect the rights to business of the enterprises;

e/ To exercise consistently and concentratedly the rights and obligations of the capital owner.

2. Functions, duties and rights of state owner-representing agencies; mechanisms for exercise of the rights of the state capital owner; methods and criteria for evaluating the effectiveness and situation of state capital security and development; mechanisms of coordination, supervision and evaluation of state owner representing agencies; guidelines and measures to rearrange, restructure, reform, and raise the effectiveness of the operations of, state enterprises shall comply with the provisions of law.

3. The Government shall submit to the National Assembly annual sum-up reports on the situation of state capital-related business, situation of state capital and assets security and development in enterprises.

Article 169.- Establishment of state enterprises

State enterprises established after this Law takes effect must be registered, organized, managed and operate in accordance with the provisions of this Law and other relevant laws.

Article 170.- Application to enterprises established before this Law takes effect

1. Limited liability companies, joint-stock companies, private enterprises and partnerships which were set up in accordance with the 1999 Enterprise Law are not required to carryout procedures for re-registration.

2. Foreign-invested enterprises established before this Law takes effect, except for the case stated in Clause 3 of this Article, shall have the following rights:

a/ To re-register and organize the management and activities according to this Law and other relevant laws. The re-registration must be made within two years as from the effective date of this Law;

b/ Not to make re-registration; in this case the enterprises shall only be allowed to carry business activities within the business lines and the duration stipulated in the investment licenses and shall continue to enjoy investment preferences provided for by the Government.

3. Foreign-invested enterprises whose foreign investors have committed to transfer without indemnification all the assets invested after the operation duration to the Vietnamese Government may be transformed only if so allowed by the competent state agency as stipulated by the Government.

4. Business households that employ ten or more laborers must register to operate as enterprise according to this Law.

Small-sized business households shall make business registration and operate under regulations of the Government.

Article 171.- Implementation effect

1. This Law takes effect as from July 1, 2006.

2. This Law replaces the 1999 Enterprise Law; the 2003 Law on State Enterprises, except the case stated in Clause 2, Article 166 of this Law; provisions on the organization, management and operation of enterprises in the 1996 Law on Foreign Investment in Vietnam and the 2000 Law Amending and Supplementing a Number of Articles of the Law on Foreign Investment in Vietnam.

Article 172.- Implementation guidance

The Government shall detail and guide the implementation of this Law.

This Law was passed on November 29, 2005, by the XIth National Assembly of the Socialist Republic of Vietnam at its 8th session.

**CHAIRMAN OF THE NATIONAL
ASSEMBLY**

Nguyen Van An