

# **CHARTER**

## **NHABE GARMENT CORPORATION - JOINT STOCK COMPANY**

Ho Chi Minh City, 27 November 2010

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## **INTRODUCTION**

This Charter of Nha Be Garment Corporation – Joint Stock Company (hereinafter referred to as “Corporation”) is the legal foundation for all activities of the Corporation. Should the Charter, regulations of the Corporation, Resolutions of Shareholders’ Meeting and Directors’ Board be approved eligibly corresponding to concerned laws which shall be the binding principles and regulations for implementing business activities of the Corporation.

This charter has been approved by the General Shareholders’ Meeting of Nha Be Garment Corporation – Joint Stock Company on 27 November 2010 and substituted the Corporation’s Charter approved on 22 January 2005 and finally amended, supplemented on 24 April 2010.

### **I. DEFINITION OF TERMS OF THE CHARTER**

#### *Article 1: Definitions*

1. The following terms in this charter shall be perceived as follows:
  - a. "Chartered capital" is the capital contributed by all shareholders and regulated at Article 5 of charter
  - b. "Enterprise Law" is referred to Enterprise Law No. 60/2005/QH11 passed on 29 December 2005 by the National Assembly of Vietnam.
  - c. "Foundation Day" is the date when the Corporation is granted the Business Registration Certificate.
  - d. "Management officers" are known as Chief Executive Officer, Deputy Managing Director, Chief accountant, and other managing posts in the Corporation approved by board of directors.
  - e. "Related person" is an individual or organization stipulated in the article 4.17 of the Enterprise Law.
  - f. "Operation duration" is the period in which the Corporation performs its activities prescribed at article 2 of this charter.
  - g. "Vietnam" means the Socialist Republic of Vietnam.
2. In this charter, references to one or several other documents or regulations shall encompass the amended or replaced ones.
3. Headings and titles (chapters, articles of this charter) are used for ease of understanding and shall not affect the content of this charter.

4. Terms defined in the Enterprise Law (provided that they have no contradiction to the subject or context) shall convey similar meanings to those of this charter.

## **II. NAME, FORM, HEAD OFFICE, BRANCHES, REPRESENTATIVE OFFICE AND OPERATION DURATION OF THE CORPORATION**

### ***Article 2. Names, forms, head office, branches, representative office and operation duration of the Corporation.***

#### 1. Name of the Corporation

- Name in Vietnamese: **TỔNG CÔNG TY MAY NHÀ BÈ – CÔNG TY CỔ PHẦN**
- Name in English: **NHABE GARMENT CORPORATION – JSC**
- Abbreviated name: **NBC**.
- Logo:



2. The company is the joint stock company enjoying the legal status in accordance with the current law of Vietnam.

#### 3. The registered head office of the company:

- Address: No. 4, Ben Nghe Street, Tan Thuan Dong Ward, District 7, Ho Chi Minh City
- Telephone: (08) 38720077 – (08) 38729124
- Fax: (08) 38725107
- E-mail: [ifo@nhabe.com.vn](mailto:ifo@nhabe.com.vn)
- Website: <http://nhabe.com.vn>

4. The Chief Executive Officer is the legal representative of the Corporation.

5. The company's branches and representative offices shall be established in the area of business in order to fulfill its targets in compliance with the resolution of the Board of Directors and within the range of authorization of laws.

6. Unless the operation is terminated before the terms stipulated in article 50.2 and 51 of this charter, the Corporation's operation term will start from the foundation day and will be infinite.

### III. OBJECTIVES, RANGE OF BUSINESS AND OPERATION OF COMPANY

#### Article 3. Objectives

1	Completing textile product	1313
2	Manufacturing ready-made products (except clothes)	1322
3	Sewing clothes (except clothes made from fur, leather)	1410
4	Manufacturing products made from fur, leather	1420
5	Constructing categories of house <i>(Detail: Investing to build houses, construction works for trading, leasing, re-leasing)</i>	4100
6	Constructing other civil technical works	4290
7	Trading cloth, ready made product, footwear	4641
8	Trading other household commodities <i>(Detail: Trading suitcase, briefcase, bag, wallet, other leather and leatherette goods)</i>	4649
9	Trading electronic, telecommunication equipment, component	4652
10	Trading machinery, equipment and other spare parts <i>(Detail: Trading machinery, equipment and spare parts of loom, sewing machine, leather, footwear machine)</i>	4659
11	Other specialized trade which is not allocated into any item <i>(Detail: Trading silk, fibre, weaving thread; Trading ancillary materials for garment and footwear)</i>	4669
12	Retailing garment products, footwear, leather and leatherette products in specialized shops	4771
13	Retailing textile product, ready-made product, footwear as traveling or at the market	4782
14	Transport goods by traffic road	4933
15	Transport goods by inland waterway	5022
16	Warehouse and bonding	5210
17	Service of short-term stay <i>(not trade at the office)</i>	5510
18	Other staying establishment <i>(Detail: Boarding-house for workers, employees) (not operate in Ho Chi Minh City)</i>	5590
19	Restaurant and catering service with mobile serving <i>(not )</i>	5610
20	Trading real-estate, land use right belonging to owner, using owner or leasing <i>(Detail: Purchasing house, construction works for sale, lease, hire purchase. Leasing house, construction works for re-lease. Investing the land reclamation, and investing the infrastructural works for transfer, lease; leasing the land use right with infrastructure for re-lease )</i>	6810
21	Leasing machine, equipment and other visible appliances <i>(Detail: Leasing machine, equipment of textile, garment industry)</i>	7730
22	Travel agent	7911
23	Travel tour operation	7912

## 2. Operational objectives of the Corporation:

The Corporation is established to mobilize and use the capital efficiently in developing production and business on garment products and other fields with the target of taking maximum profit; creating stable employment for employees; increasing dividends for shareholders; contributing to the State Budget and developing the Corporation.

3. Any of such objectives which shall be necessary to be approved by the managing authority, the Corporation shall only implement that objective after being approved by the competent authority.

### ***Article 4. Range of business and operation***

1. The corporation is entitled to set up business plans and carry out all business activities in accordance with its Business Registration Certificate, and this charter corresponding to the applicable law and take appropriate measures to achieve set goals of the Corporation
2. The Corporation shall be able to do business in other fields provided that they are allowed by law and approved by board of directors.

## **IV. CHARTERED CAPITAL, STOCK**

### ***Article 5. Chartered capital, stock, founding shareholders***

1. The Corporation's chartered capital is VND 140,000,000,000 VND (One hundred forty billion Vietnam dong)

Total chartered capital of the Corporation is divided into 14,000,000 stocks carrying its face value of 10,000 (ten thousand dong)/share.

2. The Corporation can increase its chartered capital with the approval of the shareholders' meeting and in compliance with current law.
3. The Corporation's shares in the date of passing this charter are the ordinary ones. Rights and duties accompanied with such shares shall be defined at the Articles 11 and 12 of this charter.
4. The Corporation can issue preferred shares of all kinds with the approval of the shareholders' meeting and in compliance with current law.
5. The existing shareholders must be given the priority to buy the ordinary shares in proportion with their ordinary shares of the Corporation, except for other

regulations from the Shareholders' General meeting. The Corporation must announce the share offer. The announcement should include the following information: numbers of shares and the suitable period for the registration in share purchase (minimum of 20 working days) for the shareholders to register their purchase. The Corporation's Board of Directors will decide on the left shares which the shareholders did not register to purchase. The Board may distribute those shares to other people in such a suitable condition and measure defined by the Board, however, those shares cannot be sold with more favorable conditions than those sold to the existing shareholders, except for having the other approval of the Shareholders' General Meeting or in case the shares are sold by the Stock Exchange.

6. The Corporation may buy the shares issued by the Corporation (even the returned preferential shares) in a way defined in this Charter and the applicable law. The ordinary shares bought by the Corporation are fund stocks and the Board may offer those shares in such a way in accordance with the regulations of this Charter and the Securities Law and other relevant instruction documents.

7. The Corporation may issue other stocks which are approved by the Shareholders' General Meeting in writing and according to regulations of law on the securities and the securities market.

8. The Corporation may use its fund stocks for the purpose of reward.

#### ***Article 6. Stock certificate***

1. The Corporation's shareholders are granted with stock certificates correlative with numbers and types of their shares, except for the regulations at Clause 6 of Article 6.

2. The stock certificates must have the stamp of the Corporation and the signature of the legal representative of the Corporation and according to the regulations of the Enterprise Law. The stock certificate must contain the number of stock and type of stock owned by the shareholder, full name of the owner (if they are nominal stocks) and other information according to the regulations of the Enterprise Law. Each nominal stock certificate only represents one type of stock.

3. Within the period of 30 days since the submission of all the documents requesting the transfer of share own right pursuant to the Corporation's regulation or within the period of 2 months (or may be more time as per required by issuing provision) since the full payment for purchasing the shares as per the regulations at the Corporation's share issuance plan, the share owner will be granted with stock certificate. The share owner shall not have to pay the Corporation for the stock printing expense or any other expenses.



4. In case only some of the nominal stocks in the nominal stock certificate are transferred, the former certificate will be abrogated and a new certificate recording the remaining stocks will be granted free of charge.

5. In case the nominal stock certificate is damaged, erased, lost, stolen or destroyed, the owner of such nominal stock may ask for the issuance of a new stock certificate in the condition that he/she will have to provide evidence on his/her ownership of those stocks and pay the Corporation for all related expenses.

6. The Company may issue the nominal shares without form of certificate. The Board of Directors may issue the regulated document allowing the nominal shares (with or without form of certificate) to be transferred without a transferring document. The Board may issue the regulations on stock certificate and transfer according to the regulations of the Enterprise Law, law on securities and securities market and this Charter.

#### ***Article 7. Other stock certificates***

The bond certificate or other securities certificates of the Corporation (except for the offer letters, temporary certificates and similar documents), will be issued with stamp and specimen signature of the legal representative of the Corporation, unless otherwise regulated by the issuance terms and conditions.

#### ***Article 8. Share transfer***

1. All the shares may be freely transferred unless otherwise regulated by the law and this Charter. The shares posted on the Stock Exchange will be transferred pursuant to the regulations of the law on securities and securities market of the Stock Exchange.

2. Unpaid fully shares shall not be transferred and received dividends.

#### ***Article 9 Share reclamation***

1. In case the shareholder does not pay fully and on time amount of money to purchase his/her shares, the Board shall announce and be entitled to request such shareholder to pay the remaining amount of money as well as the interest from that amount of money and other arising expenses caused to the Corporation due to not fully pay as per regulation.

2. The above announcement of payment must specify clearly new payment due (at least 7 days from the date of informing the announcement), place of payment. Also in the announcement, it is clearly defined that if the remaining amount of money is not paid properly as per demand, the unpaid shares will be reclaimed.

3. In case the demand in the aforesaid announcement is not executed, before paying fully the payable amounts, interests and other relevant expenses, the Board may have the right to reclaim such number of shares. The Board may accept the submission of such reclaimed shares according to the regulations at Clauses 4, 5 and 6 and other cases regulated in this Charter.

4. The reclaimed shares will become the Corporation's property. The Board may directly sell or authorize to sell, re-allocate or settle those shares to the owners of the reclaimed shares or other objects pursuant to the conditions and methods that the Board deems to be appropriate.

5. The owner of the reclaimed shares shall have to abandon his/her shareholder's status to such shares, however it shall still have to pay all relevant amount of money and the interest as per its ratio (not exceeding the loan rate with term of 12 months at the bank's best interest rate, best benefit for shareholder) at the time of reclamation as per the decision of the Board from the day of reclamation to the day of payment. The Board shall be fully entitled to decide to force the payment of entire share value at the time of reclamation or exempt or reduce partly or fully payment of such amount of money.

6. The announcement of reclamation will be informed the owner of such reclaimed stocks before the time of reclamation. The reclamation will still take effect even in case of having mistakes or carelessness in informing the announcement.

## **V. ORGANIZATIONAL STRUCTURE, MANAGEMENT AND SUPERVISION**

### ***Article 10. Organizational Structure, Management***

The Corporation's organizational structure, management includes:

- a. General Shareholders' Meeting;
- b. Board of Directors;
- c. Chief of Executive Officer;
- d. Supervisory Board.

## **VI. SHAREHOLDERS AND GENERAL SHAREHOLDERS' MEETING**

### ***Article 11. Shareholders' rights***

1. Shareholders are recognized as owners of the Corporation, have rights and responsibilities correlative to the number and the type of shares owned by them. The shareholders shall only be liability for debt and other property obligations of the Corporation within the range of their contributed capital in the Corporation.

2. Shareholders owning ordinary shares have rights as follows:

a. To attend the general meeting of shareholders, execut the voting right personally or via proxy;

b. To receive dividend;

c. To transfer the fully-paid shares freely in accordance with regulation of this Charter and applicable law;

d. To be given priority in subscribing for new Shares offered for sales in proportion to the number of ordinary shares owned by them;

e. To check information relating to shareholders from the list of Shareholders entitled to be attended in the general meeting of shareholders and request for correction of any inaccurate information;

f. To check, review and extract or copy the Charter of the Corporation, minutes Book of general meeting of shareholders and resolutions of general meeting of shareholders;

g. In case of dissolution of the Corporation, to be received a part of the remaining property in proportion to the number of their shares of capital contribution in the Corporation after the Corporation has liquidated to debtors and shareholders of other kinds according to regulation of law;

h. To request the Corporation to re-purchase their shares in such cases as stated at Article 90.1 of Enterprise Law;

i. Other rights according to regulation of this Charter and law.

3. Shareholder or group of shareholders owning over 5% of the total ordinary shares during six consecutive months shall have following rights:

a. To nominate members of the Board of Directors or Supervisory Board according to relevant regulation in Article 24.2 and Article 36.2;

b. To request for convening the general meeting of shareholders;

c. To check and receive copy or extracted list of shareholders entitled to attend and vote at the general meeting of shareholders.

- d. To request the Supervisory Board to examine each specific issue associated to the Corporation's management, operation if it deems to be necessary. To request for presenting in writing; having full name, permanent residence, nationality, ID card number, passport number or other personal legal paper for shareholder who is the individual; full name, permanent residence, nationality, establishment decision number or business registration number shareholder who is the organization; number and the date of registration of shares of each shareholder, the total shares of a group of shareholders and owned ratio in total Corporation's stock; issues needed to be examined and the purpose of examination.
- e. Other rights stipulated in this Charter.

### ***Article 12. Shareholders' Obligations***

Shareholders take the following obligations:

1. To observe the Corporation's Charter, and the Corporation's Statutes; to execute decisions made by the general meeting of shareholders, Board of Directors;
2. To pay the money to purchase shares in subscribing as regulated;
3. To provide accurate address in subscribing to shares;
4. To fulfill other obligations according to regulation of applicable law;
5. To take personal liability when carrying out one of the following activities in the name of the Corporation:
  - a. To breach the Law;
  - b. To do business and other transactions for self interest or serve benefit for other individuals or bodies;
  - c. To liquidate immature debts in the face of financial risks that the Corporation may cope with.

### ***Article 13. Shareholders' Meeting***

1. The shareholders' meeting is the Corporation's highest decision-making body. The annual general shareholders' meeting shall be convened once a year. The shareholders' meeting must annually be held within four months as from ending fiscal year.
2. The Board of Directors shall convene the annual shareholders' meeting and select appropriate place of meeting. The annual shareholders' meeting shall decide issues as per regulations of law and Charter of the Corporation, particularly approve annual financial statement and financial budget for subsequent year. Independent auditors shall be invited to participate in the meeting to advise on the approval of annual financial statement.

3. The Board of Directors shall convene the extraordinary shareholders' meeting in the following cases:
  - a. The Board of Directors deems it's necessary for benefit of the Corporation;
  - b. The annual balance sheet, quarterly or half-annual reports or audit report of the current financial year reflect that the chartered capital lost a half;
  - c. When members of the Board of Directors are less than the number as regulated by law or less than a half of the number as prescribed by this Charter;
  - d. Shareholder or group of shareholders mentioned in Article 11.3 of this Charter request to convene general shareholders' meeting by a written petition. The petition must clearly specify reason and purpose of the meeting, have signatures of relevant shareholders (the petition can be made in a number of papers in order to have sufficient signatures of all relevant shareholders);
  - e. The Supervisory Board request to convene the meeting if the Supervisory Board has reason to believe that members of the Board of Directors or senior managing officers strictly violated their obligations as stated in the article 119 of the Enterprise Law or the Board of Directors acted or proposed to act out of its rights;
  - f. Other cases according to regulations of law and Charter of the Corporation.
4. To convene the extraordinary general meetings of shareholders
  - a. The Board of Directors must convene the shareholders' meeting within 30 days from the date of confirmation the remaining members in the Board of Directors as stipulated at the Clause 3c Article 13 or from the date of receiving request as stipulated at Clauses 3d and 3e Article 13.
  - b. In the case when the Board of Directors doesn't convene the shareholders' meeting as regulated at Clause 4a Article 13, the Supervisory Board, within the following 30 days, shall take the place of the Board of Directors to convene the shareholders' meeting as prescribed at Clause 5 Article 97 of Enterprise Law.
  - c. In case the Supervisory Board doesn't convene the shareholders' meeting as regulated at Clause 4b Article 13, within the following 30 days, shareholder,

group of shareholders, have request as regulated in Clause 3d Article 13, shall have rights to take the place of the Board of Directors, Supervisory Board to convene the shareholders' meeting as prescribed at Clause 6 Article 97 of Enterprise Law.

For this case, shareholder or group of shareholders, who convene the shareholders' meeting, can suggest the business registration authority to supervise the convention and meeting execution if necessary.

d. All expenses for the convention and execution of the shareholders' meeting shall be refunded by the Corporation. Personal expenditure to attend the meeting including accommodation and traveling spent by shareholders is excluded from the above-mentioned expenses.

***Article 14. Powers and responsibilities of the shareholders' meeting***

1. The annual shareholders' meeting has the power to discuss and approve following issues:

- a. Annual audited financial statement;
- b. Report by Supervisory Board;
- c. Reports by Board of Directors;
- d. Corporation's short-term and long-term development plan.

2. The ordinary and extraordinary shareholders' meetings shall approve the written decisions of issues as follows:

- a. To approve the annual financial statements;
- b. Rate of annual dividend payment to each type of share in appropriate to Enterprise Law and other rights connected to such share. This dividend rate shall not be higher than the rate proposed by the Board of Directors after referring to shareholders' opinions at the shareholders' meeting;
- c. Number of members in the Board of Directors;
- d. Selecting the auditing company;
- e. To appoint, remove and replace members of Board of Directors and Supervisory Board and approve the appointment to the Chief of Executive Officer by the Board of Directors;
- f. Total remuneration of the Boards of Directors and report on remuneration of the Boards of Directors;
- g. To supplement and amend Corporation's Charter;
- h. Kind of share and number of new shares issuing for each kind;
- i. To divide, merge or converse the Corporation;
- j. To re-organize and dissolve (liquidate) the Corporation and assign person to take charge of the liquidation;

- k. To examine and settle breaches of the Board of Directors and Supervisory Board caused damages to the Corporation and its shareholders;
  - l. To decide the transaction for selling assets of the Corporation or branches or buying transaction with the value from and over 50% of the total asset value of the Corporation and its branches noted in the latest audited financial statement;
  - m. The Corporation re-purchases more than 10% of a kind of issued share;
  - n. Chief of Executive Officer concurrently holds Chairman of the Board of Directors;
  - o. Contracts signed between the Corporation or its branches and persons stipulated at Article 120.1 of Enterprise Law with value equal to or over 20% of the total asset value of the Corporation and its branches noted in the latest audited financial statement;
  - p. Other issues according to regulation of this Charter and other Statutes of the Corporation;
3. Shareholders shall not be allowed to vote in the following cases:
- a. Contracts prescribed in Article 14.2 of this Charter when such shareholder or relevant person to such shareholder is a party in the contract;
  - b. To purchase shares owned by such shareholder or relevant person to such shareholder.
4. All resolutions and issues scheduled in the meeting agenda must be discussed and voted at the General Shareholders' Meeting.

***Article 15. Representatives as proxies***

- 1. Shareholders, who shall be entitled to attend the shareholders' meeting according to law, can personally attend or via his proxy. In case, there is more than one proxy, the number of shares and votes held by each proxy must be clearly defined.
- 2. Authority to the proxy to attend the shareholders' meeting must be made in writing as per the Corporation's form with signature as stipulated as follows:
  - a. In the case that the individual shareholder as a mandator, it is necessary to have signature of such shareholder and of the proxy to attend the meeting;
  - b. In case of the authorized representative for the shareholder stands for an organization as a mandator, it is needed to have the signature of such authorized representative, legal representative of the shareholder and of the proxy to attend the meeting;

c. For other cases, it is needed to have the signature of legal representative of the shareholder and of the proxy to attend the meeting.

The proxy for shareholders' meeting must submit his power of attorney before attending the meeting room.

3. In the circumstance that a lawyer represents the mandator to sign the appointment paper of representative, the appointment of representative in this case shall deem to come into force only if the appointment paper would be presented together the power of attorney to such lawyer or valid copy of such power of attorney (if not yet registered to the Corporation before).

4. Except the case stipulated at Clause 3 Article 15, the proxy's vote for the meeting within the range of such authority shall still be valid in one of the following cases:

- a. The mandator died, or is limited the civil capacity or lost the civil capacity;
- b. The mandator revoked the proxy appointment;
- c. The mandator revoked the jurisdiction of the proxy.

This article will not be applied in the case that the Corporation receives the notice regarding one of the above-mentioned matters within 48 hours before the opening time of the shareholders' meeting or before the meeting would be re-convened.

### ***Article 16. Changes of rights***

1. Decisions made by the shareholders' meeting (in cases regulated in Article 14.2 relating to the Corporation's equity being divided into various kind of shares) on the modification or discharge of special rights attached to each kind of share shall only be approved when it is agreed in writing by those shareholders who own at least 75% of the voting rights of such kind of the issued share.

2. The organization of such meeting shall become valid when there is a minimum of two shareholders (or their representative by proxy) and owning at least one third of the value at face par of such kind of the issued shares. If there's not sufficient members as above mentioned, it will thus be organized the meeting again within subsequent 30 days, and shareholders owning such kind of share (not depend on the number of shareholders and their shares) present in person or by proxy, it shall be considered to be sufficient required members. At such the aforesaid specific meeting, persons owning such kind of share present in person or by proxy may require executing the secret voting and as doing secret voting each person has one vote for each owned stock of such kind.



3. Procedure for such specific meeting like that shall be executed as same as the regulation of Article 18 and Article 20.

4. Unless otherwise regulated by the term of issuance share, special rights attached to the preferred stocks in regard to some or all issues associated to sharing Corporation's benefits or assets shall not be altered when the Corporation would issue more shares of the same kind.

***Article 17. Convention of the shareholders' meeting, meeting agenda, and announcement of shareholders' meeting***

1. Board of Directors convenes the shareholders' meeting, or the shareholders' meeting is convened as such cases stipulated in Article 13.4b or Article 13.4c.

2. Person who convenes the shareholders' meeting must execute following tasks:

a. To prepare list of shareholders who are sufficient condition to attend and vote at the meeting within 30 days prior to the date to execute the shareholders' meeting; meeting agenda and documents corresponding to law and Corporation's regulations;

b. To define the schedule and location for the meeting;

c. To inform and send the announcement of the shareholders' meeting to shareholders being entitled to attend the meeting.

3. The announcement of shareholders' meeting must consist of the meeting agenda and relevant information regarding issues to be discussed and voted at the meeting. For shareholders who deposited its shares, the announcement of shareholders' meeting may be informed the deposited body, concurrently announced over communication media of Stock Exchange, Corporation's website, 01 State newspaper or 01 local newspaper where the Corporation located its head office. For shareholders who have not deposited their shares, announcement of the meeting may be informed shareholders in person or by post office in form of registered letter at the registered address of the shareholders, or to the address provided by the shareholders for commutation purpose. In the case that shareholder has informed the Corporation in writing their fax number or email address, the announcement of meeting can be informed to that fax number or email address. If the shareholder is working in the Corporation, the sealed envelop of announcement can be informed in person at the working place. The announcement of meeting must be informed within at least 15 days before the meeting date (as from the date when the announcement is lawfully informed or delivered, is paid the mailing cost or put into the mailbox). If the Corporation has its own website, the announcement must be posted on the website of the Corporation besides informed announcement to the shareholders.

4. Shareholder or group of shareholders mentioned in Article 11.3 of this Charter have rights to propose issues to be entered into the meeting agenda. This proposal must be in writing and informed the Corporation at least 02 working days before the meeting date. The proposal must be included full name of shareholder, number and kind of stock owned by that shareholder and the content proposed to be entered into the meeting agenda.

5. Person who convenes the shareholders' meeting has rights to refuse proposals relating to Clause 4 Article 17 in the following cases:

a. The proposal fails to be informed on time or insufficiently or incorrect content;

b. At the moment of offering the proposal, shareholder or group of shareholders fail to own at least 8% of ordinary shares during six consecutive months at least;

c. The proposed issue is out of the jurisdiction of the shareholders' meeting to be discussed and approved.

6. The Board of Directors must prepare the drafted resolution for each issue in the meeting agenda.

7. In the case that all shareholders representing for 100% of shares with voting right attend in person or by proxy at the meeting, such decisions approved by the Shareholders' Meeting shall be considered valid, even as the shareholders' meeting is convened in an incorrect procedure or contents to be voted are not entered into the meeting agenda.

***Article 18. Conditions to convene the Shareholders' meeting***

1. The General Shareholders' Meeting shall be held when the number of shareholders attending at the meeting presents for at least 65% of shares with voting right.

2. In the case that there is insufficient required number of attendants within 30 minutes from the defined time of opening meeting, the meeting must be re-convened within 30 days from the proposed date of the first shareholders' meeting. The re-convention of the shareholders' meeting shall be conducted only

if the attendants are shareholders and proxies presenting at least 51% of shares with voting right.

3. In the case that the second meeting shall not be conducted due to there is insufficient required number of attendants within 30 minutes from the defined time of opening meeting, the third shareholders' meeting would be able to convene within 20 days from the proposed date of the second shareholders' meeting, and in such a case, the meeting shall be conducted without depending on the number of shareholders or proxies and it deems to be lawful and be entitled to decide any issues which the first shareholders' meeting would be able to approve.

4. As per request the Chairperson of the shareholders' meeting shall be entitled to change the meeting agenda attached to the announcement of meeting stipulated in Article 17.3 of this Charter.

***Article 19. Procedure to conduct the shareholders' meeting and vote at the shareholders' meeting***

1. On the date of organizing the shareholders' meeting, the Corporation must execute procedure to register shareholders and must execute the registration until fully registered by those present shareholders who has right to attend the meeting.

2. As registering shareholders, each shareholder or proxy with voting right shall be granted a voting card by the Corporation, in such card, it will be consisting of full name of shareholder, full name of proxy, and number of vote of that shareholder. As voting, affirmative vote to resolution will be firstly collected, inaffirmative vote to resolution will be collected later, finally counting down total affirmative votes or inaffirmative votes for deciding. Total passed or unpassed votes or void votes to each issue shall be informed by the Chairperson right after voting for such issue. Persons taking responsibility for checking votes, or supervising the vote checking shall be selected within the attendants by the shareholders' meeting and if it shall not selected by the shareholders' meeting, Chairperson will select such persons. The members of vote checking board will not be more than three persons.

3. Late shareholders for the shareholders' meeting shall be entitled to register immediately and later on shall be entitled to attend the meeting and vote at the meeting. The chairperson shall not be responsible for stopping the meeting in order for the late shareholders to register and validity of executed voting turns before the late shareholders come will not be impacted.

4. The shareholders' meeting shall be chaired by the Chairperson of the Board of Directors, in case of absence of the Chairperson of the Board of Directors, the Deputy Chairperson of the Board of Directors or person nominated by the

shareholders' meeting will chair the meeting. In case, there is nobody among them who would chair the meeting, the present member with highest senior of the Board of Directors shall hold a meeting to elect a chair for the shareholders' meeting, the chair is not necessary to be a member of the Board of Directors. chairperson, vice-chairperson or the chair appointed by the shareholders' meeting shall nominate a secretary to prepare minutes of the meeting. In the case of election for the chair, the appointed chair's name and number of votes must be announced.

5. Decisions made by the chair on sequence, procedure or issues arisen out of the agenda of the shareholders' meeting will be of the highest decisive nature.

6. The chairman of the shareholders' meeting may cancel the meeting even when there is presence of quorum and announce another time and place to resume the meeting decided by the chairman without collecting opinion from quorum in the following cases (a) there is a lack of convenient seats for all the attendants at the meeting (b) attendants' behaviour makes noise or capable of creating noise in the meeting or (c) the postponement is necessary for the valid conducting of the meeting lawfully. It is, besides, possible for the Chairman to put off the meeting on the agreement or by the request of the quorum at the shareholders' meeting with having sufficient required attendants. Maximum canceling duration is not exceeding 3 days from the proposed date of the meeting. The resumed meeting will only review such issues that should have been settled legally at the previous canceling meeting.

7. In the case that the chairman shall cancel or postpone the shareholders' meeting on contrary to regulations in Clause 6 Article 19, another person among attendants shall be nominated by the shareholders' meeting to chair the meeting until closing the meeting and the validity of voting at such meeting will not be influenced.

8. It is capable for the chairman or secretary of the meeting to execute what they deems to be necessary to conduct the shareholders' meeting lawfully and orderly; or to ensure the majority's desire to be reflected at the meeting.

9. By the request of the Board of Directors, shareholders or their proxies at the shareholders' meeting may be put under inspection or security measures which the Board deems to be appropriate. In case that such inspection or security measures are not abided by any shareholder or proxy, the Board of Directors, by their prudent consideration, may refuse or expelled such above mentioned shareholder or proxy out of the meeting.

10. The Board of Directors, by their prudent consideration, may execute the measures which the Board deems to be appropriate to:

- a. Adjust the number of attendants at the main location of the shareholders' meeting;
- b. Ensure security for attendants at that location;

c. Create conditions for shareholders to attend (or continue to attend) the meeting.

The Board of Directors shall be fully entitled to change the above mentioned measures and apply such measures which the Board deems to be necessary. Such applied measures may be in the form of admission ticket or other selected ways.

11. If such above mentioned measures shall be executed at the shareholders' meeting, it is possible for the Board of Directors as defining location of meeting:

a. To announce the location of the meeting as shown in the announcement with the presence of the chairman ("the main location of the meeting");

b. To arrange, organize so that shareholders or the proxies who shall not be able to attend the meeting as per this Article or those who wish to attend the meeting at another place other than the main location to attend the meeting concurrently;

Announcement of re-organization of the meeting should not be needed to mention in details of measures of organization as per this Article.

12. In this Charter (unless otherwise required by the circumstance), every shareholder will be considered to attend the meeting at the main location of the meeting.

The shareholders' meeting must be held at least once per year. The annual General Shareholders' Meeting shall not organized by means of opinions collecting in written form.

### ***Article 20. Approval of the shareholders' meeting's decisions***

1. Excluding the case stipulated at the Clause 2 Article 20, decisions made by the shareholders' meeting will be approved provided that there is equal to and over 65% of total votes of shareholders with voting right presenting in person or by proxy at the shareholders' meeting.

2. Decisions of the shareholders' meeting relating to the amendment and supplement to the Charter, kinds of shares and volume of shares to be offered for sale, re-structuring, merging and dissolution the Corporation, transactions to sell the Corporation's or branches' assets or transactions to purchased being conducted by the Corporation or its branches with the value equal and over 50% of the total asset value of the Corporation or its branches according to latest audited accounting records, will only be approved when there is equal to and over 75% of total votes of shareholders with voting right presenting in person or by proxy at the shareholders' meeting.

3. In the case of approval by means of opinion collecting in the written form, decisions of the shareholders' meeting will be approved, if it's agreed by such shareholders representing for at least 75% of the total affirmative votes.

***Article 21. Jurisdiction and form of shareholders' opinion collecting in the written form to approve decisions the shareholders' meeting.***

Jurisdiction and form of shareholders' opinion collecting in the written form for the approval of decisions of the shareholders' meeting will be executed as per following regulations:

1. The Board of Directors shall be entitled to collect shareholders' opinion in writing for approval of every issue under the jurisdiction of the shareholders' meeting anytime if it deems to be necessary for the benefit of the Corporation;
2. The Board of Directors has to prepare the opinion collecting papers, draft resolutions of the shareholders' meeting and explanatory documents for draft resolutions. The opinion collecting papers attached the draft resolutions and explanatory documents must be sent by guaranteed means to the permanent address of each shareholder;
3. The opinion collecting papers should include following main contents:
  - a. Full name, address of head office, number and issuing date of the Business Registration Certificate, place of Business Registration of the corporation;
  - b. Purpose of the opinion collecting;
  - c. Full name, permanent address, nationality, ID card number, passport or other personal legal paper of shareholder as individual; Full name, permanent address, nationality, establishment decision number or the business registration number of shareholders or proxies as organization; number of each kind of shares and number of votes of shareholder;
  - d. Issues needed to collect opinion for being approved;
  - e. Voting plan including "agree", "not agree" and "no opinion";
  - f. Deadline to send back the answered papers to the Corporation;
  - g. Full name, signature of the Chairman of the Board of Directors and the legal representative of the Corporation;
4. The answered papers must be signed by shareholder as an individual, the proxy or legal representative of shareholder as an organization.

The answered papers sent to the Corporation should be carried in the sealed envelop and shall be kept intact until the votes are checked. Papers which sent to the Corporation after the deadline defined in the its contents or in the state of opening are all invalid;

In case that after the deadline defined at the contents of opinion collecting paper, any shareholders did not sent such paper back to the Corporation, it is considered that such shareholder agreed with all issues being collected opinion.

5. Votes checking and minutes preparation should be performed by the Board of Directors in the witness of the Supervisory Board or shareholders taking no charge of managing the Corporation. The minutes of votes checking must present following main contents:

- a. Full name, address of the head office, number and date of Business Registration Certificate, place of Business Registration;
- b. Purpose and issues needed to collect opinion for approval;
- c. Number of shareholders with the total votes for voting, including the valid and invalid votes separately, attached the list of voting shareholders;
- d. Total votes expressed as “agree”, “not agree” and “no opinion” for each issue;
- e. Approved decisions;
- f. Full name, signature of the Chairman of the Board of Directors, legal representative of the Corporation and vote checking supervisor.

Members of the Board of Directors and vote checking supervisor should jointly take responsibility for the truth, accuracy of the vote checking minutes, jointly responsibility for damages arisen from approved decisions as the results of fraud, incorrectness in vote checking;

6. Minutes of vote checking results must be sent to shareholders within 15 days as from ending date of vote checking;

7. The answered papers accompanied with minutes of vote checking, fully approved resolution and relevant documents attached to opinion collecting paper must be kept at the head office of the Corporation;

8. The decision approved by means of shareholders’ opinion collecting papers has the equal value as the one passed at the General Shareholders’ Meeting.

### ***Article 22. Minutes of the shareholders’ meeting***

The Chair of the shareholders’ meeting is responsible for keeping minutes of the shareholders’ meetings and sending them to all shareholders within 15 days from the closing date of the meeting. The minutes of the shareholders’ meetings is considered as a clear evidence for conduct of the meeting unless there is any opposition to the contents of the minutes brought forward as proper as the regulation within 10 days from the date of sending the minutes. The minutes must be made in Vietnamese, signed by the chairman of the meeting and the secretary and prepared as stipulated in Enterprise Law and this Charter. Note

taking papers, minutes, book of attendants' signatures and the power of attorney for attending the meeting must be kept at the head office of the Corporation.

***Article 23. Request to cancel decision of the shareholders' meeting***

Within 90 days from the date of reception of the minutes of the shareholders' meeting or minutes of the vote checking to collect opinion of shareholders' meeting, shareholders, members of the Board of Directors, Chief of Executive Officer, Supervisory Board shall be entitled to request the Court or Arbitrator to review, cancel the decision made by the shareholders' meeting in the following cases:

1. Sequence and procedure to convene the shareholders' meeting is not in compliance with law and the Corporation's Charter;
2. Sequence and procedure to issue decisions and the decisions' contents breaches the law or the Corporation's Charter.

**VII. BOARD OF DIRECTORS**

***Article 24. Members and term of the Board of Directors***

1. The Board must have at least five (05) members and at most eleven (11) members being elected by the shareholders' meeting in accordance with the form of logrolling election. The Board's term is five (05) years. Its member's term is no longer than five (05) years; the Board's member can be re-elected with unlimited number of term. The numbers of the Board's unmanaging independent members must account for at least one third of the total members of the Board.

2. Those shareholders who hold less than 5% of the shares with voting right in a continuous period of at least 6 months shall be entitled to add up their voting right to vote and nominate the Board's members. Shareholder or groups of shareholders who hold from 5% to less than 10% of the shares with voting right in a continuous period of at least 6 months shall be entitled to nominate one Board's member; from 10% to less than 30% shall be entitled to nominate two Board's members; from 30% to less than 50% shall be entitled to nominate three Board's members; from 50% to less than 65% shall be entitled to nominate four Board's members; and equal and over 65% shall be entitled to nominate full Board's members.

3. In case the numbers of nominated and elected candidates for the Board are still less than the required number, the current Board may nominate more candidates or a nomination will be organized according to the corporation's regulation. The nomination mechanism or the method of nomination from the current Board must be clearly announced and approved by the Shareholders' meeting before nomination execution.



4. The member of the Board will lose the status as Board's member in the following cases:

- a. That member is not eligible for Board's member pursuant to the regulation of the Enterprise Law or he/she is prohibited to be the Board's member by law;
- b. That member sends a request for resignation to the head office of the Corporation;
- c. That member has mental disorder and other Board's members have professional evidence to prove that member has no longer civil capacity;
- d. That member is absent from the meetings of the Board in 6 consecutive months and during that period, the Board does not allow the absence of that member and decides that the position of that member is left empty;
- e. That member is dismissed from the post as Board's member pursuant to the decision of the Shareholders' meeting.

5. The Board may appoint the new Board's member to fill the vacancy and this new member must be approved by the subsequent Shareholders' meeting. After being approved by the Shareholders' meeting, the nomination of that member takes effect on the date he/she is nominated by the Board.

6. The nomination of the Board's members must be announced according to the law on securities and stock exchange.

7. The Board's members are not necessary those who hold the Corporation's shares

#### ***Article 25. Rights and duties of the Board***

1. The Corporation's business operation and other activities must be placed under the management and direction of the Board. The Board is the body who has full authority to execute all the rights in the name of the Corporation except for the jurisdiction of the Shareholders' meeting.

2. The Board shall take responsibility for supervising Chief Executive Officer and other managerial staff.

3. The rights and duties of the Board are defined by the law, Charter, internal regulations of the Corporation and the decision of the Shareholders' meeting. Particularly, the Board has the rights and duties as follows:

- a. To decide the business development plan and the annual budget;
- b. To define the operation objectives on the basis of the approved strategic objectives by the Shareholders' meeting;
- c. To appoint and dismiss the managerial staff of the Corporation as per request of Chief Executive Officer and decide their salary;
- d. To decide the organizational structure of the Corporation;
- e. To deal with the Corporation's complaints about the managerial staff as well as select the representative of the Corporation to settle the issues relating to the legal procedure against that managerial staff;
- f. To propose types of issuing shares and the total number of issuing shares of each type;
- g. To propose the issuance of bonds, convertible bonds to shares, and other certificates of authority to allow their owners to buy shares at the defined price;
- h. To decide the offer price of the bonds, shares and other convertible securities;
- i. To appoint and dismiss Chief Executive Officer or the managerial staff or the Corporation's representative when the Board deems it to be the supreme benefit of the Corporation. The mentioned above dismissal cannot be contrary to the rights of that dismissed person according to the contract (if any);
- j. To propose the annual dividend rate and define the temporary dividend rate; to organize the payment of the dividend;
- k. To propose the restructuring or dissolution of the Corporation.

4. The following issues must be approved by the Board:

- a. To establish the branch or the representative office of the Corporation;
- b. To establish the subsidiary company of the Corporation;
- c. Within the range of the regulations in Article 108.2 of Enterprise Law and except for the regulations at Article 120.3 of Enterprise Law which are approved by the Shareholders' meeting, the Board will decide the implementation, modification or cancellation of big contracts of the Corporation in each period (including the sales contract, merging contract, induction contract and joint-venture contract of the Corporation);

- d. To appoint and dismiss the authorized trading representative and lawyer of the Corporation;
  - e. To loan, mortgage, guarantee and compensation of the Corporation;
  - f. Investments which are out of the business plan and its budget exceeding 500 billion VND or such investments exceeding 10% of the value of the annual business plan and budget;
  - g. Purchasing or selling the shares of other corporations established in Vietnam or foreign countries;
  - h. Assessment of the non-currency assets contributed to the Corporation relating to the issuance of the stocks or bonds of the Corporation including gold, land-use right, intellectual property right, technology and know-how;
  - i. Buying back or withdrawing less than 10% shares of each type by the Corporation;
  - j. Business matters or transactions that the Board's decisions needed to be approved within the range of their liability and right;
  - k. To decide the price purchase or withdraw the Corporation's shares.
5. The Board must report to the Shareholders' meeting on its operation, namely the supervision of the Board on Chief Executive Officer and other managerial staff in the fiscal year. In case the Board does not report to the Shareholder's meeting, the annual financial statement of the Corporation will be considered as valueless and not approved by the Board.
6. Unless otherwise regulated by the law and the Charter, the Board shall be able to authorize the subordinate or managerial staff to represent the Corporation to settle the works.
7. The Board's members (exclusive of the authorized representative) may receive the remuneration as Board's members. Total remuneration of the Board will be decided by the Shareholders' meeting. This remuneration will be divided

among the Board's members according to the agreement among the Board's members or equally divided in case no agreement is reached.

8. The total remuneration for the Board's members must be clearly noted down in the annual report of the Corporation.

9. The Board's members who hold the managerial positions (including the Chairman or Vice Chairman), or who work at the subcommittees of the Board or carry out other jobs outside the scope of the normal function of a Board member, may be paid extra remuneration in form of lump-sum each turn, salary, commission, profit percentage or in other form according to the decision of the Board.

10. The Board's members shall be financed all expenses on accommodation, meals and transportation and other reasonable expenses which they paid as implementing their duties of a Board's member, including the arising expenses when attending the meetings of the Board, the subcommittees of the Board or the Shareholders' meeting.

#### ***Article 26. Chairman, Vice Chairman of the Board***

1. The Board of Directors must select within members of the Board to elect one Chairman and one Vice Chairman. Unless otherwise decided by the Shareholder's meeting, the Chairman of the Board will not concurrently hold the position of Chief Executive Officer of the Corporation. Chairman of the Board concurrently holding the position of Chief Executive Officer must be annually approved annually at the meeting.

2. The Chairman of the Board is responsible for convening and chairing over the Shareholders' meeting and other meetings of the Board, as well as also having other rights and duties as defined in this Charter and the Enterprise Law. Vice Chairman have the same right and duties as the Chairman if authorized by the Chairman just in case the Chairman has informed the Board of his/her absence or absence due to unexpected reasons or loss of his/her ability to execute his/her mission. In such cases when the Chairman has not appointed the Vice Chairman to act like that, other members of the Board will appoint the Vice Chairman. In case both the Chairman and Vice Chairman temporarily cannot execute their function due to certain reasons, the Board may appoint another person among the Board's members to execute the Chairman's mission on the principle of majority.

3. The Chairman of the Board must be responsible for ensuring that the Board would inform the Corporation's annual financial statement, operation report of the Corporation, audit report and inspection report of the Board to the shareholders at the Shareholders' meeting;

4. In case both the Chairman and the Vice Chairman of the Board are resigned or dismissed, the Board must elect the substituted persons within ten days.

#### ***Article 27. Substitutes of Board's members***

1. The Board's member (not the authorized representative of that member) may nominate another Board's member, or one person who is approved by the Board and willing to execute this mission, to be the substitute and shall be entitled to dismiss that substitute.

2. The substitutes of the Board's members have the right to receive the announcement on the meetings of the Board and the subcommittees of the Board, have the right to participate in and vote at the meetings when their nominators are not present, and are also authorized to carry out all of the missions of the nominators as Board's members in case the nominators are absent. The substitutes have no right to receive any remuneration from the Corporation for their works as substitutes of the Board's members. However, it is not obligatory for the Corporation to send the announcements on the above-mentioned meetings to the substitutes of the Board's members who do not present in Vietnam.

3. The substitutes will have to abandon their status of Board's members when their nominators have no status as Board's members. In case one Board's member's term is up, but he/she is re-elected or deems to be re-elected at same Shareholders' meeting when that member has left his/her post due to the fact that his/her term is up, the nomination of the substitutes executed by this member before ending the term will continue to take effect after that member is re-elected.

4. The nomination or dismissal of the substitutes must be done by the Board's members in writing and signed and sent to the Corporation or in other form approved by the Board.

5. Except for other regulations mentioned in this Charter, the substitutes will be considered as Board's members in all aspects and shall take personal responsibility for their mistakes and actions without being considered as the authorized representatives to act on behalf of the Board's members who nominated them.

#### ***Article 28. Meetings of the Board***

1. In case the Chairman is elected by the Board of Directors, the first meeting of the Board's term to elect the Chairman and make other decisions under the jurisdiction must be executed within 7 working days, as from the ending day for electing the Board of that term. This meeting is convened by the member with

highest number of votes. In case there is more than one person with highest number of votes and equal, the elected members will elect one of them in majority principle to convene the meeting of the Board.

2. The regular meetings. Chairman of the Board must convene the regular meetings of the Board, make the agendas, the schedule and place of the meeting at least 7 days before the proposed meeting date. Chairman may convene meeting anytime if necessary, but meetings must be convened at least once per quarter.

3. Extraordinary meetings. Chairman must convene the meeting of the Board, without delay except for having any legitimate reason, when one of the following people have a written proposal presenting the purpose of the meeting and the issues to be discussed at the meeting:

- a. Chief Executive Officer or at least five managerial staff;
- b. Two Board's members;
- c. Chairman of the Board;
- d. The majority of the Supervisory Board.

4. The meetings of the Board mentioned in Clause 3 Article 28 must be carried out within 15 days after receiving the proposals. In case Chairman of the Board does not accept to convene the meeting as requested, the Chairman will be responsible for any damages caused to the Corporation; those who requested to convene the meeting mentioned in Clause 3 Article 28 may convene the meeting of the Board by themselves.

5. In case of request from the independent auditor, Chairman of the Board must convene the meeting of the Board to discuss on the audit report and situation of the Corporation.

6. Meeting location. The meetings of the Board will take place at registered address of the Corporation or other places in Vietnam or in foreign countries as per the decision of the Chairman of the Board and approved by the Board.

7. Meeting announcement and agenda. Announcements on meeting of the Board must be sent to the Board's members at least five days before meeting date; the Board's members may decline the meeting announcement by written document and this declination may have retroactive effect. The Board meeting announcement must be made in Vietnamese in which the agenda, schedule and place are fully mentioned and all other necessary documents relating to the issues to be discussed and voted at the Board meeting and the votes of the absent Board members are enclosed.

Meeting announcement must be sent by postal mail, fax, e-mail or in other means of communication, but it must be ensured to reach the address of each Board's member registered at the Corporation.

8. Minimum numbers of participants. Meeting of the Board can only be conducted and approved decisions when at least three fourth of the Board's members present in person or by substitutes.

9. Voting.

a. Except for the regulation in Clause 9b Article 28, each Board's member or his/her authorized representative presents at the Board meeting will have a vote;

b. The Board's member is not allowed to vote on the contracts, transactions or proposals from which such member or concerned person to such member may have benefit and that benefit may in contradiction with the benefit of the Corporation. A Board's member will not be counted as minimum necessary number of participants for organizing a Board meeting regarding the decisions in which that member has no right to vote;

c. According to the regulation Clause 9d Article 28, arising issue in a Board meeting relating to the benefit rate of the Board's members or voting right of a Board's member where that issue cannot be solved by voluntary waiver of voting right of such Board's member, such arising issues will be passed to the chairperson of the meeting and decision of chairperson relating to all other Board's members will be final decision, except for the case when nature or scope of benefit of the relevant Board's member has not been appropriately announced;

d. Board's members who receive benefit from a contract defined in Article 34.4a and Article 34.4b of this Charter will be considered as having significant benefit from that contract.

10. Benefit publicity. Board's member who directly or indirectly receives benefit from any contract or transaction signed or proposed to be signed with the Corporation and knows about their benefit therein, will publicize the nature and content of such benefit in the first Board meeting considering matter of signing that contract or transaction. Or this member may publicize such benefit in the first meeting of the Board which will be organized after such member knows about their benefit in the relevant contract or transaction.

11. Majority voting. The Board shall approve the resolutions and make decision by conforming to the approval of the majority of the present Board's members (over 50%). In case the numbers of the approved votes and the opposed votes are equal, vote of Chairman will be decisive one.

12. Meeting via telephone or other means of communication. Meeting of the Board may be organized as discussions among the Board's members when all or some members live in different places with condition that each participant is able to:

- a. Hear opinions of other Board's members, participate in expressing the opinion in the meeting;
- b. If expected, such member can concurrently express the opinion together with other participants.

The communication among the members may be executed directly via telephone or other means of communication (even when use of this means coincides with the time when the Charter is approved or later) or combination of all these means. According to this Charter, Board's members participating in such meeting are considered as "present" at such meeting. Meeting location organized as per this regulation is the place where gathers crowded group of Board's members or should there not be such a group, it's the place where the Chairman presents.

Decisions approved in a meeting via telephone which is organized and conducted lawfully, will take effect right after ending such meeting, but it must be affirmed by the signatures to the minutes of all Board's members participating in such meeting.

13. Resolution in written document. The resolution in written document must have the signatures of all of following Board's members:

- a. Members with voting right on the resolution at the Board meeting;
- b. Number of present members is not less than the minimum number of members as per regulation for conducting the Board meeting.

This type of resolution will take effect and have equal value as the resolution approved by the Board's members at a meeting convened and organized regularly. The resolution may be approved by using many copies of one document if each copy has at least one signature of a Board's member.



14. Minutes of the Board meeting. Chairman of the Board will be in charge of passing the Board meeting minutes to the members and such minutes will be considered as authentic evidence on works executed in that meeting except for any opposed opinion on the contents of the minutes within ten days as from the day when the minutes is sent to the Board's members. Minutes of the Board meeting must be made in Vietnamese with the signatures of all Board's members participating in the meeting.

15. Subcommittees of the Board. The Board may establish and authorize to act to affiliated subcommittees. Members of subcommittees may include one or many Board's members and one or many external members according to the decision of the Board. During the implementation of authorized right, subcommittees must obey the regulations defined by the Board. These regulations may be adjusted so that people outside the Board's members can be admitted to the above subcommittees and those people are allowed to vote as members of the subcommittees, however, (a) it must be ensured that number of external members would be less than a half of total members of the subcommittees and (b) resolution of subcommittees can take effect only when the majority of the participants and voting at the meeting are the Board's members.

16. Validity of the action. Actions to execute decision of the Board, or the affiliated subcommittees of the Board, or the member with status of the subcommittee, of the Board will be considered as having its validity even in case there is any mistake in election, nomination of member of the subcommittees or the Board.

## **VIII. CHIEF EXECUTIVE OFFICER, OTHER MANAGERIAL STAFF AND SECRETARY OF THE CORPORATION**

### ***Article 29. Organization of the management structure***

The Corporation will issue a management system by which the management apparatus will be under the leadership of the Board of Directors. The Corporation will have one Chief Executive Officer, some Deputy General Directors and one Chief Accountant who are appointed by the Board. Chief Executive Officer and Deputy General Directors may be concurrently the Board's members, and will be appointed or dismissed by one lawfully approved resolution of the Board.

### ***Article 30. Managerial staff***

1. Pursuant to the suggestion of Chief Executive Officer and approval of the Board, the Corporation can use a number and type of managerial staff which is necessary and suitable to mechanism and management practice of the Corporation proposed by the Board depending on each period. Managerial staff

must have necessary diligence for operations and organization of the Corporation to reach the proposed objectives.

2. Salary, remuneration, benefit and other term in the labor contract to Chief Executive Officer will be decided by the Board and the contract with other managerial staff will be decided by the Board after consulting Chief Executive Officer.

***Article 31. Appointment, dismissal, mission and authority of Chief Executive Officer***

1. Appointment. The Board will appoint one member of the Board or another person as Chief Executive Officer and will sign a labor contract defining salary, remuneration, benefit and other terms related to recruitment. Information about salary, remuneration and benefit of the Chief Executive Officer must be reported at the annual Shareholders' Meeting and noted down in the annual report of the Corporation.

2. Term. According to Article 26 of this Charter, Chief Executive Officer may not be Chairman of the Board. The term of Chief Executive Officer is five years, unless otherwise regulated by the Board, and may be re-elected. The appointment may become invalid pursuant to the regulations in the labor contract. Chief Executive Officer cannot be those who are prohibited by the law, i.e. the juvenile, people having insufficient civil capacity, people being sentenced to imprisonment, people being punished by imprisonment, officers of the armed forces, governmental civil servants and those who receive the verdict of making their former company go into bankruptcy.

3. Rights and duties: Chief Executive Officer has the following rights and duties:

a. To carry out the resolutions of the Board and the Shareholders' Meeting, the business and investment plan of the Corporation which are approved by the Board and the Shareholders' meeting;

b. To decide all issues without resolution of the Board, including signing the financial and commercial contracts on behalf of the Corporation, organizing and managing the daily business and production operations of the Corporation according to the best management practices;

c. To make petition on the number and type of managerial staff needed to employ by the Corporation so that the Board can appoint or dismiss in necessary in order to apply the operations and good management apparatus proposed by the Board and offer advice for the Board on the salary, remuneration, benefits and other terms of the labor contract of the managerial staff;

- d. To consult the Board to decide the number of employees, salary, subsidy, benefit, appointment, dismissal and other terms relating to their labor contracts;
  - e. Yearly on December 31, Chief Executive Officer has to submit to the Board for approval of detailed business plan for subsequent financial year on basis of corresponding to suitable budget demand as well as the 5-year financial plan.
  - f. To carry out the annual business plan which has been approved by the Shareholders' meeting and the Board;
  - g. To propose the measures to enhance the operations and management of the Corporation;
  - h. To prepare the long-term, yearly and monthly budget estimation of the Corporation (hereinafter referred to as budget estimation) for the long-term, yearly, monthly management operation of the Corporation according to the business plan. Annual budget estimation (including the accounting balance, business and production report and report on estimated currency flow) for each fiscal year will be submitted to the Board for approval and it must contain the defined information in the statutes of the Corporation.
  - i. To carry out all other operations pursuant to the regulation of this Charter and other statutes of the Corporation, resolutions of the Board, the labor contract of the Chief Executive Officer and the law.
4. To report to the Board and the shareholders. Chief Executive Officer shall be responsible before the Board and shareholders' meeting for implementation of the assigned duties and rights and must report to such body as requested.
5. Dismissal. The Board can dismiss Chief Executive Officer when more than two third of the Board's members vote to agree (in this case, the vote of Chief Executive Officer is not counted) and appoint a new Chief Executive Officer to replace. Dismissed Chief Executive Officer has the right to oppose this dismissal at subsequent Shareholders' meeting.

### ***Article 32. Secretary of the Corporation***

The Board will nominate one (or more) person to be the Secretary of the Corporation whose term and other provisions are decided by the Board. The Board can dismiss the Secretary of the Corporation when necessary but not in contradiction with the applicable law on labor. The Board can also appoint one or more Assistant to the Secretary depending on each period. Roles and missions of the Secretary are as follows:

- a. To organize the meetings of the Board, Supervisory Board and Shareholders' meeting by the order of Chairman of the Board or the Supervisory Board;
- b. To prepare minutes of meetings;
- c. To provide consultancy on the procedures of the meetings;
- d. To provide financial information, copies of the Board meeting minutes and other information to the members of the Board of Directors and the Supervisory Board.

The Secretary of the Corporation is responsible for keeping the information in secret according to the law and the Charter of the Corporation.

## **IX. RESPONSIBILITIES OF MEMBERS OF THE BOARD OF DIRECTORS, CHIEF EXECUTIVE OFFICER AND MANAGEMENT STAFF**

### ***Article 33. Responsible for being cautious of Member of Board of Directors, Chief Executive officer (CEO) and management staff***

Board's members, CEO, and authorized management staff are responsible for implementing their tasks, including tasks as members of subcommittees of the Board honestly and in the way that to their belief will bring about highest benefit for the Corporation and with a sense of caution that a careful person usually has when he/she takes the similar role and in the same circumstance.

### ***Article 34. Responsible for being loyal and avoiding conflict of interest***

1. Board's members, CEO, and management staff are not allowed to use possible business opportunities that can bring about benefits for the Corporation for personal purpose; and to take advantage of information gained from their positions for personal benefit or benefit of other organization and individuals.

2. Board's members, CEO, and management staff must be responsible for informing the Board all interests they may be the beneficiaries through other enterprises, transaction or individuals, which conflict with the interest of the Corporation. The above subjects are allowed only to use such opportunities when members of the Board who don't have any related interest decide not to investigate this matter.

3. The Corporation is not allowed to grant loan, guarantee, or credit to member of the Board, CEO, and management staff and their family or legal entities that these people are financial beneficiaries, otherwise the Shareholders' meeting makes other decision.

4. Contract or transaction between the Corporation and one or many members of the Board, CEO, and management staff, or people relating to them, or Corporation, partner, association, or organization that one or more members of the Board, management staff or their related members are members of, or have financial benefit from will not be neutralized because of the above mentioned relationships, or because of the presence or participation of that member of the Board or management staff into related meetings or the Board of Directors or subcommittee which allow the implementation of the contract or transaction, or because of their votes also being accounted for during voting for that purpose, if:

a. For contract with a value from below 20% of the total property value noted in the latest financial statement, key factors of the contract or transaction as well as relationships and interest of management staff or member of the Board have been reported to the Board of Directors or the related subcommittee. Concurrently, the Board of Directors or that subcommittee has allowed the implementation of such contract or transaction honestly by a majority of members of the Board who don't have related interest; or

b. For contract with a value higher than 20% of the total property value noted in the latest financial statement, key factors of the contract or transaction as well as relationships and interest of management staff or member of the Board have been declared so that shareholders who don't have related interest can vote for that matter, and those shareholders voted for the contract or transaction;

c. The contract or transaction is considered by an independent consultation organization as fair and relevant in all aspects related to shareholders of the Corporation at the time the transaction or contract are approved by the Board or a subcommittee of the Board of Director or shareholders to implement, pass or approve.

Member of the Board, CEO, and management staff or people relating to them are not allowed to buy or sell or deal under any other forms, the stocks of the Corporation or its subsidiary company at the time they have information that will surely cause impact on the price of such stock while other shareholders don't know such information.

***Article 35. Responsible for damage and compensation***

1. Responsible for damage. Member of the Board, CEO, and management staff who violate the responsibility of acting honestly, or don't complete their obligations with caution, hard-working and expertise will have to be responsible for damages caused by their violation

2. Compensation. The Corporation will compensate people who have been having risks of being a party in appeals, lawsuits, introduction of instance that have been or might be implemented though they are civil, administrative cases (but not lawsuits conducted by the Corporation or under the initiation of the Corporation) if that person is a member of the Board, management staff, staff or representative authorized by the Corporation (or subsidiary of the Corporation), or that person has been implementing as requested by the Corporation (or subsidiary of the Corporation) as a member of the Board, management staff, staff or representative authorized by the Corporation, partner, join-venture, credit or other legal entities. Compensation expenses include: rising costs (including fee to hire lawyer), decision cost, fines, practical rising payments or payment considered as reasonable when these cases are solved under the regulation framework, in condition that that person acted honestly, cautiously, hard, and with an expertise in the way that according to the person's belief, is for rather than against the highest interest of the Corporation, in accordance with regulations and there is no detection or confirmation that the person violated his/her responsibilities. The Corporation has rights to buy insurance for such people to avoid compensation obligations mentioned above.

**IX. RESPONSIBILITIES OF MEMBERS OF THE BOARD OF DIRECTORS, CHIEF EXECUTIVE OFFICER AND MANAGEMENT STAFF**

***Article 36. Responsible for being cautious of Member of Board of Directors, Chief Executive officer (CEO) and management staff***

1. Board's members, CEO, and authorized management staff are responsible for implementing their tasks, including tasks as members of subcommittees of the Board honestly and in the way that to their belief will bring about highest benefit for the Corporation and with a sense of caution that a careful person usually has when he/she takes the similar role and in the same circumstance.

- a. To convene meeting of the Supervisory Board and act as the Head of the Supervisory Board;
  - b. To request the Corporation to provide related information to report members of the Supervisory Board;
  - c. To make and sign reports of the Supervisory Board after consulting the Board of Directors to submit them to the Shareholders' meeting.
2. Those shareholders who hold less than 5% of the shares with voting right in a continuous period of at least 6 months shall be entitled to add up their voting right to vote and nominate members to the Supervisory Board. Shareholder or groups of shareholders who hold from 5% to less than 10% of the shares with voting right in a continuous period of at least 6 months shall be entitled to nominate one member; from 10% to less than 30% shall be entitled to nominate two members; from 30% to less than 50% shall be entitled to nominate three members; from 50% to less than 65% shall be entitled to nominate four members; and equal and over 65% shall be entitled to nominate full members.
3. Members of the Supervisory Board are elected by the Shareholders' meeting, the term of office of the Board does not exceed five (05) years; members of the board might be voted again with unlimited terms of office.
4. A member of the Supervisory Board will be unqualified in the following cases:
- a. The member is legally prohibited to be member of the Supervisory Board;
  - b. The member resigns with a written document sent to the head office of the Corporation;
  - c. The member suffers mental disorder and other members of the Supervisory Board have professional evidence showing that the member doesn't have civil capacity;
  - d. The member doesn't attend the meetings of the Supervisory Board constantly during six consecutive months, and during this time, the Supervisory Board does not allow that member to be absent and make decision that the position of this member is left empty;
  - e. The member is dismissed from the duty of a member of the Supervisory Board under the decision of the Shareholders' meeting.

### ***Article 37. Supervisory Board***

1. The Corporation must have the Supervisory Board and the Supervisory Board will have rights and obligations in accordance with regulation at Article 123 of the Enterprise Law and this charter, which mostly include rights and obligations as the followings:

- a. To propose to select the independent audit company, rate of audit and all issues related to the withdrawal or removal of the independent audit company;
- b. To discuss with independent auditor on characteristics and scale of the audit before starting the audit;
- c. To consult independent professional consultant or legal consultant to ensure the participation of experts outside the Corporation with relevant education and experience to the work of the Corporation if needed;
- d. To check financial statements annually, quarterly and six moth time before submit them to the Board of Directors;
- e. To discuss challenges and shortcomings detected from the mid-term or final audit as well as all issues that the independent auditor wants to discuss;
- f. To have a look at the management mail of the independent auditor and feedback from the corporation management board;
- h. To review reports of the corporation on internal supervisory system before submitting them to the Board of Directors for approval; and
- i. To review internal inspection results and feedback of management board;

2. Members of the Board of Directors, CEO and management staff must provide all information and materials relating to the Corporation's operation upon request of the Supervisory Board. Secretary of the Corporation must ensure that all copies of financial information and of minutes of the Board of Directors meetings be provided for members of the Supervisory Board at the time when they are provided for the Board of Directors.

3. After consulting the Board of Directors, the Supervisory Board can promulgate regulations on meetings of the Supervisory Board and operation method of the Supervisory Board. The Supervisory Board must have at least two meetings per year and the minimum number of participants must be two.



4. The remuneration for each member of the Supervisory Board will be decided by the shareholders' meeting. Members of the Supervisory Board will also be financed the expenses as travel, hotel and rising expenses reasonably when they attend the meetings of the Supervisory Board or relating to the business activities of the Corporation.

## **XI. RIGHTS TO INVESTIGATE BOOKS AND DOCUMENTS OF THE CORPORATION**

### ***Article 38. Rights to investigate books and documents***

1. A shareholder or a group of shareholders mentioned in Article 24.2 and Article 36.2 of this Charter has rights to directly or through lawyer or a delegated person send a document to request to investigate list of shareholders, minutes of the Shareholders' meeting, and make copies or extract of such documents during working hour and at head office of the Corporation. The request to investigate by the representative lawyer or other delegated person must be attached with a power of attorney or its notarized copy by the shareholder that the person represents.

2. Members of the Board of Directors, member of the Supervisory Board, CEO and management staff have rights to check the shareholder registration book of the Corporation, list of shareholder and books and other documents of the Corporation for purposes related to their position in condition that such information must be kept confidential.

3. The Corporation must file this Charter and amendment, supplement of the Charter, Business Registration Certificate, statutes, documents showing the property ownership, meeting minutes of the Shareholders' meetings and Board of Directors, reports of the Supervisory Board, annual financial statements, accounting books and any other documents according to regulations of the law at the head office or another place in the condition that shareholders and the business registration agency are noticed about the filing place of these documents.

4. Shareholders have rights to be granted a copy of the Corporation's Charter for free by Corporation. In case the Corporation has its own website, this Charter must be available on the website.

## **XII. STAFF AND TRADE UNION**

### ***Article 39. Staff and trade union***

CEO must work out plan for the Board of Directors to approve issues related to the recruitment, labor, dismissal, salary, social insurance, benefit, commendation

and discipline for management staff and labor as well as relationships between the Corporation and trade unions that are recognized in conformity with the best standards, normal practice and management policy; normal practice and policies regulated in this Charter; and Statutes of the Corporation and applicable law.

### **XIII. PROFIT DIVISION**

#### ***Article 40. Dividend***

1. Under the decision of the Shareholders' meeting and the law, dividend will be declared and paid from the retained profit of the Corporation but not exceed the level proposed by the Board of Directors after the Board of Directors consult shareholders of the Shareholders' meeting.
2. Under the regulation of the Enterprise Law, the Board of Directors can make decision on the mid-term payment of the dividend if this payment is relevant to the profitable capacity of the Corporation.
3. The Corporation does not pay interest for the dividend payment amount or payment amount relating to a stock.
4. The Board of Directors can propose the Shareholders' meeting to approve the full or partly payment of dividend by specific properties (for example stock or bond that has been fully paid and that issued by another corporation) and the Board of Directors is the body to execute this decision.
5. In case dividend or other amount of money relating to a kind of stock is paid in cash, the Corporation will have to pay in VND and can pay by check or by order to pay deposit through the post office to the registered address of the beneficiary and if there a rising risk (from the registered address of the shareholder) then the shareholder have to accept the lost. In addition, dividend payment amounts or other amounts paid in cash that relates to a kind of stock can be paid by bank transfer when the Corporation has detailed information about the bank of the shareholder, which enables the Corporation to transfer directly into the bank account of the shareholder. In case the Corporation successfully transfer money with detailed information on the bank account of the shareholder provided by the shareholder but the shareholder still cannot receive money, then the Corporation is not responsible for that transferred amount to the shareholder. The payment of dividend for stock posted at the Stock Exchange can be done via a stock company or the Deposit Center.

6. In case where there is the approval of the Shareholders' meeting, the Board of Directors can make decision and notice that owners of ordinary share will be received dividend with ordinary share instead of dividend in cash. Added shares to pay for this dividend will be recorded as fully paid stocks on the basis that value of stock used to pay for dividend must be equivalent to the dividend payment amount in cash.

7. Under the Enterprises Law, the Board of Directors can approve the resolution to fix a certain day as the date to close the business operation book of the Corporation. On the basis of that day, people who register themselves as shareholders or owners of other stocks will have rights to receive dividend, interest rate, divide profit, and receive stock, notice or other materials. This book closing date can be on the day or time before such rights are implemented. This provision does not affect the rights of both parties in relevant stock or securities transferring deals.

***Article 41. Other issues related to profit distribution***

Other issues related to profit distribution are implemented in conformity with regulations of the law.

**XIV. BANK ACCOUNT, RESERVE FUND, FISCAL YEAR AND ACCOUNTING SYSTEM**

***Article 42. Bank account***

1. The Corporation will open a bank account in a Vietnam's bank or foreign banks allowed to operated in Vietnam
2. According to the prior approval of the competent authorities, in necessary cases, the Corporation can open a bank account in an oversea bank in conformity with regulations of the law.
3. The Corporation will carry out all payment and accounting transaction through Vietnam dong account or foreign currency account at banks where the Corporation opens the bank accounts.

***Article 43. Reserve fund to supplement registered capital***

Annual, the Corporation will have to appropriate an amount of the after-tax profit for the reserve fund to supplement the registered capital under the regulations of the law. This appropriation amount is not allowed to exceed 5% of the after-tax profit of the Corporation and is appropriated until the reserve fund is equal to 10% of the Corporation's registered capital.

***Article 44. Fiscal year***

The fiscal year of the Corporation starts from the first day of January each year and ends at the 31st of December of the same year.

***Article 45. Accounting system***

1. The accounting system that the Corporation uses is the Vietnam Accounting System (VAS) or another accounting system approved by the Ministry of Finance.
2. The Corporation uses Vietnamese in accounting books. The Corporation will file accounting documents to types of business activity that the Corporation participates in. These documents must be correct, updated, systematical, and can prove and explain transactions of the Corporation.
3. The Corporation uses Vietnam dong as currency unit in its accounting.

**XV. POLICY STATEMENT, RESPONSIBILITY TO ANNOUNCE THE PUBLIC WITH INFORMATION, NOTICE**

***Article 46. Annual, half-annual and quarterly reports***

1. The Corporation must make annual financial statement in compliance with regulation of the law as well as requirements of the State Security Commission. The reports must be audited in accordance with requirements in Article 48 of this Charter and within 90 days as ending date of the fiscal year, submitted annual financial statement approved by the shareholders' meeting to the competent tax authority, State Security Commission, Stock Exchange and the Business Registration Agency.
2. Annual financial statement must include the trading and production output reports that honestly and objectively reflects the gain and loss condition of the Corporation in the financial year and the accounting balance reflects the operating situation of the Corporation up to the time of report making, currency flow report and presentation of financial report. In case the Corporation is a mother company, the annual financial statement must include an aggregate accounting balance on the operating situation of the Corporation and its subsidiaries by the end of a financial year.
3. The Corporation must make half-annual and quarterly reports in accordance with requirement of the state Security Commission and then submit them to the state Security Commission, the Stock Exchange.

4. The content summary of annual financial statements that have been audited must be sent to all the shareholders and announced in the local newspaper and a central economic newspaper in three consequent issues. In case the Corporation owns a website, the audited financial statements, half-annual reports and quarterly reports of the Corporation must be announced on that website.

5. Concerning organizations, individuals have right to check or copy the Corporation's audited annual financial statements, half-annual reports and quarterly reports during the working hours of the Corporation, at the head office of the Corporation and must pay a proper fee for copying.

***Article 47. Information announcement to the public***

Annual financial statements and other additional documents must be announced to the public in accordance with regulations of the state Security Commission and submitted to concerned tax authority as well as business registration agency according to applicable regulations of the Enterprise Law.

**XVI. AUDITTING THE CORPORATION**

***Article 48. Audit***

1. At the annual shareholders' meeting, an auditing company will be assigned that works independently and in compliance to the Law in Vietnam and accepted by the state Security Commission to carry out audit for quoted companies, to carry out auditing activities for the Corporation in subsequent financial year based on the terms and conditions agreed with the Board of Directors.

2. The Corporation must prepare and send annual financial statements to the independent auditing company at the end of a financial year.

3. The independent auditing company checks, confirms and presents the annual financial statements showing the Corporation's expense and income; makes auditing reports and submits to the Board of Directors within two months since the end of a financial year. Staff of the independent auditing company carrying out the audit for the Corporation must be accepted by the State Security Commission.

4. A copy of the auditing report must be sent together with each annual accounting report of the Corporation.

5. Auditors carrying the audit of the Corporation have right to participate in all shareholders' meeting and receive notices and other information relating to the shareholders' meeting that the shareholders have right to receive and express opinion about the issues regarding the audit at the meeting.

## **XVII. SEAL**

### ***Article 49. Seal***

1. The Board of Directors shall make decision through the Corporation's official seal that is carved in accordance with regulation of the law.
2. The Board of Directors, Chief Executive Officer use and manage the seal in compliance with regulation of the applicable law.

## **XVIII. WINDING UP**

### ***Article 50. Winding up***

1. The Corporation may be dissolved or wound up in following cases:
  - a. The Court declares the Corporation bankrupt in accordance with regulation of the applicable law;
  - b. The Corporation is wound up before the term according to Decision made by the Shareholders' meeting.
  - c. Other cases regulated by the law.
2. The winding-up of the Corporation before term is decided by the Shareholders' meeting, implemented by the Board of Directors. This winding up decision must be approved or announced by competent authority (if compulsory) in accordance with the regulation.

### ***Article 51. The deadlock between members of Board of Directors and shareholders***

Unless otherwise regulated by this Charter, shareholders holding a half of circulating shares have right to vote in the member of the Board of Directors election and submit claim to the court requiring the winding up of the Corporation pursuant to one or more evidence as follows:

1. Members of the Board of Directors fail to reach agreement on the management of the Corporation's affairs leading to not reach necessary votes for the Board of Directors to operate.
2. Shareholders do not reach agreement; therefore, they fail to reach necessary votes as per regulation to carry out election of members of Board of Directors.

3. There is an internal conflict among two or more sides, shareholders are separated which leads to the possibility that liquidation shall be the most beneficial solution for all shareholders.

### ***Article 52. Liquidation***

1. At least six months after the decision of liquidating the Corporation is made, the Board of Directors must establish a Liquidation Board consisting of three members. Two members are assigned by the Shareholders' meeting, one member is assigned by the Board of Directors from an independent auditing company. The Liquidation Board shall prepare its operating statutes. The members of the Liquidation Board may be selected by one of the Corporation's staff or independent expert. All of costs relating to the liquidation shall be given priority to pay prior to other debts by the Corporation.

2. The liquidation Board is responsible for reporting to the Business Registration Agencies on the establishment date and the day to start its operation. Since then, the Liquidation Board shall represent the Corporation in all affairs relating to the liquidation of the Corporation before the Court and administrative authorities.

3. The money earned from the liquidation shall be paid in following order:

a. Liquidating costs;

b. Salary and insurance costs for staff;

c. Tax and taxable amount required to pay to the State by the Corporation;

d. Loans (if any);

e. Other loans by the Corporation;

f. The remaining balance after paying all the loans from item (a) to (e) mentioned above that shall be divided to shareholders. Preferred stocks shall be paid in priority.

## **XIX. SETTLEMENT OF INTERNAL DISPUTES**

### ***Article 53. Settlement of internal disputes***

1. In case of disputes or claims relating to the Corporation's operation or shareholders' right arising from this Charter or any rights or obligations regulated by the Enterprise Law or other laws, or administrative regulations, between:

- a. Shareholders and the Corporation; or
- b. Shareholders and Board of Directors, Supervisory Board, Chief Executive Officer or the senior managerial staff

Concerned parties shall make effort to solve out that dispute via negotiation and conciliation. Except for dispute concerning to the Board of Directors or Chairman of the Board of Directors, the Chairman of the Board shall lead the settlement of dispute and require each party to present practical factors relating to the dispute within 30 working days since the arising day of the dispute. In case the dispute concerning to the Board of Directors or Chairman of the Board of Directors, either party would be able to appoint an independent expert to act as arbitrator for process of settling dispute.

2. If the conciliation decision fails to be reached within six weeks since starting the settlement of dispute or decision of the intermediate conciliators is not accepted by the parties, either party would be able to bring such dispute to the Economic Arbitration or Economic Court.

3. The parties shall self finance their costs relating to the negotiation and conciliation proceedings. Party will pay the legal court shall be decided by the Court.

## **XX. SUPPLEMENT AND AMENDMENT OF THE CHARTER**

### ***Article 54. Supplement and Amendment of the Charter***

1. The supplement and amendment of the Charter must be considered and decided by the shareholders' meeting.
2. If there is any regulations of the law relating the Corporation's operation which are not mentioned in this Charter or if there's new regulations of the law which are different from the provisions in this Charter, thus such regulations of the law are obviously applied and adjusted the Corporation's operation.

## **XXI. DATE OF VALIDITY**

### ***Article 55. Date of validity***

1. This Charter is consisting of XXI chapters and 56 Articles, approved by the shareholders' meeting of Nha Be Garment Corporation – Joint Stock Company on 27 November 2010 in Ho Chi Minh City and approved the validity of all text of this Charter.
2. The Charter is made in 10 copies of the equal validity, among which:



- a. 01 copy is submitted to Notary Public Office at the locality
  - b. 05 copies are registered at the authority in compliance with the regulation of People's Committee of Ho Chi Minh City.
  - c. 04 copies are recorded at the Corporation's office
3. This Charter is the unique and official document of the Corporation.
  4. The copies or extracted copy of the Corporation's Charter shall only be valid as having signature of Chairman of the Board of Directors or at least a half of total members of Board of Directors

**Article 56.** Signatures of the founding shareholders or legal representative of the Corporation./.

NHABE GARMENT CORPORATION – JSC  
LEGAL REPRESENTATIVE  
CHIEF EXECUTIVE OFFICER



GENERAL DIRECTOR

PHẠM PHÚ CƯỜNG